

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
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1.0	PHA Information PHA Name: <u>MUNICIPALITY OF CAGUAS</u> PHA Code: <u>RQ007</u> PHA Type: <input type="checkbox"/> Small <input checked="" type="checkbox"/> High Performing <input type="checkbox"/> Standard <input checked="" type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: (MM/YYYY): _____												
2.0	Inventory (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: _____ Number of HCV units: <u>1325</u>												
3.0	Submission Type <input type="checkbox"/> 5-Year and Annual Plan <input checked="" type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only												
4.0	PHA Consortia <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)												
	Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program <table border="1"> <tr> <th>PH</th> <th>HCV</th> </tr> <tr> <td></td> <td></td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td></td> <td></td> </tr> </table>	PH	HCV						
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: DOES NOT APPLY												
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. DOES NOT APPLY												

6.0	<p>PHA Plan Update</p> <p>(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:</p> <p>1. Waiting List Procedures. Substandard Housing Preference changed to 3 points. Two preferences were eliminated.</p> <p>13. Violence Against Women Act (VAWA). The following activities, services, or programs are provided by the PHA in partnership with other service providers, to child and adult victims of domestic violence, dating violence, sexual assault or stalking.</p> <p>A. Case Management and Services such as psychological evaluations, support groups, counseling and agency referrals through the Caguas' Municipal Office of Women's Affairs.</p> <p>B The following activities, services, or programs are provided by the PHA in partnership with the Municipal Office of Women's Affairs to help child and adult victims of domestic violence, dating violence, sexual assault, or stalking maintain housing.</p> <p>Child Care Program - Provides funds for child care to women who are enrolled in school and/or who are employed.</p> <p>Professional and Entrepreneurship Program – Provides assistance in developing the skills needed to enter the work force and or develop a business. Also the PHA has an existing admissions preference to victims of domestic violence.</p> <p>C. The following activities, services, or programs are provided by the PHA in partnership with the Municipal Office of Women's Affairs to prevent domestic violence, dating violence, sexual assault and stalking, or to enhance victim safety in assisted families ..Provide counseling services focused on prevention of domestic violence.</p> <p>In addition the Municipality has included the preference Victims of Domestic Violence as one with the highest points</p> <p>Mandatory prohibition Sex Offender Policy</p> <p>The PHA will 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. In this screening of applicants, the PHA will perform criminal history background checks necessary to determine whether any household member is subject to a lifetime sex offender registration requirement in the State where the housing is located and in other States where the household members are known to have resided. Also assistance will be terminated to existing participants convicted (or previously convicted) for a sexual offense. The PHA will screen applicants and participants using the following page http://www.sexualoffenders.com/statedatabases/puerto-rico-sex-offender-registry.htm.</p> <p>(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.</p> <p>Copies of the 2011 Annual Plan , Administrative Plan including Homeownership and Project-based Plan can be obtained by the public in the Main Administrative Office of the PHA located at the Consolidated Medical Plaza, Office 407, Caguas,PR.</p>
7.0	<p>Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. <i>Include statements related to these programs as applicable.</i></p> <p>Homeownership program The Municipality has already implemented the Homeownership Program. The Municipality has established an annual goal of 5 cases per year. Under any circumstances the total number of cases will exceed 25%of the total vouchers available. The PHA has actually 14 Homeownership cases.</p> <p>Project-based Vouchers The Municipality will continue to use the Project-based vouchers program in the elderly families project Jardin de las Catalinas. Jardin De Las Catalinas is a housing rental project for person that are 62 years and older. The complex is located at Calle Betances, Barriada Morales facing the entrance of the Catalinas Mall in Caguas, Puerto Rico. There are 132 housing units of which 88 are subsidized under the concept of the Project Based Voucher Program. . Project may provide supportive services for families, if desired. Project composition and selection will comply with HUD regulations regarding the Project-Based Voucher Program. Program participants will be subject to all relevant Housing Choice Voucher Program regulations.</p>
8.0	<p>Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable. DOES NOT APPLY</p>
8.1	<p>Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i>, form HUD-50075.1, for each current and open CFP grant and CFFP financing. DOES NOT APPLY</p>
8.2	<p>Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i>, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan. DOES NOT APPLY</p>
8.3	<p>Capital Fund Financing Program (CFFP). <input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements. DOES NOT APPLY</p>
9.0	<p>Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. DOES NOT APPLY</p>

9.1	<p>Strategy for Addressing Housing Needs. Provide a brief description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan. DOES NOT APPLY</p>
10.0	<p>Additional Information. Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year Plan.</p> <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA’s definition of “significant amendment” and “substantial deviation/modification”</p> <p>DOES NOT APPLY</p>
11.0	<p>Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p>(g) Challenged Elements</p> <p>(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)</p> <p>(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p>

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Instructions form HUD-50075

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

1.0 PHA Information

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

2.0 Inventory

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

3.0 Submission Type

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

4.0 PHA Consortia

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

5.0 Five-Year Plan

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

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

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

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

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

PHA Plan Elements. (24 CFR 903.7)

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

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

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

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

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

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

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

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

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

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

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

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

8.2 Capital Fund Program Five-Year Action Plan

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

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

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

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

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

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

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

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

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

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

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

**OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED TO
LOCAL HUD FIELD OFFICE)**

List of Additional Information and Attachments:

1. **Form HUD-50077 PHA Certifications of Compliance with the PHA Plans and Related Regulations and Form HUD- 50077 CR, Civil Rights Certification**
2. Amendment from Last Annual Plan: Elimination of two preferences and Change of ranking points to Substandard Housing preference.
3. Violence Against Woman Act (VAWA) Statement
4. Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan
5. List of Persons Assisting the Meeting to Revise The Plan Draft Before The Public Hearing
6. Newspaper Ad Promoting and Announcing the Hearing Process
7. List of Persons Assisting the Public Hearing
8. Consultation Process: Comments of the Resident Advisory Board or Boards & Explanation of PHA Response
9. Membership of the Resident Advisory Board or Boards
10. List of Supporting Documents available for local review

**OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED TO LOCAL HUD
FIELD OFFICE)**

1. Form HUD-50077, PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Annual Plan identifying policies or programs the PHA has revised since submission of its last Annual Plan, and including Civil Rights certifications and assurances the changed policies were presented to the Resident Advisory Board for review and comment, approved by the PHA governing board, and made available for review and inspection at the PHA's principal office.

Form HUD- 50077 CR, Civil Rights Certification

(ATTACHED NEXT)

**PTA Certifications of Compliance
with PTA Plans and Related
Regulations**

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

**PTA Certifications of Compliance with the PTA Plans and Related Regulations:
Board Resolution to Accompany the PTA 5-Year and Annual PTA Plan**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as the Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the execution of the 5-Year and Annual PTA Plan for the PTA fiscal year beginning July 1, 2011, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and assurances 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 PTA 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 Fund) 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 represent to 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 903.11). The PHA has included in the Plan submitted or a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses those 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 PTA Plan that includes a policy for site-based waiting lists:
 - The PHA regularly updates its required data to HUD's 20038 PHO/DMS Media's in an accurate, complete and timely manner (as specified in PHA Notice 2007-74);
 - The system of site-based waiting lists provides for full disclosure to each applicant to 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 choice of sites and types at each site;
 - A report on the 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 regulations, 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 5 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low- or Very-Low Income Persons, and with the implementing regulation at 24 CFR Part 135.

12. The PHA will comply with acquisition and valuation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 24 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action to award contracts to minority and women-owned businesses under 24 CFR 24.103(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 activities in accordance with 24 CFR Part 58 or Part 59, 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 Governor Work Hours and Salary Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.30 and facilitate an effective audit to determine compliance with 24 CFR 85.30(a)(2)(ii)(A).
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Clearance 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 Government), 24 CFR Part 202, 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 the Plan and will utilize covered grant funds only for activities that are allowable under the regulations and 24 CFR 202.108 PHA.
20. All references to the Plan have been and will continue to be applicable 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 the 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.

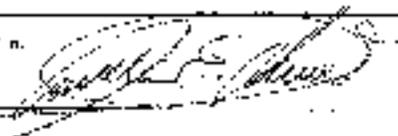
Municipality of Caguas
PHA Name

R0007
PHA Number/HA Code

5-Year PHA Plan for Fiscal Years 20__ - 20__

X Annual PHA Plan for Fiscal Years 2011 - 2012

I hereby certify that the information provided herein is true and correct, as well as my intention to provide the appropriate level of funding and resources to carry out the program described in this plan. I will be responsible for maintaining the program in accordance with 24 CFR 202.108 (b) (2) (ii) (A) and 24 CFR 202.108 (b) (2) (ii) (B).

Special Authorizing Official	Title
Mrs. Wilma Miranda Torres	Mayor
Signature: 	Date: 02/24/2011

**OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED
TO LOCAL HUD FIELD OFFICE)**

2.Amendment from Last Annual Plan

-The following preferences were eliminated:

- *A family whose head or spouse is employed at least 20 hours a week and is attending an accredited institution of higher learning full time and the course study is expected to lead to employment*
- *Veterans and veterans' families*

-Substandard Housing preference points change to 3 points.

Preference	Points
<i>Involuntary Displacement by Governmental Action</i>	4
<i>Victims of domestic violence</i>	4
<i>Victims of reprisals or hate crimes</i>	4
<i>Involuntary Displacement by Disaster or Owner Action</i>	3
<i>Homelessness</i>	3
<i>Those unable to work because of age or disability</i>	3
<i>Substandard housing</i>	3
<i>Parents that are exposed to lose their children due to the lack of a proper housing unit; to prevent custody removal</i>	2

**OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED TO LOCAL HUD
FIELD OFFICE)**

3. Violence Against Woman Act (VAWA) Statement

The PHA has goals, activities, objectives, policies, and programs that are intended to support or assist victims of domestic violence, dating violence, sexual assault, or stalking in accordance with Notice 2006-23.

A. The following activities, services, or programs are provided by the PHA in partnership with other service providers, to child and adult victims of domestic violence, dating violence, sexual assault or stalking.

Case Management and Services such as psychological evaluations, support groups, counseling and agency referrals through the Caguas' Municipal Office of Women's Affairs.

B The following activities, services, or programs are provided by the PHA in partnership with the Municipal Office of Women's Affairs to help child and adult victims of domestic violence, dating violence, sexual assault, or stalking maintain housing.

Child Care Program - Provides funds for childcare to women who are enrolled in school and/or who are employed.

Professional and Entrepreneurship Program – Provides assistance in developing the skills needed to enter the work force and or develop a business.

C. The following activities, services, or programs are provided by the PHA in partnership with the Municipal Office of Women's Affairs to prevent domestic violence, dating violence, sexual assault and stalking, or to enhance victim safety in assisted families.

Provide counseling services focused on prevention of domestic violence.

Also the PHA has an existing admissions preference to victims of domestic violence and is one with the highest points.

OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED TO LOCAL HUD FIELD OFFICE)

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

(This certification is required due to the fact that an amendment was made since the last Annual Plan.)

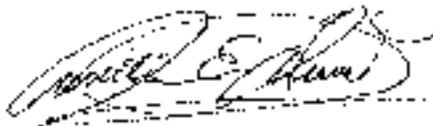
(Attached next)

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

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

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

I, WILLIAM MIRANDA TORRES the MAYOR certify that the Five Year and
Annual PHA Plan of the SECTION 8 PROGRAM (RQ037) is consistent with the Consolidated Plan of
MUNICIPALITY OF CAGUAS prepared pursuant to 24 CFR Part 91.



Signed / Dated by Appropriate State or Local Official

**OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED TO
LOCAL HUD FIELD OFFICE)**

**5. List of Persons Assisting the Meeting to Revise the Plan Draft Before the
Public Hearing**

(Attached next)

25 de enero de 2011

Sra. Clara L. Cruz Díaz
Directora Departamento de Vivienda
Municipio de Caguas

Estimada señora Cruz

Le daría de Participantes certifica que revisó el borrador del Plan Anual 2011 del Programa de Sección 8 de nuestro Municipio.

Tuego de una revisión detallada del borrador y ser orientada sobre el proceso, consideramos que el mismo puede ser presentado en audiencia pública, para revisión y comentarios de todo el que así quiera hacerlo.

Agradecemos la oportunidad de ser parte de los procesos del Programa de Sección 8, esperando ser partícipes de aquellas áreas que buscan mejorar el Programa y la calidad de vida de todos los participantes.

Cordialmente,

REPRESENTANTES JUNTA DE PARTICIPANTES
PROGRAMA SECCION 8 - CAGUAS

Nombre	Firma
<u>Evelyn Díaz</u>	<u>Clara L. Cruz Díaz</u>
<u>Yvonne Rodríguez</u>	<u>Yvonne Rodríguez</u>
<u>Ara H. Cruz</u>	<u>Ara H. Cruz</u>
<u>Yvonne de la Cruz</u>	<u>Yvonne de la Cruz</u>
<u>Yvonne de la Cruz</u>	<u>Yvonne de la Cruz</u>
<u>Yvonne de la Cruz</u>	<u>Yvonne de la Cruz</u>
<u>Yvonne de la Cruz</u>	<u>Yvonne de la Cruz</u>
<u>Yvonne de la Cruz</u>	<u>Yvonne de la Cruz</u>
<u>Yvonne de la Cruz</u>	<u>Yvonne de la Cruz</u>
<u>Yvonne de la Cruz</u>	<u>Yvonne de la Cruz</u>

**OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED TO
LOCAL HUD FIELD OFFICE)**

6. Newspaper Ad Promoting and Announcing the Hearing Process

(Attached next)

**OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED TO
LOCAL HUD FIELD OFFICE)**

7. List of Persons Assisting to the Public Hearing

(Attached next)



ESTADO LIBRE ASOCIADO DE PUERTO RICO
MUNICIPIO AUTÓNOMO DE CAGUAS
DEPARTAMENTO DE VIVIENDA

Hon. Wilfredo F. Miranda Torres
Alcalde

PLAN DE VIVIENDA

Fecha: 24 de marzo de 2011

Hora: 9:30 A.M.

Lugar: Anfiteatro Víctor Torres Lizardi de Caguas

Asunto: VISTA PÚBLICA PLAN ANUAL 2011-2012

NOMBRE	FIRMA	NÚMERO DE VOTOS
Diana Morales Aranda	D. Morales Aranda	322
Rosimar Marrero Cruz	Rosimar Marrero Cruz	347
Pyronne de la Cruz	Pyronne de la Cruz	178
Maribel Berrojo (Cruz)	Maribel Berrojo (Cruz)	292
Tara de la Cruz	Tara de la Cruz	376
Paula de la Cruz	Paula de la Cruz	300
Miguelina S. D. D. D.	Miguelina S. D. D. D.	134
Maribel Montañez	Maribel Montañez	31
Ricardo Corrales	Ricardo Corrales	
Ernesto Rodríguez	Ernesto Rodríguez	
Maribel Rodríguez	Maribel Rodríguez	270
Jenny Rodríguez	Jenny Rodríguez	744
Roberto Rodríguez	Roberto Rodríguez	160
José Rodríguez	José Rodríguez	934
Carlota Rodríguez	Carlota Rodríguez	266
Ana de la Cruz	Ana de la Cruz	297
Maribel Rodríguez	Maribel Rodríguez	296
Maribel Rodríguez	Maribel Rodríguez	315
José Rodríguez	José Rodríguez	454
Jennifer L. Martínez	Jennifer L. Martínez	183

Agencia 207, Caguas, P.R. 00225-0807
Tel: (787) 642-3631 Fax: (787) 746-6658

Correo: vilfredo.miranda@caguas.gov.pr
http://www.registro.gov.pr



ESTADO LIBRE ASOCIADO DE PUERTO RICO
MUNICIPIO AUTÓNOMO DE CAGUAS
DEPARTAMENTO DE VIVIENDA

Hon. William H. Miranda Torres
Alcalde

AGENDA DE TRABAJOS

Fecha: 24 de marzo de 2011

Hora: 8:30 A.M.

Lugar: Asesinato Victor Torres Lizarrá de Oregón

Avenida: SISTA PÚBLICA PLAN ANUAL 2011-2012

NOMBRE	FIBAN	NÚMERO DE FOECHEP
Nahuelidad Rodríguez	Melba Rodríguez	205
Jessica Elizabeth Deford	Jana Rodríguez	
Yajaira García	Yajaira García	312
Anita Castro Colla	Yajaira García	232
Eric J. Rivera Rodríguez	Yajaira García	930
Darriana Coira de Hrair	Yajaira García	
Carla Rodríguez		121
Delia Rodríguez		
Miranda Colón	Miranda Colón	346
Milagros MacKusano	Milagros MacKusano	277
Wendy L. Torres Ocasio	Wendy L. Torres Ocasio	667
Santos Quijano Mojica	Santos Quijano Mojica	206
Alberto Rodríguez Torres	Alberto Rodríguez Torres	216
Enrique Díaz	Enrique Díaz	
Marifelis López	Marifelis López	598
Shirley Martínez	Shirley Martínez	
Milagros Román	Milagros Román	600
Concepción Arguando		146
Yajaira Rodríguez	Yajaira Rodríguez	972
Eris Calderón		1040

Avenida 607, Caguas, P.R. 01311-0207
Tel. (787) 663-3638 Fax (787) 716-2012



Envíe el documento a: segreteria@cg.caguas.pr
<http://www.caguas.pr>



ESTADO LIBRE ASOCIADO DE PUERTO RICO
MUNICIPIO AUTÓNOMO DE CAGUAS
DEPARTAMENTO DE VIVIENDA

Don Wilfredo E. Miranda Torres
Alcalde

LISTA DE ASISTENTES

Fecha: 24 de marzo de 2011

Hora: 9:30 A.M.

Lugar: Asistente Víctor Torres Izard de Caguas

Asunto: VISITA PÚBLICA PLAN ANUAL 2011-2012

NOMBRE	APellido	NUMERO DE SOPORTE
Maria Estrella	Maria Estrella	960
Cathy Hernández	Cathy Hernández	234
Anna Mayans	Anna Mayans	13416
Beana Magaña	Beana Magaña	957
Wendell Rodríguez	Wendell Rodríguez	1345
Erlyse Pasa	Erlyse Pasa	109
Carman Cutina	Carman Cutina	1319
Vanesia Torres	Vanesia Torres	1385
José M. Díaz	José M. Díaz	100
Carla de la Cabaña	Carla de la Cabaña	211
Madeline Rodríguez	Madeline Rodríguez	1076
Kleinette Cambaló	Kleinette Cambaló	210
Indira Zaldívar	Indira Zaldívar	931
William Borra	William Borra	919
Wendell Rodríguez	Wendell Rodríguez	1074
Rafael Riquelme	Rafael Riquelme	
Estelita López	Estelita López	900

Apertura: 307, Caguas, P.R. 01020-9807
Tel.: (787) 882-8121 Fax: (787) 752-8122



E-mail: informacion@casaguas.gov.pr
<http://www.casaguas.gov.pr>

**OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED TO
LOCAL HUD FIELD OFFICE)**

**8. Consultation Process: Comments from the Residents Advisory Board
or Boards & Explanation of PHA Response**

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

10 (f). Consultation Process: Comments from the Residents Advisory Board or Boards & Explanation of PHA Response

BEFORE THE PUBLIC HEARING:

No comments were received

AFTER THE PUBLIC HEARING:

No comments were received regarding the changes in the administrative plan .

10(g).CHALLENGED ELEMENTS

No comments on challenged elements were received

**OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED TO
LOCAL HUD FIELD OFFICE)**

9. Membership of the Resident Advisory Board or Boards

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

All the head of the participants' families, that are model representatives of the Section 8 Program, were invited to a meeting where they were invited to become part of the Participants' Board. Those who accepted are the designated members of the Board.

In the PHA (Municipality of Caguas) the Mayor is the Executive Director (Section 8 – HCV - Program). Governing Board is for Public Housing. In Tenant Based the Official in charged is the Section 8, Federal Affairs or Housing Department Director or Coordinator. In the Municipality of Caguas, Mrs. Lizzette Serrano is the Section 8 Program Coordinator.

The Participant Advisory Board's members for the PHA are:

1. Evelyn Díaz
3. Marisela Miranda
4. Julia González
5. Juanita Rodríguez
6. Ivonnette Lecleres
7. Nilda Abreu
8. Mercedes Montañez
9. Julia Félix
10. Lourdes I Carrasquillo
11. Elizabeth Luna

**OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED TO
LOCAL HUD FIELD OFFICE)**

10. List of Supporting Documents Available for Local Review

(Attached Next)

List of Supporting Documents Available for Local Review

(Applicable to All PHA Plan Types)

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

Applicable & On Display	Supporting Document	Applicable Plan Component
X	Form HUD-50077, <i>Standard PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual PHA Plans.</i>	Standard 5-Year and Annual Plans Streamlined 5-Year Plans
X	Form HUD-500776, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Streamlined Annual PHA Plan</i> , including required PHA certification and assurances for policy and program changes since last Annual Plan.	Streamlined Annual Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan	5-Year and Annual Plans 5-Year Streamlined Plans
X	Fair Housing Documentation: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions’ initiatives to affirmatively further fair housing that require the PHA’s involvement.	5-Year and Annual Plans
X	Consolidated Plan for the jurisdiction/s in which the PHA is located (which includes the Analysis of Impediments (AI) to Fair Housing Choice); and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
X	Housing Needs Statement of the Consolidated Plan for the jurisdiction(s) in which the PHA is located and any additional backup data to support statement of housing needs for families on the PHA’s public housing and Section 8 tenant-based waiting lists.	Streamlined Annual Plan: Housing Needs
N/A	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources
N/A	Public Housing Admissions and (Continued) Occupancy Policy (A&O), which includes the Tenant Selection and Assignment Plan (TSAP) and the Site-Based Waiting List Procedure.	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
N/A	Deconcentration Income Analysis	Annual Plan: Eligibility, Selection, and Admissions Policies

List of Supporting Documents Available for Local Review
(Applicable to All PHA Plan Types)

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

Applicable & On Display	Supporting Document	Applicable Plan Component
N/A	Any policy governing occupancy of Police Officers and Over-Income Tenants in Public Housing. <input type="checkbox"/> Check here if included in the public housing A&O Policy.	Annual Plan: Eligibility, Selection, and Admissions Policies
N/A	Public housing rent determination policies, including the methodology for setting public housing flat rents. <input type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
N/A	Schedule of flat rents offered at each public housing development. <input type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies (if included in plan, not necessary as a supporting document) and written analysis of Section 8 payment standard policies. <input checked="" type="checkbox"/> Check here if included in the Section 8 Administrative Plan.	Annual Plan: Rent Determination
N/A	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation).	Annual Plan: Operations and Maintenance
N/A	Results of latest Public Housing Assessment System (PHAS) assessment (or other applicable assessment).	Annual Plan: Management and Operations
N/A	Follow-Up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary).	Annual Plan: Operations and Maintenance and Community Service and Self-Sufficiency
X	Results of latest Section 8 Management Assessment System (SEMAP).	Annual Plan: Management and Operations
X	Any policies governing any Section 8 special housing types <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan.	Annual Plan: Management and Operations
N/A	Public housing grievance procedures <input type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan.	Annual Plan: Grievance Procedures
N/A	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement/Performance and Evaluation Report (form HUD-52837) for the active grant year	Annual Plan: Capital Needs
N/A	Most recent CIAP Budget/Progress Report (form HUD-52825) for any active CIAP grant	Annual Plan: Capital Needs
N/A	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans or any other approved proposal for development of public housing	Annual Plan: Capital Needs
N/A	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See Notice 99-52	

List of Supporting Documents Available for Local Review
(Applicable to All PHA Plan Types)

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

Applicable & On Display	Supporting Document	Applicable Plan Component
	(HA).	
N/A	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
N/A	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing
N/A	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the U.S. Housing Act of 1937, or Section 33 of the U.S. Housing Act of 1937.	Annual Plan: Conversion of Public Housing
N/A	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing
N/A	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership program (Section 23.1 and Appendix II of the Section 8 Administrative Plan).	Annual Plan: Homeownership
N/A	Public Housing Community Service Policy/Programs <input type="checkbox"/> Check here if included in the public housing A & O Policy.	
N/A	Cooperative agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies.	Annual Plan: Community Service & Self-Sufficiency
N/A	FSS Action Plan/s for public housing and/or Section 8.	Annual Plan: Community Service & Self-Sufficiency
N/A	Section 3 documentation required by 24 CFR Part 135, Subpart E for public housing.	
N/A	Most recent self-sufficiency (ED/SS, TOP, or ROSS or other resident services grant) grant program reports for public housing.	Annual Plan: Community Service & Self-Sufficiency
N/A	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G). <input type="checkbox"/> Check here if included in the public housing A & O Policy.	
X	The results of the most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U. S.C. 1437c(h)), the results of that audit and the PHA’s response to any findings	Annual Plan: Annual Audit
N/A	Consortium agreements and certifications that agreements are in compliance with 24 CFR Part 943 pursuant to an opinion of counsel on file and available for inspection.	Joint PHA Plans for Consortia
N/A	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
X	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)
	Administrative Plan	

List of Supporting Documents Available for Local Review

(Applicable to All PHA Plan Types)

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

Applicable & On Display	Supporting Document	Applicable Plan Component
	Homeownership Plan Project Based Administrative Plan	

**OTHER COMPONENTS (CERTIFICATIONS TO BE SUBMITTED TO
LOCAL HUD FIELD OFFICE)**

APPENDIX 1: ADMINISTRATIVE PLAN

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i.

INTRODUCTION

PURPOSE OF THE PLAN [24 CFR 982.54]

The purpose of this Administrative Plan (Plan) is to establish policies for carrying out the programs in a manner consistent with HUD requirements, and in a manner consistent with local goals and objectives outlined in the agency plan. All pre-merger regular tenancy contracts, Housing Voucher contracts, and over fair market rent tenancy contracts have been transitioned to the Housing Choice Voucher Program as of October 1, 2001.

The Municipality of Caguas (hereinafter referred to as the PHA or HA) is responsible for complying with all changes in HUD regulations pertaining to the HUD programs it administers. If such changes conflict with this Plan, **HUD regulations will have precedence**. The PHA Board of Commissioners or other authorized PHA official/s must approve the original Plan, and any changes. The pertinent sections must be included in the agency plan with a copy provided to HUD.

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR 984: Self Sufficiency Program
- 24 CFR 985: Management Assessment Program

Local rules incorporated in this Plan are intended to promote local housing objectives consistent with the intent of federal housing legislation.

RULES AND REGULATIONS [24 CFR 982.52]

This Plan defines the PHA's local policies for operation of the housing programs in the context of federal laws and regulations. All Section 8 issues not addressed in this document are governed by federal regulations, HUD memos, notices, guidelines, or other applicable law. The policies in this Plan have been designed to ensure compliance with the consolidated annual contributions contract (ACC) and all HUD approved applications for program funding.

CHAPTER 1

SELECTION AND ADMISSION PROCEDURES

The Housing Authority has developed detailed procedures for the administration of Section 8 Housing Choice Voucher Programs (former Section 8 Existing Certificate Program). These procedures provide the framework for directing, managing, supervising and monitoring program activities. They include local procedures and policies for the treatment of applicants and participants as follow:

1.1 Opening the Waiting List and Outreach to Families

The overall objective of this activity is to assure that program availability is adequately publicized in order to reach eligible families and owners of rental housing units. Affirmative marketing efforts are a key component, since certain groups are difficult to reach by conventional means, in order to ensure that all eligible candidates have an opportunity to participate in the program.

Each time the Section 8 Office enters into Annual Contributions Contract for new units, it makes known to the public- via publication in the Section 8 Bulletin Board and/or other suitable means- the availability and nature of housing assistance for low income families. This notice contains the following information:

- When families may apply for the program. (Including datelines, when applicable.)
- A brief description of the Section 8 Program, including the possibility of families receiving assistance for the units that they are currently occupying
- It states that occupants and applicants of public and/or other housing may apply for the Section 8 Housing Programs if they wish to participate.
- Special outreach for handicapped/disable families.

PHA Policy

The following steps are undertaken annually to assure a successful outreach program for attracting families (if necessary):

- Identify resources available for performing outreach functions, including staff, community service and housing counseling agencies, churches, employers, unions, etc.
- Review methods for taking applications in order to ensure that adequate provisions are made for hardship cases, and review desirability of pooling application resources with other HA services, in order to provide information on a wider range of housing opportunities.
- Plan to implement outreach, aimed at the families least likely to apply, in advance of the date on which formal application-taking procedures are given.
- Alternative means of delivering the outreach message are analyzed, including those listed below:
 - a.) Newspaper announcements in widely circulated newspapers and/or other suitable means.
It will include posting announcements/notifications in the bulletin boards of the

Municipality's City Hall and the U.S. Local Postal Office; and when feasible, by the local TV media.

- b.) The "Word of Mouth" approach by currently assisted and/or applicant families, encouraging them to inform their friends, relatives and neighbors about the program.
- c.) Supportive outreach assistance provide by other organizations.

1.2. Applying for Admission

The application process will involve two phases. The first is the "initial" application for assistance. This first phase results in the family's placement on the waiting list. The second phase is the "final determination of eligibility". The full application takes place when the family reaches the top of the waiting list. At this time, the PHA verifies all HUD and PHA eligibility factors in order to determine the family's eligibility for the issuance of a voucher.

PHA Policy

All persons who wish to apply for any of the Housing Choice Voucher Program's (Section 8) programs must fill an application. Applications will be made accessible upon request from a person with a handicap. In order to be eligible, those persons that are not self sufficient, in terms of decision making capability (that cannot see for themselves on their own), should have a legal tutor to comply with the program requirements.

To provide specific reasonable accommodation to persons with handicaps/disabilities, upon request, the information will be mailed to the applicant, mailed to the applicant's contact person, completed by a designee, or any other specified reasonable accommodation.

The application is completed in the applicant's own handwriting, unless the applicant is a handicapped/disabled person who requests assistance or other accommodation. Applicants will be interviewed by the PHA staff to review the information on the full application form.

Verification of handicap/disability as it relates to 504, Fair Housing, or ADA reasonable accommodation will be requested at that time, or mailed to the applicant. All applicants are advised that reasonable accommodations are available.

Limits on Who May Apply

PHA Policy

When the waiting list is open:

Any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an application.

When the application is submitted to the PHA:

It establishes the family's date and time of application, and preferences for placement order on the waiting list. Also a register number will be assigned.

Insufficient funding (§ 982.454 Termination of HAP contract)

The PHA may terminate the HAP contract if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

Briefing to Families Willing to Participate in the Program

Two days a week, the PHA briefs the people who are interest in the housing assistance and as deem necessarily, they will be referred to other Local Programs or pertinent agencies.

Any family asking to be placed on the waiting list for Section 8 rental assistance will be given the following information:

- Applying process
- Requirements to qualify (income limits)
- Preferences
- Verification procedures (terms, requirements)
- Terms and process for leasing
- Applicant responsibilities (inform changes, respond on specified datelines and time frames, etc.)
- They are oriented about the deposit and housing maintenance
- Any other information deem necessary.

If there is a family that request to be added to the waiting list, the PHA will verify if there is any of the preference stated in Section 1.3 in this Chapter, and it may be added to the waiting list. These cases will be approved by the Program Coordinator.

1.3 Waiting List and Eligibility

The PHA's initial determination of eligibility for placement on the waiting list will be made in accordance with the information provided by the applicant, which will not be verified until the applicant is selected for issuance of a voucher. That is, verification on eligibility requirements will be verified prior to the family being offered Section 8.

Families who have completed applications (after all required documents have been received, evaluated and accepted by the HA), and are in the application pool are considered according to the date, time and preference of the application.

Family: (24 CFR: §5.403 and §982.4) a single or a group of persons living together, subject to the provisions and eligibility criteria established under the program [Family Composition §982.201 (c)].

Admission Preferences

Except for Special Admissions, participants will be selected from the PHA Waiting List. Eligible applicants are entitled to be placed on the Section 8 Waiting List and receive preference in selection for Vouchers if they meet certain Preferences. The PHA manages and applied preferences as stated on its most recent PHA's 5 year/ Annual Plan or PHA's Annual Plan and as established on 24 CFR 982.207.

PHA Policy

The PHA admission preferences will be established as follows (in order of ranking):

Preference	Points
Involuntary Displacement by Governmental Action	4
Victims of domestic violence	4
Victims of reprisals or hate crimes	4
Involuntary Displacement by Disaster or Owner Action	3
Homelessness	3
Those unable to work because of age or disability	3
Substandard housing	3
Parents that are exposed to lose their children due to the lack of a proper housing unit; to prevent custody removal	2

The PHA applies the Preferences in a manner consistent with the provisions of Section 982, Subpart E (Admission to Tenant-Based Program) and as prescribed in 42 U.S.C. 1437d(c)(4)(A), 1437f(d)(1)(A), 1437f(o)(3), and 1437f note; and the non-discrimination requirements.

Once there is availability for vouchers, the PHA publishes the information and notified those persons on the waiting list. Those in the waiting list are notified by mail and if available, by making phone calls and Local TV media. They are also required to update their information.

Procedures for Removing Applicant Names from the Waiting List

The applicants are removed from the waiting list when one of the followings happens:

1. There is no answer to the mailing notification,
2. With the evidence submitted, the family does not qualified for the assistance,
3. The family notifies (in writing) that they are no willing to participate on the Program, due to a change in their status; or
4. For the grounds stated in parts 2, 4, 13, 15, 16 and 21 of this Plan, or applicable regulation.

The above also applies when the family is notified the issuance of the voucher.

Removal from Waiting List and Purging [24 CFR 982.204(c)]

PHA Policy

The waiting list will be purged periodically to ensure that it is current and accurate. In order to purge the waiting list, a notice will be mailed asking applicants for confirmation of continued interest.

Any mailings to the applicant, which require a response, will state that failure to respond within 7 calendar days will result in the applicant's name being dropped from the waiting list. An extension of 30 calendar days to respond will be granted, if requested and needed as a reasonable accommodation for a person with a disability. Verification of the disability will be required.

If a letter is returned by the Post Office (“Addressee Unknown” or “undeliverable ;”), the applicant will be removed without further notice, and the envelope and letter will be maintained in the file. Mail sent from Municipality to an applicant will not be forwarded. Mail returned to Municipality, which is not the result of post office error, will result in the removal of an applicant from the waiting list. The copy of the returned letter shall constitute documentation of a reasonable effort to contact the Applicant.

Documentation of postal service error is the responsibility of the applicant and must include a letter from the Postmaster explaining the error that caused the applicant’s mail to be returned to Municipality. Applicants providing acceptable documentation will be returned to the waiting list with their original application date.

Mail sent applicant from the Municipality and not returned by the U.S. Postal Service is considered received by the applicant. If an applicant claims to not have received a mailing from the Municipality, the following process will be applied:

- Verify the address on record; AND
- Verify mail was sent to the address on record
- If mail was sent to an incorrect address, the applicant will be returned to the waiting list with their original application date.
- If mail was sent to the correct address, the applicant can submit a new application when the waiting list is open.

Families who wish to appeal the removal of their application from the waiting list must do so within thirty (30) calendar days from the date the application was removed an informal hearing will be provided.

Closing and Reopening the Waiting List PHA Policy

If there is insufficient funding to admit all eligible applicants to participate in the Section 8 Program, this PHA will suspend at any time, the acceptance or processing of new applications, or the addition of new listings to the waiting list. Only cases with PHA established preferences will be added at the end of the waiting list.

When the number of applicants on the waiting list is such that new applicants would have to wait for more than one year for a voucher, the PHA will suspend the taking of applications. This will avoid both unnecessary application processing costs and false hopes to applicant families that assistance would be available to them in the near future. Suspension of application-taking will be publicly announced in the same manner as the public notices for program availability, and once resumed, public notices will be made.

Closing the Waiting List

The PHA will stop accepting applications, if the waiting list contains enough applicants to fill anticipated openings for the next 24 months. The waiting list will not be closed if it has a discriminatory effect inconsistent with applicable civil rights laws.

"Initial" Application Procedures [24 CFR 982.204(b)]

The PHA will utilize a preliminary application form. The information is to be filled out by the applicant. The application will be taken by telephone, mailed to the applicant, or taken from an applicant who visits the office. All possible reasonable accommodation will be provided to the handicapped/disabled, upon request.

The purpose of the application is to permit the PHA to preliminarily assess family eligibility or ineligibility, and to determine placement on the waiting list. The application will contain at least the following information:

- Applicant Name
- Family Unit Size (number of bedrooms the family qualifies for under PHA subsidy standards)
- Date and time of application
- Qualification for any local preference
- Racial or ethnic designation of head of household
- Gross annual income
- Handicapped/disabled family members
- Other information, as needed to determine eligibility

Ineligible families will not be placed on the waiting list.

Pre-applications will not require an interview. The information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

Applicant Status While on Waiting List [CFR 982.204]

PHA Policy

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

If, after a review of the pre-application, the family is determined to be eligible, the family will be notified in writing, or will be notified by telephone, or in another manner, upon request, as a reasonable accommodation.

No answer to update the information on the pre-qualification, on reasonable time basis (30 days), will be considered as if the family is no interest to participate in the Program.

Eligibility

The PHA is responsible for ensuring that every individual and family admitted to the HCV program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the PHA to confirm eligibility and determine the level of the family's assistance.

To be eligible for the HCV program the applicant family must:

1. Qualify as a family as defined by HUD and the PHA.
2. Have income at or below HUD-specified income limits.
3. Qualify on the basis of citizenship or the eligible immigrant status of family members.
4. Provide social security number information for family members as required.
5. Consent to the PHA's collection and use of family information as provided for in PHA-provided consent forms.

The PHA must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or the PHA.

1.4 Definitions

Family and Household [24 CFR 982.201(c), HUD-50058 IB, p. 13]

The terms *family* and *household* have different meanings in the HCV program.

Family

To be eligible for assistance, an applicant must qualify as a family. A family may be a single person or a group of persons.

PHA Policy

Must be at least 21 years old (or emancipated minors or legally married), A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law but who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family.

Each family must identify the individuals to be included in the family at the time of application, and must update this information if the family's composition changes.

Household

Household is a broader term that includes additional people who, with the PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

Head of Household[24 CFR 5.504(b)]

Head of household means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a co head or spouse.

PHA Policy

The family may designate any qualified family member as the head of household.

The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

Spouse, Cohead, and other Adult

A family may have a spouse or co head, but not both [HUD-50058 IB, p. 13].

Spouse means the marriage partner of the head of household.

PHA Policy

A *marriage partner* includes the partner in a "common law" marriage as defined in state law. The term "spouse" does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse. A *co head* is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one co head.

PHA Policy

Minors who are emancipated under state law may be designated as a co head.

Other adult means a family member, other than the head, spouse, or co head, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults.

Dependant [24 CFR 5.603]

A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student. Identifying each dependent in the family is important because each dependent qualifies the family for a deduction from annual income.

Joint Custody of Dependant

PHA Policy

When more than one applicant or participant family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, the PHA will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.

CHAPTER 2

ISSUING OR DENYING VOUCHERS

Once the family's eligibility has been determined, the family is notified by mail of the determination taken and of the steps to follow.

The PHA will issue a voucher to the family after the family has been briefed on program requirements.

The voucher specifies the unit size for which the family qualifies. This unit size will also be used to determine the amount of assistance the PHA will pay to the owner on behalf of the family. The voucher includes both the date of voucher issuance and date of expiration. It contains a brief description of how the program works and explains the family obligations under the program.

2.1 Time of Selection [24 CFR 982.204]

PHA Policy

When there is a voucher available the next 5 persons in the waiting list are called. Applications with no preferences will be selected from the waiting list after one application with preference is selected. If there are more vouchers available more people can be called from the waiting list. The PHA will give them the request for tenancy approval document .The first one who finds a house will get the available voucher. The first one who finds a house will get the available voucher. If there is no voucher available when the other families return with the request for tenancy approval document ,based on the date and time they came will be placed waiting for the next voucher.

When funding is available, applications will be taken from the waiting list based on preferences, date and time of application. Families with preference and those with a priority placement will receive housing assistance before, regardless of family size, and subject to income targeting requirements. Each of the preferences has been awarded with points. Applications with more points will be selected first. Applications with one or more preference will be prioritized according to their preference point total. If there are two or more applications with the same total points they will be selected based on the time and date. This also applies if there are no applications with preferences. The waiting list is then rank-ordered, by number of points and in date and time order in descending order. (highest to lowest).

Based on the PHA's turnover and the availability of funding, groups of families will be selected from the waiting list to form a final eligibility "pool". Selection from the eligibility pool will be based on the completion of verification of eligibility. At the time of issuance of the voucher to a family from the waiting list a family's gross annual income must not exceed the Low Income (i.e; 80% of area median income) limit.

Ineligible families will be offered an informal review (see section 12 on this Plan) on the determination of ineligibility no later than thirty (30) days after ineligibility was determined. The applicant will be notified in writing of their ineligibility and they will have ten (10) days after the receiving of the letter to ask in writing an informal review.

2.2 Complete Full Application

PHA Policy

After a family is selected from the waiting list, applicants will be required to:

Update the initial application in his or her own handwriting, unless a handicapped/disabled person requests assistance, as reasonable accommodation. The PHA staff will interview the applicant to clarify and review the information on the full application.

The applicant must complete the full application, and provide all requested documentation and information.

2.3 Requirement to Attend Interview

PHA Policy

The PHA will request a full application interview attended by all adult family members. The purpose of the interview is to discuss the family's circumstances in greater detail, to clarify information that has been provided by the family, and to ensure that the information is true and complete.

The interview will be held in the office, by telephone, or at the applicant's home, upon request by a handicapped/disabled family, as a reasonable accommodation. The handicapped/disabled family's Designee will be allowed to participate in the interview process at the family's request.

The head of the family must sign all appropriate areas of the housing application.

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

application. Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule no later than seven days from the original appointment date. The request must be made to the staff person who scheduled the appointment.

If an application is denied due to a failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review. (See "Complaints and Appeals" section 12; and Section 6.)

All adult members must sign the HUD Form 9886, Release of Information, the application form, all PHA-required supplemental, the declarations and consents related to citizenship/immigration status, a consent form to release criminal conviction records and to allow PHA to receive and use records in accordance with HUD regulations, as well as, any other documents required by the PHA. Applicants will be required to sign additional release of information forms for information, not covered by the HUD Form 9886.

PHA Policy

Failure to complete required forms, or provide requested information, will be cause for denial of the application for failure to provide necessary certifications, releases, and documents, as required by HUD or the PHA.

If the PHA will request additional documents or information in writing, if it determines at or after the interview, that they are needed. The family will be given 30 days to supply the information. If the requested information is not supplied by the due date, the PHA will provide the family a notification of denial for assistance. (See "Complaints and Appeals" section 12 of this Plan.)

2.4 Briefing of Families and Voucher Issuance

The PHA will give the family an oral briefing and provide the family with a briefing packet containing written information about the program. Families may be briefed individually or in groups.

When the family receives a voucher, the following items will be fully explained:

- Family and owner responsibilities under the lease and HAP contracts.
- How to find a suitable unit.
- Housing Quality Standards.
- Procedures for both the family and owner regarding dwelling unit inspections.
- Fair Housing Equal Opportunity and Grievance Procedures.

A Voucher Holders Packet will be given to the family containing the following:

- {982.301(b)(1)} Voucher terms and related policies (including requirement policies)
- {982.301(b)(2)} Determination of the housing assistance payment (HAP) for family, including:
 - o Payment Standard for the family {982.301(b)(2)(1)}
 - o Information on the total tenant payment (tenant rent) {982.301(b)(2)(2)}

- {982.301(b)(3)} How maximum rent is determined for an assisted unit
- {982.301(b)(4)} Required lease provisions, including:
 - o Lease qualifications
 - o Portability eligibility (24 CFR 982.354 & 982.355)
- {982.301(b)(5)} Tenancy addendum requirements
- {982.301(b)(6)} Request for lease approval (including the form and its explanation)
- {982.301(b)(7)} Information the owner may require or may get to know
- {982.301(b)(8)} Subsidy Standards
- {982.301(b)(9)} HUD brochure on How to select a unit
- {982.301(b)(10)} Fair housing information, including:
 - o Housing Discrimination complaint form
 - o Disability complaints procedures (including information from the State Agency:
- o Oficina del Procurador de las Personas con Impedimentos” (Office of the Attorney for Disabled Persons) / See sections 6 and 12 of this Administrative Plan.
- {982.301(b)(11)y(12)} A list of available housing units for lease, including an statement of the availability of the PHA (as per the family request and to the knowledge of the PHA) to:
 - o help the family to find a unit; and to
 - o provided special assistant for families with disabled persons
- {982.301(b)(13)y(14)} Family obligations under the program, including (if apply) obligations of a welfare-to-work family
- {982.301(b)(15)} Informal hearing procedures
- Lead-based paint notices and certificate
- Schedule of utility allowances
- Form HUD-1140 OIG – “Things you must know”
- List of other housing agencies in the area

2.5 Policy Governing the Voucher Term and Any Extensions of the Voucher Term.

Voucher Term

The initial term of a voucher must be at least 60 calendar days. The initial term must be stated on the voucher [24 CFR 982.303(a)].

PHA Policy

The family must submit a Request for Tenancy Approval and proposed lease within the 60-day period unless the PHA grants an extension.

The family will obtain the pertinent request form for lease approval. The family will be given ample opportunity to discuss and raise questions with relation to the abovementioned orientation. Personal assistance will be provided to families in an attempt to help them find adequate housing.

The PHA will encourage participation of owners of suitable units located outside areas of low income or minority concentrations. Owners will be oriented in relation to this matter.

V Voucher Term Extensions

PHA Policy

Voucher Term Extensions

The PHA will grant 30 days with two justified extensions of 30 day's period to find a suitable unit.

All requests for extensions should be received prior to the expiration date of the Voucher. Extensions are permissible at the discretion of the HA primarily for the following reasons:

- a) Extenuating circumstances such as hospitalization or a family emergency for an extended period of time, which has affected the family's ability to find a unit within the initial 30-day time period. The HA representative will verify the extenuating circumstances prior to granting an extension.
- b) The family has evidence that they have made a consistent effort to locate a unit and request support services from the HA, throughout the initial 30-day period with regard to their inability to locate a unit.
- c) The family has turned in a Request for Lease Approval prior to the expiration of the 30-day time period, but the unit has not passed HQS.
- d) Time Period for extensions: A HA representative will grant one or more extensions not to exceed a total of 30-day. The initial term plus any extensions MAY NOT exceed 120 calendar days for the beginning of the initial term.
- e) Extensions for Disabled persons: the HA representative will grant an extension of up to 120 days for persons who are disabled.

When the voucher term expires, the PHA will require that the family reapply when the PHA begins accepting applications.

Suspension (or “tolling”) of Term

The PHA grants the family a suspension of the voucher term if the family has submitted a request for approval of the tenancy during the term of the voucher. {24 CFR 982.4 and 982.303}

The PHA grant a suspension for any part of the period after the family has submitted a request for approval of the tenancy up to the time when the PHA approves or denies the request. {24 CFR 982.54(d)(2)}

PHA Policy

Once the family submits a unit for approval, during the period that covers the voucher term (60 days), the PHA stops the clock on the term of the family’s vouchers, if the family has submitted a request for approval of the tenancy. The clock will be stopped up to the time the PHA approves or denies the request.

For example (see “HUD’s Housing Choice Voucher Guidebook”), a Voucher Issued on May 1 with its Expiration Date on June 29

Family Submits Request for Tenancy Approval: May 15

PHA Denies Unit: May 24

Tolling Time: 9 Days (May 16-24)

New Voucher Expiration Date: July 8 (June 29 + 9 days)

To be granted a suspension of voucher term, the family must have submitted its first unit option and request of approval of the tenancy during the first 30 days of the voucher period; or at least demonstrate there’s a difficulty in finding an affordable housing unit due to a reasonable and justified circumstance. Justified circumstances include:

- When the family has demonstrated there’s a difficulty in finding a suitable unit during the initial term. The family must demonstrate its efforts to find a unit by: the Program, contact owners and real estate companies, search newspapers listing, explore neighborhoods for “For Rent” signs, check with local churches, and other community organizations;
- Where there is a reasonable possibility that the family may need additional advice and assistance to find a suitable unit;
- Depending on the level of support services requested by and provided to the family;
- Extenuating circumstances that prevented the family from finding a unit, such as:
 - Serious illness in the family;

- Death in the family,
- Family emergency;
- Obstacle due to employment;
- Whether the family has already submitted requests for approval of the tenancy for units that were not approved by the PHA; and
- Whether the family size or other special requirements made finding a unit difficult.

When the voucher term expires, the PHA will require that the family reapply when the PHA begins accepting applications (as funds are available and/or the process is open).

Suspensions should be requested in writing and after the first 30 days it will be evidenced (see justified circumstances above).

2.6 Verification

The PHA's Section 8 Program will verify information related to waiting list preferences, eligibility, admission and level of benefits prior to admission. Periodically during occupancy, items related to eligibility and rent determination shall also be reviewed and verified. Income, assets, and expenses will be verified, as well as disability status, need for a live-in aide and other reasonable accommodations, full-time student status of family members 18 years of age and older, Social Security Numbers, citizenship/eligible noncitizen status. Age and relationship will only be verified in those instances where needed to make a determination of level of assistance.

Verification of Preferences

PHA Policy

PHA will request and verify the preferences accordingly

Domestic Violence

Restraining Order (Injunction)

Divorce Decree

Police Report

Involuntary Displacement

By act of nature

By act of government

Homelessness

Government Agency Referral

Victims of Hate Crimes

Police Report

Law Enforcement Referrals

Witness Protection Program

Those Unable to Work because of age or disability and lacks an adequate housing unit

Proof of age
Health Professional Verification of Disability
Medical Evidence
Substandard Housing
Home Visit
Social Worker Referrals
Local Agencies Referrals & Home Visit
Prevent Custody removal due to lack of proper housing unit
Social Services Agency Referral
Court Custody Order

Required Consent by Applicants & Participants

Each member of the family of an assistance applicant or participant, who is at least 18 years of age, and each family head and spouse, regardless of age, shall sign one or more consent forms. See 24 CFR §5.230.

Sign Consent- Applicants and participants must sign a consent form HUD 9886 to request the following: current or previous wages and salaries from employers, wage information and unemployment compensation from the State agency charged with the administration of the State unemployment law, and income information from the Commissioner of Social Security and the Secretary of the Treasury.

PHA Policy

All adults must sign a general consent to verify all other income, expenses, utilities and criminal background, when request by agency.

General Rules

Age, relationship, U.S. citizenship, and Social Security Numbers will generally be verified with documentation provided by the family. For citizenship, a Declaration 214 must be completed and sign. Support documentation must be provide, such as listed in the table below will be required. Verification of these items will include photocopies (of provided originals) of the Social Security cards and other documents presented by the family, the INS SAVE approval code, and forms signed by the family.

Social Security

All applicants and participants will be required to disclose the complete and accurate social security number (SSN) assigned to the applicant/participant and to each member of the applicant's/participant's household.

In the event an applicant / participant will add a new member under the age of six that has not been assigned an SSN, the PHA will extend up 90 days to provide documentation of the SSA to the PHA. If the new member has an SSA number assigned, but the tenant can not provide the documentation, it will not be add to the family composition until the family has complied with SSS disclosure & verification requirements.

Verification of General Items

The chart below outlines the factors that will be verified and gives common examples of the verification that will be sought.

Verification Requirements for Individual Items: General Eligibility Items		
Item to Be Verified	3rd party verification	Hard-carried verification
Social Security Number	Letter from Social Security, electronic reports	Social Security card ,
Citizenship	N/A	Declaration 214 Signed certification, voter's registration card, birth certificate, etc.
Eligible immigration status	INS SAVE confirmation #	Declaration 214 INS card
Disability	Letter from medical professional, SSI, etc.	Proof of SSI or Social Security disability payments
Full time student status (if >18)	Letter from school	For high school students, any document evidencing enrollment
Need for a live-in aide	Letter from doctor or other professional knowledgeable of condition	N/A
Child care costs	Letter from care provider	Bills and receipts
Disability assistance expenses	Letters from suppliers, care givers, etc.	Bills and records of payments
Medical expenses (prescription drugs, regular visits to doctors including naturopaths , medical equipment)	Letters from providers, prescription record from pharmacy, medical professional's letter stating assistance or a companion animal is needed	Bills, receipts, records of payment, dates of trips, mileage log, receipts for fares and tolls

Requirements for Acceptable Documents

PHA Policy

Any documents used for verification must be the original (not photocopies) and generally must be dated within 60 calendar days of the date they are provided to the PHA. The documents must not be damaged, altered or in any way illegible.

The PHA will accept documents dated up to 6 months before the effective date of the family's reexamination if the document represents the most recent scheduled report from a source. For example, if the holder of a pension annuity provides semi-annual reports, the PHA would accept the most recent report.

The PHA staff member who views the original document must make a photocopy, annotate the copy with the name of the person who provided the document and the date the original was viewed, and sign the copy.

Any family self-certifications must be made in a format acceptable to the PHA and must be signed in the presence of a PHA representative

Income

Income and Allowances [24 CFR 5.609]

“Income” includes all financial assets from any source, monetary or not, that are received by any member of the family. For purposes of calculating the Total Tenant Payment, HUD defines in the federal regulations what is to be counted and what is to be excluded. In accordance with this definition, all income that is not specifically excluded by the regulations is counted

“Annual income” is the gross income anticipated to be received by all family members in the 12 months following certification or recertification. Gross income is the amount of income prior to any HUD allowed expenses or deductions. Annual income is used to determine whether applicants are within the applicable income limits.

“Adjusted income” is the annual income minus any HUD allowed expenses and deductions.

HUD authorizes the following allowable deductions from annual income:

1. Dependent allowance: \$480 for each family member who is a minor, and for family members who are 18 and older who are full-time students or who are disabled (other than head of household, co-head or spouse);
2. Elderly/disabled allowance: \$400 per family for families whose head, co-head or spouse is 62 or over or disabled;
3. Medical and dependent care allowance: The sum of the following, to the extent the sum exceeds 3 percent of annual income: a) Unreimbursed medical expenses of any elderly or disabled family member; and b) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each disabled family member, to the extent necessary to enable any family member to be employed. This

deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus.

4. Child care expenses for children age 12 and under may be deducted from annual income if they enable an adult to work or attend school full-time, or to actively seek employment.

PHA Policy regarding types of income

Earned Income

The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income [24 CFR 5.609(b)(1)].

PHA Policy

Persons earning wages and/or salaries will be required to provide 3 consecutive paychecks stubs or a printout from the payroll company as a form of tenant provided documents.

Temporary, Unstable Income

PHA Policy

When the PHA cannot readily anticipate income based upon current circumstances (e.g., in the case of unstable working hours, the PHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.

Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to the PHA to show why the historic pattern does not represent the family's anticipated income

Business Income [24 CFR 5.609(b)(2)]

Annual income includes "the net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family" [24 CFR 5.609(b)(2)].

Negative Business Income

If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.

Child Support/Alimony

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

PHA Policy

If the amount of child support or alimony received is less than the amount awarded by the court or by ASUME Agency the PHA will use the amount awarded by the court unless the family can verify that they are not receiving the full amount and verification of item(s) below are provided. PHA will accept verification that the family is receiving an amount less than the award if:

1. PHA receives verification from the agency responsible for enforcement or collection; or
2. The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

It is the family's responsibility to supply a certified copy of the Divorce Decree.

If an applicant or a participant is entitled to child support payment but is not receiving the payment, he can request that the income is not counted. The participant must demonstrate evidence of the efforts in court or with ASUME state agency to receive the childcare payments.

PHA Policy

The Municipality will verify the status of the child support payment (With ASUME) in the next reexamination. If the participants do not request this benefit the full child support payment income will be counted. Also must enter into an agreement that establishes that if the childcare assistance payment is received it will reimburse the overpayment.

Regular Contributions or Gifts

The PHA must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with an assisted family.

PHA Policy

Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis.

Nonmonetary contributions will be valued at the cost of purchasing the items, as determined by the PHA. For contributions that may vary from month to month (e.g., utility payments), the PHA will include an average amount based upon past history.

Assets [24 CFR 5.609(b)(3) and 24 CFR 5.603(b)]

HUD requires that the PHA include in annual income the "interest, dividends, and other net income of any kind from real or personal property" [24 CFR 5.609(b)(3)].

The PHA generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset. As is true for all sources of income, HUD authorizes the PHA to use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) the PHA believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income but the property is currently vacant, the PHA can take into consideration past rental income along with the prospects of obtaining a new tenant.

PHA Policy

The PHA will use review of documents in lieu of requesting third-party verification when the market value of an individual asset or an expense is less than \$5,000 annually *and* the family has original documents that support the declared amount.

Anytime current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to the PHA to show why the asset income determination does not represent the family's anticipated asset income.

Valuing Assets

The calculation of asset income sometimes requires the PHA to make a distinction between an asset's market value and its cash value.

The market value of an asset is its worth (e.g., the amount a buyer would pay for real estate or the balance in an investment account).

The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

Income from assets includes; Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as a deduction in determining net income. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.

PHA Policy

Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions.

Jointly Owned Assets

The regulation at 24 CFR 5.609(a)(4) specifies that annual income includes "amounts derived (during the 12-month period) from assets to which any member of the family has access."

PHA Policy

If an asset is owned by more than one person and any family member has unrestricted access to the asset, the PHA will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.

If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, the PHA will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, the PHA will prorate the asset evenly among all owners.

Types of Assets

Checking and Savings Accounts

For regular checking accounts and savings accounts, *cash value* has the same meaning as *market value*. If a checking account does not bear interest, the anticipated income from the account is zero.

PHA Policy

In determining the value of a checking account, the PHA will use the average monthly balance for the last six months.

In determining the value of a savings account, the PHA will use the current balance.

In determining the anticipated income from an interest-bearing checking or savings account, the PHA will multiply the value of the account by the current rate of interest paid on the account.

Equity in Real Property or Other Capital Investments

PHA Policy

The PHA will request, among others, is a certification from the CRIM (Center for Municipal Income and Tax Collection) to be considered for negative ownership for local real estate properties to the tenant declaration for asset verification and, a certification from the P.R. Department of Labor and Human Resources to be considered for job verification.

Life Insurance

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets [HCV GB 5-25]. The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

Retirement Accounts

While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset .

After a family member retires or terminates employment, any amount distributed to the family member is counted as a periodic payment or a lump-sum receipt, as appropriate except to the extent that it represents funds invested in the account by the family member. The balance in the account is counted as an asset only if it remains accessible to the family member.

IRA, Keogh, and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty

Income Verification

As required by 24 CFR 5.233, the PHA will use HUD's EIV system as a third party source to verify tenant employment and income information during mandatory reexaminations or recertification's of family composition and income. When EIV is obtained and the family does not dispute the EIV employer data, the PHA will use current tenant-provided documents to anticipate annual income.

The PHA will put forth all its efforts to ensure that all available resources are used, including upfront income verification techniques; to obtain verification of tenant reported (unreported or underreported) income.

The PHA's Section 8 Program will use the following verification methods in the order listed below:

- (1) Upfront Verification-Using EIV
- (2) Upfront Verification –Using non- HUD System
- (3) Written Third Party Verification
- (4) Written Third Party Verification Form
- (5) Oral Third Party Verification
- (6) Tenant Certification

For applicants a credit report will be used to determine whether the reported income and family composition is consistent with the household's credit relationships and expenditures. An EIV report will be pulled after 120 of the date of admission to the program.

Verification Techniques Definitions

Third Party Verification Techniques

Upfront Income Verification (UIV) (Level 6/5): The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals. It should be noted that the EIV system is available to all PHAs as a UIV technique. PHA may use other non-HUD UIV tools, such as The Work Number (an automated verification system) and state government databases, to validate tenant-reported income.

Written Third Party Verification (Level 4): An original or authentic document generated by a third party source dated either within the 60-day period preceding the reexamination or PHA request date. Such documentation may be in the possession of the tenant (or applicant), and is commonly referred to as tenant-provided documents. It is the Department's position that such tenant-provided documents are written third party verification since these

documents originated from a third party source. The PHA may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information.

Examples of acceptable tenant-provided documentation (generated by a third party source) include, but are not limited to: pay stubs, payroll summary report, employer notice/letter of hire/termination, SSA benefit verification letter, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.

Current acceptable tenant-provided documents must be used for income and rent determinations.

The PHA will be required to obtain three current and consecutive pay stubs for determining annual income from wages. For new income sources or when three pay stubs are not available, the PHA should project income based on the information from a traditional written third party verification form or the best available information.

Note: Documents older than 60 days (from the PHA interview/determination or request date) is acceptable for confirming effective dates of income.

Written Third Party Verification Form (Level 3): Also, known as traditional third party verification. A standardized form to collect information from a third party source. The form is completed by the third party by hand (in writing or typeset). PHA will send the form directly to the third party source by mail, fax, or email. Verification forms and reports received will be contained in the applicant/tenant file, including name date of contact, amount received, etc.

Oral Third Party Verification (Level 2): Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique or identified by the family, via telephone or in-person visit. PHA staff should document in the tenant file, the date and time of the telephone call (or visit to the third party), the name of the person contacted and telephone number, along with the confirmed information. This verification method is commonly used in the event that the independent source does not respond to the PHA's faxed, mailed, or e-mailed request for information in a reasonable time frame, i.e., **ten (10) business days**. Oral third party documentation will include the same information as if the documentation had been written, i.e., name date of contact, amount received, etc.

Non-Third Party Verification Technique

Tenant Declaration (Level 1): The tenant submits an affidavit or notarized statement of reported income and/or expenses to the PHA. This verification method should be used as a last resort when the PHA has not been successful in obtaining information via all other verification techniques. When the PHA relies on tenant declaration, the PHA must document in the tenant file why third party verification was not available.

Exceptions to Third Party Verification Requirements

Oftentimes, the PHA may have made numerous attempts to obtain the required verifications with no success, or it may not be cost effective to obtain third party verification of income, assets, or expenses, when the impact on total tenant payment is minimal. In these cases, the PHA will **document in the family file the reason(s) why third party verification was not available.**

The exception to third party verification can be found at 24 CFR §960.259(c)(1) and §982.516(a)(2), which states, “The PHA must obtain and document in the family file third party verification of the following factors, **or must document in the file why third party verification was not available.**”

When the PHA will request written third party verification The PHA will request written third party verification under the following circumstances:

- a.** When the tenant disputes the EIV information and is unable to provide acceptable documentation to support his/her dispute (24 CFR §5.236(b));
- b.** When the PHA requires additional information that is not available in EIV and /or the tenant is unable to provide the PHA with current acceptable tenant-provided documentation. Examples of additional information, includes but is not limited to:
 - i.** Effective dates of income (i.e. employment, unemployment compensation, or social security benefits)
 - ii.** For new employment: pay rate, number of hours worked per week, pay frequency, etc.
 - iii.** Confirmation of change in circumstances (i.e. reduced hours, reduced rate of pay, temporary leave of absence, etc.)

When discrepancies exist within written third party verification and family provided documents, PHA will use the most current amount to anticipate income. The PHA will never use EIV quarterly wage or unemployment income to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the PHA annualized projected income.

Below are the levels and the order of verification methods that the PHA’s Section 8 Program will use in determining a family's Total Tenant Payment (TTP).

Level	Verification Technique	Ranking
6	Upfront Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system (not available for income verifications of applicants)	Highest (Mandatory)
5	Upfront Income Verification (UIV) using non-HUD system	Highest (Optional)
4	Written third Party Verification	High (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIVreported employment and income information and is unable to provide acceptable documentation to support dispute)
3	Written Third Party Verification Form	Medium-Low (Mandatory if written third party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)
2	Oral Third Party Verification	Medium-Low (Mandatory if written third party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)
1	Tenant Declaration	Low (Use as a last resort when unable to obtain any type of third party verification)

Unreported Income

PHA Policy

The PHA will determine the retroactive rent as far back as the existence of complete file documentation (form HUD-50058 and supporting documentation) to support such retroactive rent determinations.

If the participant misreported an employment, the Municipality will contact the employer to verify the employment history including for how long the participant has been working. Taking into consideration the employment history the Municipality will re-calculate the assistance and if necessary a payment plan will be established.

Zero Income

When an applicant reports zero income, the Municipality will conduct an income verification that includes ordering a credit report on the family member. If the Family member owns a motor vehicle, a telephone, or has other evidence of some form of expenditures reflecting income, the Family member will be asked to explain the source of funds supporting such cash expenditures. Families reporting zero income will be conducted an interim reexamination each six months.

When a family member work at home

In cases that any adult member of the family works at home, the activity must not affect the unit structure and the neighborhood peaceful.

Averaging Income

When Annual Income cannot be anticipated for a full twelve months, the HA will:

1. Average known sources of income that vary to compute an annual income, or
2. Annualize current income and conduct an interim reexamination if income changes.

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

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

The method used depends on the regularity, source and type of income.

Earned Income Disallowance for Persons with Disabilities (24 CFR 5.617)

The earned income disallowance (EID) encourages people with disabilities to enter the work force by not including the full value of increases in earned income for a period of time. The full text of 24 CFR 5.617 is included as Exhibit 6-4 at the end of this chapter. Eligibility criteria and limitations on the disallowance are summarized below.

Eligibility

This disallowance applies only to individuals in families already participating in the HCV program (not at initial examination). To qualify, the family must experience an increase in annual income that is the result of one of the following events:

- Employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment. *Previously unemployed* includes a person who annually has earned not more than the minimum wage applicable to the

community multiplied by 500 hours. The applicable minimum wage is the federal minimum wage unless there is a higher state or local minimum wage.

- Increased earnings by a family member who is a person with disabilities and whose earnings increase during participation in an economic self-sufficiency or job-training program. A self-sufficiency program includes a program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work to such families [24 CFR 5.603(b)].
- New employment or increased earnings by a family member who is a person with disabilities and who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months. If the benefits are received in the form of monthly maintenance, there is no minimum amount. If the benefits or services are received in a form other than monthly maintenance, such as one-time payments, wage subsidies, or transportation assistance, the total amount received over the six-month period must be at least \$500.

Calculation of the Disallowance

Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with his or her "prior income."

PHA Policy

The PHA defines *prior income*, or *prequalifying income*, as the family member's last certified income prior to qualifying for the EID.

The family member's prior, or prequalifying, income remains constant throughout the period that he or she is receiving the EID.

-Initial 12-Month Exclusion

During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.

PHA Policy

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

-Second 12-Month Exclusion and Phase-In

During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.

Lifetime Limitation

The EID has a four-year (48-month) lifetime maximum. The four-year eligibility period begins at the same time that the initial exclusion period begins and ends 48 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between public housing and Section 8 assistance, or if there are breaks in assistance.

PHA Policy

During the 48-month eligibility period, the PHA will schedule and conduct an interim reexamination each time there is a change in the family member's annual income that affects or is affected by the EID (e.g., when the family member's income falls to a level at or below his/her prequalifying income, when one of the exclusion periods ends, and at the end of the lifetime maximum eligibility period).

Anticipating Expenses

PHA Policy

Generally, the PHA will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g., child care during school and nonschool periods and cyclical medical expenses), the PHA will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses, the PHA will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. However, amounts previously deducted will not be allowed even if the amounts were not paid as expected in a preceding period. The PHA may require the family to provide documentation of payments made in the preceding year

Child Care Expense Deduction

PHA Policy

The family must identify the family member(s) enabled to pursue an eligible activity. The term *eligible activity* in this section means any of the activities that may make the family eligible for a child care deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family's request, the PHA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

PHA Policy

If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member's job search efforts are not commensurate with the child care expense being allowed by the PHA.

Furthering Education

PHA Policy

If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

Being Gainfully Employed

PHA Policy

If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Allowable Child Care Activities

PHA Policy

For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of child care.

The costs of general housekeeping and personal services are not eligible. Likewise, child care expenses paid to a family member who lives in the family's unit are not eligible; however, payments for child care to relatives who do not live in the unit are eligible.

If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, the PHA will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Necessary and Reasonable Costs

Child care expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and (2) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

PHA Policy

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For child care that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of child care costs, the PHA will use the schedule of child care costs from the local welfare agency. Families may present, and the PHA will consider, justification for costs that exceed typical costs in the area.

Medical Expenses

Eligible medical expenses are deducted from the total household income if the total medical expenses exceed 3% of annual income and the head of household, co-head, or spouse is elderly (over 62) or disabled

CHAPTER 3
POLICY ON SPECIAL RULES FOR USE OF AVAILABLE FUNDS
(SPECIAL PURPOSE): ASSISTANCE TARGETED BY HUD
(See also Section 23 Special Housing Assistance)

3.1 General Rules

The PHA applied for additional funds as they become available. When HUD awards special funding for certain family types, families who qualify are placed on the regular waiting list. When a specific type of funding becomes available, the waiting list is searched for the first available family meeting the targeted funding criteria, unless, as a requirement of the program, eligible families are referred from a social service agency. The PHA will follow the applicable regulation in the administration of the special purpose vouchers (as granted).

Special Funding: NOFA (Notice of Funding Availability)

Additional vouchers funding, such as Occupancy NOFA, would be selected from the waiting list proceeding, the regular selection procedures and/or those procedures establishes in the Federal Register.

Special Population Vouchers

Vouchers target to special population, such as Family Unification, Welfare-to-Work, Mainstream Opportunities- Services to Persons with Disabilities; will be publicly announced and selected from a special waiting list.

Special Housing Types Funding

The PHA does not plan to apply for Special Housing Types Funding. If eventually, the PHA decides to apply for such funding; the policies on special rules will be states as follows:

When HUD awards funding to a PHA program, which is targeted for families living in specified units (such as Housing Demolition, Mainstream Housing - Elderly Designation, etc.), the PHA must use the assistance for the families living in those units. The PHA must admit said families under a Special Admission procedure.

Special Admission is given to families that are not on the waiting list, or without considering the family's position on the waiting list. The PHA must maintain records showing that a family was admitted with HUD-targeted assistance. Special admission families need not to qualify for any preference. They are not counted against the limit of local preference admissions. The PHA must maintain a separate record of these admissions.

CHAPTER 4 OCCUPANCY POLICIES

The PHA will only admit an eligible family to the program. To be eligible, the applicant must be at least 21 years old (if not, must be emancipated or legally married), must be a “family”, must be income- eligible, and must be a citizen or a noncitizen that has eligible immigration status; as determined in accordance with 24CFR Part 5.

4.1 Family Composition and Income Eligibility

The PHA defines family and income eligibility as stated on the 24 CFR Part 982.201. This definition includes “live-in-aide” and single person, among others.

Live in Aid

To consider a person a “live-in-aide”, such person must be essential for the care and aide of the person who serves as a companion. To determine its eminent presence in the dwelling unit, the family must submit appropriate medical certification and any other evidence that the PHA deem necessary. Approval of a live-in aide for reasonable accommodation will be in accordance with CFR 24 Part 8.

Per Title 24 CFR 982.316, the PHA will refuse to approve a particular person as a live-in aide, or may withdraw such approval if:

- The person commits or has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- The person commits or has committed drug-related criminal activity or violent criminal activity; or
- The person 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.

4.2 Continuously Assisted Family

As established in the 24 CFR 982.201, an applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

It is in this regard that the PHA 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 periods 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.”

4.3 Standards for Denying Admission or Terminating Assistance Based on Criminal Activity or Alcohol Abuse in Accordance with Sec. 982.553

The members of the household may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

Action or inaction by family.

The PHA may deny assistance for an applicant or terminate assistance for a participant under the programs because of the family's action or failure to act as described in this section or Sec. 982.553. 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.

Requirement to deny admission or terminate assistance.

1. For provisions on denial of admission and termination of assistance for illegal drug use, other criminal activity, and alcohol abuse that would threaten other residents, the PHA applies the rules on the 24 CFR Sec. 982.553.
2. If the family has been engaged in criminal activity or alcohol abuse as described in Sec. 982.553.

The PHA will prohibit admission to the program of an applicant for three (3) years from the date of eviction if a household member has been evicted from federally assisted housing for drug-related criminal activity. However, it is the PHA decision to admit the household if the PHA determines:

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

If the PHA determines (with evidence) that the evicted person clearly did not participate in or know about the drug-related criminal activity and the leading to eviction no longer exist (as part B, above).

The PHA will prohibit admission if:

- (A) Any household member is currently engaging in illegal use of a drug;

(B) It is determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents; or

(C) Any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

Mandatory prohibition

Prohibition Sex Offender Policy

The PHA will 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. In this screening of applicants, the PHA will perform criminal history background checks necessary to determine whether any household member is subject to a lifetime sex offender registration requirement in the State where the housing is located and in other States where the household members are known to have resided. Also assistance will be terminated to existing participants convicted (or previously convicted) for a sexual offense. The PHA will screen applicants and participants using the following page <http://www.sexualoffenders.com/statedatabases/puerto-rico-sex-offender-registry.htm>.

Violence Against Woman Act Compliance

The PHA has goals, activities, objectives, policies, and programs that are intended to support or assist victims of domestic violence, dating violence, sexual assault, or stalking in accordance with Notice 2006-23.

A. The following activities, services, or programs are provided by the PHA in partnership with other service providers, to child and adult victims of domestic violence, dating violence, sexual assault or stalking.

Case Management and Services such as psychological evaluations, support groups, counseling and agency referrals through the Caguas' Municipal Office of Women's Affairs.

B The following activities, services, or programs are provided by the PHA in partnership with the Municipal Office of Women's Affairs to help child and adult victims of domestic violence, dating violence, sexual assault, or stalking maintain housing.

Child Care Program - Provides funds for childcare to women who are enrolled in school and/or who are employed.

Professional and Entrepreneurship Program – Provides assistance in developing the skills needed to enter the work force and or develop a business.

C. The following activities, services, or programs are provided by the PHA in partnership with the Municipal Office of Women's Affairs to prevent domestic violence, dating violence, sexual assault and stalking, or to enhance victim safety in assisted families.

Provide counseling services focused on prevention of domestic violence.

Also the PHA has an existing admissions preference to victims of domestic violence.

Permissive prohibitions

A. The PHA will prohibit admission of a household to the program if the PHA determines that any household member is currently engaged in, or has engaged for three (3) years before the admission:

- (1) Drug-related criminal activity;
- (2) Violent criminal activity;
- (3) 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; or
- (4) Other criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the PHA (including a PHA employee or a PHA contractor, subcontractor or agent).

If the PHA previously denied admission to an applicant because a member of the household engaged in criminal activity, it is the PHA decision to reconsider the applicant if the PHA has sufficient evidence that the members of the household are not currently engaged in, and have not engaged in, such criminal activity during a reasonable period, as determined by the PHA, before the admission decision.

(1) The PHA would have sufficient evidence if the household member submitted a certification that she or he is not currently engaged in and has not engaged in such 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 the PHA verified.

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

B. Prohibiting admission of alcohol abusers. The PHA will prohibit admission to the program if the PHA determines that it has reasonable cause to believe 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.

C. The PHA will at any time deny program assistance for an applicant, for any of the following grounds:

- If the family has been evicted from federally assisted housing in the last 5 years.
- If the family currently owes rent or other amounts to the PHA in connection with HCV or public housing assistance; including not having reimbursed any PHA for amounts paid to an owner on behalf of the family; or breaching a repayment agreement with the PHA.
- 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 has engaged in or threatened abusive or violent behavior toward PHA personnel.
- If the family violates any family obligations under the program previously
- If Social Security Number requirements are not met
- If any family member fails to sign and submit required consent forms
- If a family member does not establish citizenship or eligible immigration status.

When deciding whether to deny assistance because of action or failure to act by members of the family, the PHA may consider: the seriousness of the case, the extent of participation/culpability of family members, mitigating circumstances relating to a family member's disability and the effects of denial of assistance on other family members who were not involved in the action or failure to act. In these cases the family members who participated in or were culpable for the action or failure cannot reside in the unit.

Terminating assistance for drug criminals

The PHA will terminate assistance for a family under the program if the PHA determines that:

- (A) Any household member is currently engaged in any illegal use of a drug; or
- (B) A pattern of illegal use of a drug by any household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

The PHA will immediately terminate assistance for a family under the program if the PHA determines 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.

The PHA will terminate assistance under the program for a family if the PHA determines that any family member has violated the family's obligation under Sec. 982.551 not to engage in any drug-related criminal activity.

Terminating assistance for other criminals

The PHA will terminate assistance under the program for a family if the PHA determines that any household member has violated the family's obligation under Sec. 982.551 not to engage in violent criminal activity.

Terminating assistance for alcohol abusers

The PHA will terminate assistance for a family if the PHA determines 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.

Evidence of criminal activity

The PHA will terminate assistance for criminal activity by a household member as authorized in this section if the PHA determines, based on a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.

Terminate Program Assistance

The PHA will at any time terminate program assistance for a participant, for any of the following grounds:

- If the family is evicted from housing assistance under the program for serious violation of the lease.
- If the family currently owes rent or other amounts to the PHA in connection with HCV or public housing assistance; including not having reimbursed any PHA for amounts paid to an owner on behalf of the family; or breaching a repayment agreement with the PHA.
- 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 has engaged in or threatened abusive or violent behavior toward PHA personnel.
- If the family violates any family obligations under the program
- If Social Security Number requirements are not met
- If any family member fails to sign and submit required consent forms
- If a family member does not establish citizenship or eligible immigration status.

Use of criminal record

(1) Denial - If a PHA proposes to deny admission for criminal activity as shown by a criminal record, the PHA will provide the subject of the record and the applicant with a copy of the criminal record. The PHA will give the family an opportunity to dispute the accuracy and relevance of that record, in the informal review process in accordance with Sec. 982.554. (See part 5, subpart J for provision concerning access to criminal records.)

(2) Termination of assistance - If a PHA proposes to terminate assistance for criminal activity as shown by a criminal record; the PHA will notify the household of the proposed action to be based on the information and will provide the subject of the record and the tenant with a copy of

the criminal record. The PHA will give the family an opportunity to dispute the accuracy and relevance of that record in accordance with Sec. 982.555.

CHAPTER 5 ENCOURAGING PARTICIPATION BY OWNERS OF SUITABLE UNITS LOCATED OUTSIDE AREAS OF LOW INCOME OR MINORITY CONCENTRATION

The PHA will publish a notice inviting owners to make dwelling units available for leasing by participating families. This notice is published via memoranda posted in the Municipal Government Reception Bulletin Board and the Section 8 Reception Area and/or other suitable means, as necessary, in order to reach a maximum number of owners and real estate brokers located in all geographical sectors within the jurisdiction of the Housing Administration.

The PHA has an affirmative action marketing program to ensure that opportunities for program participation are adequately publicized in order to reach and/or accomplish the following:

- Families identified by the PHA as the least likely to apply (e.g., handicapped families, very low-income families, large families, homelessness families, women household families, and victims of domestic violence)).
- Families identified in the Housing Assistance Plan.
- Owners of rental properties located outside areas of low-income or minority concentrations.
- Families identified in the Rental Rehabilitations Program
- Provide area- wide housing opportunities to families.

All outreach is done in accordance with the Section 8 Office's approved Equal Opportunity Housing Plan, Administrative Plan, and HUD guidelines for fair housing opportunity logotype, statement and slogan.

The best way to recruit new owners is to operate the housing choice voucher program effectively and treat owners professionally. This includes minimizing the time required to inspect units and to start HAP payments, applying program rules consistently, being timely and predictable in all program processing, maintaining effective and prompt communications with owners (e.g., returning calls quickly, identifying a single point of contact, meeting at least once a year with them), and making payments accurately and on time.

CHAPTER 6
ASSISTING A FAMILY THAT CLAIMS THAT ILLEGAL
DISCRIMINATION HAS PREVENTED THE FAMILY FROM LEASING A SUITABLE
UNIT: Discrimination Complain Procedure and Housing Accessibility Policy for the Disable.
(See also Section 12)

As part of the information packet provide to the applicants, the applicants are given Information on federal, State and local equal opportunity laws, and a copy of the housing discrimination complaint form.

The PHA will assist the families that claim that illegal discrimination has prevented the family from leasing a suitable unit: Ex., single women with many children, according to the Fair Housing Act and Equal Opportunity and Non-Discriminatory Laws.

A family which claims that illegal discrimination because of race, color, religion, sex, national origin, age, familial status or disability prevents the family from finding or leasing a suitable unit with assistance under the program; must fill a housing discrimination complaint in the PHA main administrative office.

Where a family alleges that illegal discrimination is preventing them from finding a suitable unit, the PHA will provide reasonable assistance this matter by directing the aggrieved to the necessary agencies.

6.1 Equal Opportunity

Fair Housing

It is the policy of the PHA to comply fully with all Federal, State, and local nondiscrimination laws, including but not limited to Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, 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, on the ground of race, color, sex, religion, national origin, familial status, age or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any PHA housing programs.

To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to applicants for and participants in the Section 8 Housing Program regarding unlawful discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the PHA office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

The PHA will assist any family that believes they have suffered illegal discrimination by providing them with copies of the housing discrimination form. The PHA will also assist them in completing the form, if requested, and will provide them with the address of the nearest HUD Office of Fair Housing and Equal Opportunity.

Housing Accessibility Policy

Sometimes people with disabilities may need a reasonable accommodation in order to take full advantage of the PHA housing programs and related services. When such accommodations are granted they do not confer special treatment or advantage for the person with a disability; rather, they make the program fully accessible to them in a way that would otherwise not be possible due to their disability. This policy clarifies how people can request accommodations and the guidelines the PHA will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, the PHA will ensure that all applicants/participants are aware of the opportunity to request reasonable accommodations.

The PHA complies with non-discrimination policies established by Title VII of the Civil Rights Act of 1968 (Fair Housing Act) by providing reasonable accommodations to persons with disabilities, whether registrants, applicants, or participants by:

- Making application and registration forms available to organizations, which service or represent the aged or persons with disabilities;
- Complying with Federal, State and Local laws regarding accommodations for persons with disabilities and providing adequate office facilities;
- Providing assistance to complete forms and to provide other documents required by program regulations;
- Providing reasonable extensions of time for the completion of program requirements to the extent allowed by HUD regulations;
- Providing extensions of the terms of Vouchers to the extent allowed by program regulations, or, if prohibited by regulations, requesting written approval by HUD for additional extensions to accommodate families containing persons with disabilities;
- Conducting in-home visits for persons who are unable to visit the office due to medical conditions; and
 - Soliciting information on the accessibility of owners' units for persons with disabilities, and providing information on amenities the unit may provide for persons with disabilities.

6.2 Complaint Procedures

Introduction

These procedures establish the handling of complaints filed by applicants and/or participants in the PHA's Section 8 Program. These procedures will guarantee the timely, joint resolution of complaints.

Filing of Complaints

Complaints shall be filed before the Housing Department's Director or a designated representative within the PHA's Office of Housing and Section 8 Program.

The complainant shall file complaints personally. Upon the filing of a complaint, the parts will conduct an informal discussion to attempt to arrive at a fair and reasonable resolution without having to conduct a Hearing. A decision will be made as expeditiously as possible. The Housing Department Director shall prepare a short written report of the informal discussion, which will include this decision. The complainant will be provided copy of this report within five workdays after the decision is made. The written report will specify:

- a. Name of participants
- b. Date in which the complaint was filed
- c. Nature of the complaint
- d. Decision made by the Housing Department Director for resolution of the complaint, and
basis for such decision
- e. Procedures through which the complainant may request a Hearing

Procedures for requesting a Hearing before an Official designated by the Mayor

When the complainant is not satisfied with the decision made by the Housing Department Director, a Hearing may be requested in writing within ten dates (10) workdays from the date of receipt of the decision.

The Request for Hearing shall include the following:

- a. The complaint
- b. Reasons for the complaint
- c. Action or remedy sought

By not requesting a Hearing within the established time frame, the complainant renounces the right to Hearing and accepts the Housing Department Director's decision as final and binding, unless just cause can be established for requesting a Hearing within the established time frame.

Disability procedures

General

The PHA's Section 8 Program will not discriminate against any person because of race, color, sex, religion, civil status, political affiliation, and/or physical or mental disability.

The Program is committed to offer quality and excellence in services, and to provide the necessary tools to help persons with disabilities in specific situations, and will arrange assistance in those cases referred to the Office of Assistance to Persons with Disabilities.

Procedures

- a. Persons requesting assistance will state their business at the Town Hall's Reception Area.
- b. Reception Area personnel will contact the Section 8 Program Coordinator or authorized representative. Accessibility arrangements will be made if necessary.
- c. Persons requesting assistance will present a Health Department identification issued in accordance to Laws 107 and 108 that stipulate an "Express Line" benefit.
- d. Persons requesting assistance will be referred to the Office of Assistance to Persons with Disabilities, located at the Public Transportation Service Station.
- e. The Office of Assistance to Persons with Disabilities will provide accessible transportation services to those Section 8 Program clients identified as having physical and/or mental disability in accordance with the Americans with Disabilities Act of 1990.

Procedures for Complaints of Violations of Rights

Any person with a disability who believes that service or treatment has not been just, and/or that has been discriminated upon because of race, color, sex, national origin, age, religion, political affiliation, and physical and/or mental disability should:

- a. Submit a written complaint in letter format to the Housing Department explaining the alleged situation, which interviewed the person, and the reasons why he/she understands that discrimination has occurred. The complaint should be mailed or submitted in person to the following address:
MUNICIPIO DE CAGUAS
DEPARTAMENTO DE VIVIENDA
P.O. BOX 907
CAGUAS, PR 00726-0907
- b. The Housing Director will verify the complaint and will notify the alleged victim regarding the determination and/or measures to be taken, and will attend to the situation in a term not exceeding 30 days.
- c. If the situation persists, the Mayor and the Legal Division shall be notified for appropriate action.
- d. If the complainant understands that the situation cannot be resolved satisfactorily, he/she will be oriented to contact by telephone or file a written complaint with the following agency:

Oficina del Procurador de las
Personas con Impedimentos

Oficina Central
P O BOX 4309
SAN JUAN PR 00726

Telephone 1 (787) 721-4299 / 729-4299
Free phone number 1 (800) 981- 4125
TDD line (San Juan Area main Office) (787) 725- 4014

CHAPTER 7

PROVIDING INFORMATION ABOUT A FAMILY TO PROSPECTIVE OWNERS

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening of families on the basis of their tenancy histories. An owner may consider a family's background with respect to such factors as:

- (i) Payment of rent and utility bills;
- (ii) Caring for a unit and premises;
- (iii) Respecting the rights of other residents to the peaceful enjoyment of their housing;
- (iv) Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and
- (v) Compliance with other essential conditions of tenancy.

7.1 PHA information about tenant

It is the PHA policy to provide information to the owner as established in the 24 CFR 982.307. This information includes:

- The family's current and prior address (as shown in the PHA records); and
- The name and address (if known to the PHA) of the landlord at the family's current and prior address.

Owners' obligations are brief to the owner as stated in the 24 CFR part 982, mostly in section 982.452. This information will be given to both owners and participants.

CHAPTER 8 DISAPPROVAL OF OWNERS

A property owner does not have a right to participate in the housing choice voucher program.

The PHA will not 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 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.

The PHA will not approve an assisted tenancy if the PHA has been informed (by HUD or otherwise) that the owner is debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24. In order to be eligible, the owner should sign a document, certifying that he/she does not have being evicted for any criminal activity and have not violate any law related to the Fair Housing Act.

In addition, the PHA will not approve the assisted tenancy when it has been informed by HUD that:

- The federal government has instituted an administrative or judicial action against the owner for a violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending; or
- A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

In its administrative discretion, the PHA will deny approval of an assisted tenancy for any of the following reasons, including but not limited to those aforementioned:

- (1) The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);
- (2) The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- (3) The owner has engaged in any drug-related criminal activity or any violent criminal activity;
- (4) The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;
- (5) The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
 - (i) Threatens the right to peaceful enjoyment of the premises by other residents;
 - (ii) Threatens the health or safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing;

- (iii) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or
- (iv) Is drug-related criminal activity or violent criminal activity; or
- (6) The owner has a history or practice of renting units that fail to meet State or local housing codes; or
- (7) The owner has not paid State or local real estate taxes, fines or assessments.

8.1 Leases Between Relatives

The PHA will not approve a unit if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family; unless the PHA determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities. This restriction against PHA approval of a unit only applies at the time a family initially receives tenant-based assistance for occupancy of a particular unit, but does not apply to PHA approval of a new tenancy with continued tenant-based assistance in the same unit.

8.2 Conflicts of Interest

PHAs will not approve contracts in which any of the following parties have a current interest or will have an interest in the HAP contract for one year thereafter:

- Present or former member or officer of the PHA, except a participant commissioner;
- Employee of the PHA or any contractor, subcontractor or agent of the PHA who formulates policy or influences program decisions;
- Public official, member of a governing body, or state or local legislator who exercises functions or responsibilities related to the programs; or
- Members of U.S. Congress.

The HUD Field Office may waive the conflict of interest requirements, except for members of Congress, for good cause.

It should be clearly noted that nothing contained within 24 CFR 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.

The conflict of interest provisions apply to anyone who participates in the Municipality of Caguas Housing authority decision-making process or who gains inside information with regard to the housing assisted activities. Such individuals are, but are not necessarily limited to: housing staff, members of their immediate families, Municipal Legislature Members, members of their immediate families, consultants and any other affected party.

This policy prohibits any such individuals from benefiting from their position personally, financially or through the receipt of special benefits other than payment of their salary and/or appropriate administrative expenses. This does not prevent housing staff, their family members, legislature members, their family members, consultants and any other affected party from

receiving housing benefits for which they qualify as low-income individuals, if not in violation of federal or state laws.

For the purpose of this policy, immediate family is defined as a parent, spouse, child, sister, brother, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in law, grandparents of the affected party or his/her spouse, and grandchildren of the employee, or “foster” or “step” situations within these relationships.

Government employees (Municipal, State, Federal) not covered by the conflict of interest policy will be provided with an absence of conflict of interest certification. This certification will be maintained on file.

CHAPTER 9

SUBSIDY STANDARDS [24 CFR 982.54(d)(9)]

HUD guidelines require PHAs to establish subsidy standards for the determination of family unit size that provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size must be within the minimum unit size requirements of HUD's Housing Quality Standards (HQS). This chapter explains the subsidy standards that PHA will use to determine the voucher size (family unit size) for families when they are selected from the waiting list, the PHA's procedures for a family size change, and for family selection of a unit of a different size than the voucher size.

9.1 Determining Family Unit (Voucher) Size [24 CFR 982.402]

The PHA requires at least one person per bedroom when determining the voucher unit size. The PHA also considers the interests of minor children (under the age of five) or of ill, elderly or disables family members (See sections 2 and 3 below), for unit size. The PHA'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 voucher unit size remains the same, as long as the family composition remains the same, regardless of the actual unit rented.

One bedroom will be assigned for the head of household and or spouse or co-head, and one bedroom will be awarded to each two family members. The PHA do not allow that family members who have different sex (unless couples) to share a room. (For example: Twins same sex can share a room but not if they have different sex.) The PHA allows family members with 5 year of difference in age to share a room. (For example: 10 and 12 year old girls can share a room but not a 10 and 16 year old girls). Exceptions will be made for medical reasons, or for a live-in aide.

Bedroom size will also be determined using the following guidelines:

- Children of the same sex (over 5) will not share a bedroom.
- Children of the opposite sex, both under the age of 6, will share a bedroom.
- Adults and children will not be required to share a bedroom.
- Foster adults and children will not be required to share a bedroom with family members.
- Live-in aides will get a separate room.
- Adults (21 years or more) of the same sex will not share a room.
- Children that are not part of the composition of the family, but there is a court determination that states they will be in the unit 182.5 days of the year or more with the family, may be included in determining unit size. The Program Coordinator will evaluate cases.

The PHA may reexamine the subsidy standard annually.

Generally, the PHA assigns one bedroom to two people, within the following guidelines:

Foster children will be included in determining unit size, only if they will be in the unit for more than six months.

Live-in attendants will generally be provided a separate bedroom. No additional voucher bedrooms are provided for the attendant's family.

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 absent due to military service.

A single pregnant woman, with no other family members, is treated as a two-person family.

The family's unit size will be determined without overcrowding or over-housing. (See section 3 below for unit guidelines)

9.2 Exceptions to Subsidy Standards [24 CFR 982.402]

The PHA will grant exceptions from the subsidy standards, upon request, providing the PHA determines the exceptions are justified by the health or handicap/disability of family members, or other individual circumstances.

The PHA will grant an exception upon request as an accommodation for persons with handicaps/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:

A verified medical or health reason; or

An elderly or disabled family that requires a live-in attendant (evidenced).

Request for Exceptions to Subsidy Standards

The PHA will not issue a larger voucher due to additions of family members, other than by birth, adoption, marriage, or court-awarded custody.

The family can request a larger size voucher than indicated by the PHA subsidy standards. The request must explain the need or justification for a larger voucher bedroom-size. Documentation verifying the need or justification will be required by the PHA.

A doctor, other medical professional, such as a nurse, psychiatrist, psychologist, or a social service professional must provide a certification of the need for additional bedrooms.

*The Municipality shall consider request for exceptions from the subsidy standards if the family makes such request during the admission or reexamination. The housing technician will complete the request form “Solicitud Del Inquilino para Solicitar Acomodo Razonable” with the evidence or justification based on health or disability of family members, or other individual circumstances that may warrant an exception to the standards. The Section 8 Coordinator must approve the exception. Also the PHA will conduct a visit to evaluate and verify that the additional bedroom assigned is properly used. In a case that the tenant is not using properly the bedroom, PHA will reduce the voucher size and relocate the family.

Changes for Applicants

The voucher size is determined prior to the briefing by comparing the family composition to the PHA subsidy standards. If an applicant requires a change in the voucher size, the above referenced guidelines will apply.

Changes for Participants

The PHA will approve the members of the family residing in the unit. The family will obtain PHA approval of any additional family member prior to that person moving into the assisted unit, unless the addition is by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within 14 days, and the above referenced guidelines will apply.

Underhoused and Overhoused Families

If a unit does not meet HQS space standards because of an increase in family size due to a birth, adoption, or court-awarded custody (unit too small), the PHA will issue a new voucher of the appropriate size, and assist the family in locating a suitable unit. Additions to the household other than through birth, adoption, or court-awarded custody, are not eligible for a larger voucher bedroom size, and these additional members may not be added to the household, if the addition violates HQS due to overcrowding.

9.3 Unit Size Selected [24 CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the voucher. There are three criteria to consider:

Subsidy Limitation: The payment standard for a family shall be the lower of:

- The PHA payment standard amount for the family unit size; or
- The PHA payment standard amount for the unit size rented by the family.

Utility Allowance: The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's voucher.

Housing Quality Standards: The standards allow a maximum occupancy of two persons per living/sleeping room as shown in the table below. Sleeping area would include: living room, den, dining room, library, or other rooms used for sleeping.

9.4 Guests [24 CFR 5.100]

A *guest* is a person temporarily staying in the unit with the consent of a member of the household who has express or implied authority to so consent.

PHA Policy

An assisted family must notify the PHA and owner in writing within 10 business days prior to allowing overnight guest to stay in the assisted unit. A guest can remain in the assisted unit no longer than 20 consecutive days or a total of 30 cumulative calendar days during any 12-month period.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the assisted household more than 50 percent of the time, are not subject to the time limitations of guests as described above.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure is expected to last 40 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

HQS GUIDELINES FOR UNIT SIZE SELECTED

Unit Size Maximum	Number in Household
0 Bedroom	2
1 Bedroom	2
2 Bedrooms	4
3 Bedrooms	6
4 Bedrooms	8
5 Bedrooms	10
6 Bedrooms	12

CHAPTER 10

FAMILY ABSENCE FROM THE DWELLING UNIT [24CFR 982.312]

ABSENT FAMILY MEMBERS

Individuals may be absent from the family, either temporarily or permanently, for a variety of reasons including educational activities, placement in foster care, employment, illness, incarceration, and court order

PHA Policy

For the PHA's Section 8 Program, the family will be considered absence when it is not in the unit for more than 30 days consecutive calendar days. However, 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. Housing assistance payments terminate if the family is absent for longer than the maximum period permitted. The term of the HAP contract and assisted lease also terminate. (The owner must reimburse the PHA for any housing assistance payment for the period after the termination.)

Absence means that no member of the family is residing in the unit.

It is the responsibility of the head of household to report changes in family composition. The PHA will evaluate absences from the unit using this policy.

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 absent due to military service.

The PHA will allow the family to be absent from the dwelling unit for no more than 180 days under the following (first three must verified circumstances):

- Illness or hospitalization (medical history verification requested)
- Illness of a relative who needs care from a family member, in another location (medical history verification requested)
- Any other PHA approved and verified circumstances, e.g., military service (reserves, etc.)
- Vacations for no more than 30 days.

Absence of Any Member

PHA Policy

A member of the household is considered permanently absent if s/he is away from the unit for six consecutive months or more in a twelve-month period, except as otherwise provided in this plan. If a member of the household is subject to a court order that restricts him/her from the home for more than six months, the person will be considered permanently absent.

Absence due to Medical Reasons

PHA Policy

If a family member leaves the household to enter a facility such as a hospital, nursing home, or rehabilitation center, the PHA will require verification from a reliable, qualified source as to the likelihood of his/her return, and the anticipated length of his/her absence. If the verification indicates the family member is permanently confined to a nursing home, h/she will be considered permanently absent. If the verification indicates the family member will return in less than 180 consecutive days, the family member will be considered temporarily absent. If the permanently absent person is the sole member of the household, assistance will be terminated in accordance with the PHA's policy.

Absence Due to Full-time Student Status

PHA Policy

Full time students who attend school away from the home will be treated in the following manner:

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

Verification of Absence

To verify family occupancy or absence from the dwelling unit, the PHA will:

- Telephone calls to the family every 90 to 120 days, and/or correspondence directly to the family at the unit, or may choose to make a personal visit to the family of the leased residence.
- Additionally, when deemed necessary, the PHA reserves the right to question the owner and/or neighbors at the leased residence.
- The PHA will review the Energy (AEE COMPANY) and Water/Sewer (AAA COMPANY) Billings

The family must supply any information or certification requested by the PHA to verify that the family is residing in the unit, or relating to family absence from the unit. The family must cooperate with the PHA for this purpose. The family must promptly notify the PHA of absence from the unit, including any information requested on the purposes of family absences. The family must notify the absence 10 prior to the absence. (In case of emergency, the PHA will be notified immediately.)

Income of Temporarily Absent Family Members

The PHA will count all income of family members whom the PHA has approved to reside in the unit, even if they are temporarily absent.

If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other HUD-defined exceptions to military pay) is counted as income.

Return of Permanently Absent Family Members

PHA Policy

The family must request PHA approval for the return of any adult family members that the PHA has determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this chapter.

CHAPTER 11

HOW TO DETERMINE WHO REMAINS IN THE PROGRAM IF A FAMILY BREAKS UP

The PHA has discretion to determine which remaining members of an assisted family continue to receive assistance if the family breaks up. However, if a court determines the disposition of property between members of the assisted family in a divorce or separation decree, the PHA is bound by the court's determination of which family members continue to receive assistance.

PHA Policy

In circumstances of a family break-up, the next adult remaining member in the family may retain the voucher. The PHA will consider a remaining member if this person was a member of the assisted family for at least six consecutive months before the date of the break-up. But the PHA will determine if there is other adult family member that will retain the voucher, taking into consideration the following factors:

1. To whom the voucher was issued.
2. The interest of minor children or of ill, elderly, or disabled family members.
3. Whether the assistance should remain with the family members remaining in the unit.
4. Whether family members were forced to leave the unit as a result of actual or threatened physical violence by a spouse or other member(s) of the household.

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement of judicial decree, the PHA will be bound by the court's determination of which family members continue to receive assistance in the program.

Because of the number of possible different circumstances in which a determination will have to be made, the PHA will make determinations on a case-by-case basis.

The PHA will issue a determination within 10 business days of the request for a determination. The family member requesting the determination may request an informal hearing in compliance with the informal hearings in Section XII.

In order to add a household member other than through birth or adoption (including a live-in aide) the family must request that the new member be added to the lease. Before adding the new member to the lease, the individual must complete an application form stating their income, assets, and all other information required of an applicant. The individual must provide their Social Security Number if they have one, and must verify their citizenship/eligible immigrant status (Their housing will not be delayed due to delays in verifying eligible immigrant status other than delays caused by the family). The new family member will go through the screening process similar to the process for applicants. The PHA will determine the eligibility of the individual before allowing them to be added to the lease. If the individual is found to be ineligible or does not pass the screening criteria, they will be advised in writing and given the opportunity for an informal review. If they are found to be eligible and do pass the screening

criteria, the PHA will grant approval to add their name to the lease. The family's annual income will be recalculated taking into account the income and circumstances of the new family member. The effective date of the new rent will be in accordance with Section XVI of this Plan. Families are not required to, but may at any time, request an interim reexamination based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances. Upon such request, the PHA will take timely action to process the interim reexamination and recalculate the family share.

CHAPTER 12 COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, INFORMAL HEARINGS FOR PARTICIPANTS

12.1 Complaints

PHA Policy

The PHA will investigate and respond to complaints by participant families, owners, and the general public. The PHA may require that complaints other than HQS violations be put in writing. Anonymous complaints are investigated whenever possible.

12.2 Informal Review for the Applicant

PHA Policy

The PHA will give an applicant for participation in the Section 8 Voucher Program prompt notice of a decision denying assistance to the applicant. The notice will contain a brief statement of the reasons for the PHA decision. The notice will state that the applicant may request an informal review within 10 business days of the denial and will describe how to obtain the informal review.

When an Informal Review is not required

The PHA will not provide the applicant an opportunity for an informal review for any of the following reasons:

1. A determination of the family unit size under the PHA subsidy standards.
2. A PHA determination not to approve an extension or suspension of a voucher term.
3. A PHA determination not to grant approval to lease a unit under the program or to approve a proposed lease.
4. A PHA determination that a unit selected by the applicant is not in compliance with HQS.
5. A PHA determination that the unit is not in accordance with HQS because of family size or composition.
6. General policy issues or class grievances.
7. Discretionary administrative determinations by the PHA.

Informal Review Process

The PHA will give an applicant an opportunity for an informal review of the PHA decision denying assistance to the applicant. The procedure is as follows:

1. The review will be conducted by any person or persons designated by the other than the person who made or approved the decision under review or a subordinate of this person.
2. The applicant will be given an opportunity to present written or oral objections to the PHA decision.
3. The PHA will notify the applicant of the PHA decision after the informal review within 10 calendar days. The notification will include a brief statement of the reasons for the final decision.

Considering Circumstances

In deciding whether to terminate assistance because of action or inaction by members of the family, the Housing Authority will consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

The Housing Authority will impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. The Housing Authority may permit the other members of a participant family to continue receiving assistance.

If the Housing Authority seeks to terminate assistance because of illegal use, or possession for personal use, of a controlled substance, or pattern of abuse of alcohol, such use or possession or pattern of abuse must have occurred within one year before the date that the Housing Authority provides notice to the family of the Housing Authority determination to deny or terminate assistance. In determining whether to terminate assistance for these reasons the PHA will consider evidence of whether the household member:

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol;
2. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
3. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol.

Informal Review Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

The applicant family may request that the PHA provide for an informal review after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. The applicant family must make this request within 30 days of receipt of the Notice of Denial or Termination of Assistance, or within 30 days of receipt of the INS appeal decision.

For applicant families, the Informal Review Process above will be utilized with the exception that the applicant family will have up to 30 days of receipt of the Notice of Denial or Termination of Assistance, or of the INS appeal decision to request the review.

12.3 Informal Hearings for Participants

When a Hearing is required

1. The PHA will give a participant family an opportunity for an informal hearing to consider whether the following PHA decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and PHA policies:
 - a. A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
 - b. A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the PHA utility allowance schedule.
 - c. A determination of the family unit size under the PHA subsidy standards.
 - d. A determination that a Voucher Program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the PHA subsidy standards, or the PHA determination to deny the family's request for an exception from the standards.
 - e. A determination to terminate assistance for a participant family because of the family's action or failure to act.
 - f. A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under the PHA policy and HUD rules.

In cases described in paragraphs (d), (e), and (f), Section 3-1(*Informal Hearing for*

Participants: When a Hearing is required) above, the PHA will give the opportunity for an informal hearing before the PHA terminates housing assistance payments for the family under an outstanding HAP contract.

When a Hearing is not required

The PHA will not provide a participant family an opportunity for an informal hearing for any of the following reasons:

1. Discretionary administrative determinations by the PHA.
2. General policy issues or class grievances.
3. Establishment of the PHA schedule of utility allowances for families in the program.
4. A PHA determination not to approve an extension or suspension of a voucher term.
5. A PHA determination not to approve a unit or lease.
6. A PHA determination that an assisted unit is not in compliance with HQS. (However, the PHA will provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family.)
7. A PHA determination that the unit is not in accordance with HQS because of the family size.
8. A determination by the PHA to exercise or not exercise any right or remedy against the owner under a HAP contract.

Notice to the Family

1. In the cases described in paragraphs 3-1(a), (b), and (c) of this Section (*Informal Hearing for Participants: When a Hearing is required*), the PHA will notify the family that the family may ask for an explanation of the basis of the PHA's determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.
2. In the cases described in paragraphs 3-1(d), (e), and (f) of this Section (*Informal Hearing for Participants: When a Hearing is required*), the PHA will give the family prompt written notice that the family may request a hearing within 10 business days of the notification. The notice will:
 - a. Contain a brief statement of the reasons for the decision; and
 - b. State if the family does not agree with the decision, the family may request an informal hearing on the decision within 10 business days of the notification.

Hearing Procedures

The PHA and participants will adhere to the following procedures:

1. Discovery

a. The family will be given the opportunity to examine before the hearing any PHA documents that are directly relevant to the hearing. The family will be allowed to copy any such document at the family's expense. If the PHA does not make the document(s) available for examination on request of the family, the PHA may not rely on the document at the hearing.

b. The PHA will be given the opportunity to examine, at the PHA's offices before the hearing, any family documents that are directly relevant to the hearing. The PHA will be allowed to copy any such document at the PHA's expense. If the family does not make the document(s) available for examination on request of the PHA, the family may not rely on the document(s) at the hearing.

Note: The term document includes records and regulations.

2. Representation of the Family

At its own expense, a lawyer or other representative may represent the family.

3. Hearing Officer

a. The hearing will be conducted by any person or persons designated by the PHA, other than a person who made or approved the decision under review or a subordinate of this person.

b. The person who conducts the hearing will regulate the conduct of the hearing in accordance with the PHA hearing procedures.

4. Evidence

The PHA and the family will have the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

Issuance of Decision

The person who conducts the hearing must issue a written decision within 14 calendar days from the date of the hearing, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing.

6. Effect of the Decision

The PHA is not bound by a hearing decision:

- a. Concerning a matter for which the PHA is not required to provide an opportunity for an informal hearing under this Section, or that otherwise exceeds the authority of the person conducting the hearing under the PHA hearing procedures.
- b. Contrary to HUD regulations or requirements, or otherwise contrary to Federal, State, or local law.
- c. If the PHA determines that it is not bound by a hearing decision, the PHA will notify the family within 14 calendar days of the determination, and of the reasons for the determination.

Considering Circumstances

In deciding whether to terminate assistance because of action or inaction by members of the family, the Housing Authority will consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

The Housing Authority will impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. The Housing Authority will permit the other members of a participant family to continue receiving assistance.

If the Housing Authority seeks to terminate assistance because of illegal use, or possession for personal use, of a controlled substance, or pattern of abuse of alcohol, such use or possession or pattern of abuse must have occurred within one year before the date that the Housing Authority provides notice to the family of the Housing Authority determination to deny or terminate assistance. In determining whether to terminate assistance for these reasons the PHA will consider evidence of whether the household member:

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol;
2. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
3. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol.

Informal Hearing Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

The participant family may request that the PHA provide for an informal hearing after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. The participant family must make this request within 30 days of receipt of the Notice of Denial or Termination of Assistance, or within 30 days of receipt of the INS appeal decision.

For the participant families, the Informal Hearing Process above will be utilized with the exception that the participant family will have up to 30 days of receipt of the Notice of Denial or Termination of Assistance, or of the INS appeal decision.

CHAPTER 13
RENT AND HOUSING ASSISTANCE PAYMENT
13.1 General

After October 1, 1999, the PHA will issue only vouchers to applicants, movers, and families entering the jurisdiction through portability. Certificates currently held was honored until the transition of the merger of the Section 8 Certificate and Voucher programs as outlined in 24 CFR 982.502 was complete (see Section XXII for additional guidance).

13.2 Rent Reasonableness

The PHA's Section 8 Program will not approve or grant any initial or revised rent proposed by the owner under the Housing Choice Voucher Program ("tenant-based"), unless the amount proposed has been determined to be reasonable. Rent reasonability must be determined before the initial lease is effective, under the following terms and conditions:

- A. Before the rent proposed by the owner (initial or revised) is approved;
- B. If 60 days prior to the end of the annual lease (previous to the effectiveness of the new rent contract) the published FMR decrease 5% in comparison with the former FMR; and if
- C. The PHA or HUD determines that rent reasonableness must be revised.

13.3 Comparability

To determine rent reasonableness, the PHA will compare the proposed rent of the unit to be leased with other comparable units located within the same vicinity or jurisdiction, and with characteristics similar to the unit to be leased. The PHA will considered location, quality, size, number of rooms, age, facilities/amenities, housing services, maintenance and utilities of the unit to be leased, as well as those of comparable units.

PHA Policy & Methodology

The PHA will keep updated statistical information of units for rent within its jurisdiction. The PHA will also obtain from landlords/owners associations and housing administrative agencies, information regarding the added values that special or additional facilities will provide to a unit.

The PHA will establish an average rent for each type and size in rooms of a unit to be leased. Starting from the rent average, the PHA may increase or decrease the dollar value for each characteristic or facility of any proposed unit.

Owners will be invited to provide information that will help the PHA to keep the data updated and to maintain an inventory of comparable rent units. The owners may revise the determination taken over

their unit and may give additional information or make improvements to the unit, which may help the PHA in determine the establishment of a higher value.

The owner shall certify the rental for other units that he possesses. By accepting each monthly rental payment for the subsidized unit, the owner certifies that the rental that he receives for the unit is not greater than the rent he received for other comparable units that he possesses within the same municipal jurisdiction and that are not subsidized.

The inspector will fully complete a form (see Appendix I) and certify the compiled information. This form or questionnaire contains the information of the unit proposed for rent and of three comparable units (which have the same conditions and facilities).

13.4 Maximum Subsidy

The Fair Market Rent (FMR) published by HUD or the exception payment standard rent (requested by the PHA and approved by HUD) determines the maximum subsidy for a family.

For the Voucher Program, the minimum payment standard will be 90% of the FMR and the maximum payment standard will be 110% of the FMR without prior approval from HUD, or the exception payment standard approved by HUD.

For a voucher tenancy in an insured or noninsured 236 project, a 515 project of the Rural Development Administration, or a Section 221(d)(3) below market interest rate project the payment standard may not exceed the basic rent charged including the cost of tenant-paid utilities.

For manufactured home space rental, the maximum subsidy under any form of assistance is the Fair Market Rent for the space as outlined in 24 CFR 982.888.

Setting the Payment Standard

The Payment Standard is used to calculate the housing assistance payment for a family and is based on Fair Market Rents (FMR) published by HUD on an annual basis for the Municipality of Caguas. The Municipality will establish the payment standards between 90 and 110% of the published fair market rents.

PHA Policy

The section 8 manager will prepare a memo to document the adoption of the new payment standards. The manager of the section 8 program will review the appropriateness of the Payment Standard annually when the new FMR is published. When reviewing the payment standard on an annual basis, the Municipality will also consider the available budget authority and determine if a reduction in payment standards is needed including an amount below 90% of the published FMR, to assist a maximum number of households up to Municipality's baseline allocation. If it is determined that payment standards below 90% of FMR is needed,

a waiver will be secured from HUD with corresponding justification.

Case by case reviews of rent will be considered in the following situations:

- As a reasonable accommodation for a family that includes a person with disabilities;
- when an owner request a rent increase

The PHA may establish a higher payment standard (although still within 110% of the published fair market rent) as a reasonable accommodation for a family that includes people with disabilities. With approval of the HUD Field Office, the payment standard can go to 120%.

Payment standards will not be raised solely to allow the renting of luxury quality units.

If success levels are projected to be extremely high and rents are projected to be at or below 30% of income, the Housing Authority will reduce the payment standard. Payment standards for each bedroom size are evaluated separately so that the payment standard for one bedroom size may increase or decrease while another remains unchanged. The PHA may consider adjusting payment standards at times other than the annual review when circumstances warrant.

Before increasing any payment standard, the Housing Authority will conduct a financial feasibility test to ensure that in using the higher standard, adequate funds will continue to be available to assist families in the program.

Selecting the Correct Payment Standard for a Family

- A. For the voucher tenancy, the payment standard for a family is the lower of:
 - 1. The payment standard for the family unit size; or
 - 2. The payment standard for the unit size rented by the family.
- B. If the unit rented by a family is located in an exception rent area, the Housing Authority will use the appropriate payment standard for the exception rent area.
- C. During the HAP contract term for a unit, the amount of the payment standard for a family is the higher of:
 - 1. The initial payment standard (at the beginning of the lease term) minus any amount by which the initial rent to owner exceeds the current rent to owner; or
 - 2. The payment standard as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.
- D. At the next annual reexamination following a change in family size or composition during the HAP contract term and for any reexamination thereafter, paragraph C above does not apply.
- E. If there is a change in family unit size resulting from a change in family size or composition, the new family unit size will be considered when determining the payment standard at the next annual reexamination.

When the family is authorized to move to a new unit before the annual certification the payment standard will be applied in accordance of the new unit size.

Area Exception Rents

In order to help families find housing outside areas of high poverty or when voucher holders are having trouble finding housing for lease under the program, the Housing Authority may request that HUD approve an exception payment standard rent for certain areas within its jurisdiction. The areas may be of any size, though generally not smaller than a census tract. The Housing Authority may request one such exception payment standard area or many. Exception payment standard rent authority may be requested for all or some unit sizes, or for all or some unit types. The exception payment standard area(s) may not contain more than 50% of the population of the FMR area.

When an exception payment standard rent has been approved and the FMR increases, the exception rent remains unchanged until such time as the Housing Authority requests and HUD approves a higher exception payment standard rent. If the FMR decreases, the exception payment standard rent authority automatically expires.

Assistance and Rent Formulas

A. Total Tenant Payment

The total tenant payment is equal to the highest of:

1. 10% of the family's monthly income
2. 30% of the family's adjusted monthly income
3. The Minimum rent
4. 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 such agency to meet the family's housing costs, the portion of those payments which is so designated. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this provision is the amount resulting from one application of the percentage. Plus any rent above the payment standard.

A. Minimum Rent.

The PHA minimum rent will be as stated in the most recent approved 5 yr/Annual PHA Plan or Annual PHA Plan

PHA has establish a minimum rent of \$50

However, if the family requests a hardship exemption, the PHA will suspend the minimum rent for the family beginning the month following the family's hardship request. The suspension will continue until the Housing Authority can determine whether hardship exists and whether the hardship is of a temporary or long-term nature. During suspension, the family will not be required to pay a minimum rent and the Housing Assistance Payment will be increased accordingly.

1. A hardship exists in the following circumstances:

a. When the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program including a family that includes a member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationally Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Act of 1996;

b. When the family would be evicted because it is unable to pay the minimum rent;

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

d. When a death has occurred in the family.

2. **No hardship.** If the Housing Authority determines there is no qualifying hardship, the minimum rent will be reinstated, including requiring back payment of minimum rent to the Housing Authority for the time of suspension.

3. **Temporary hardship.** If the Housing Authority determines that there is a qualifying hardship but that it is of a temporary nature, the minimum rent will not be imposed for a period of 90 days from the month following the date of

the family's request. At the end of the 90-day period, the minimum rent will be imposed retroactively to the time of suspension. The Housing Authority will offer a reasonable repayment agreement for any minimum rent back payment paid by the Housing Authority on the family's behalf during the period of suspension.

4. **Long-term hardship.** If the Housing Authority determines there is a long-term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists.

5. **Appeals.** The family may use the informal hearing procedure to appeal the Housing Authority's determination regarding the hardship. No escrow deposit will be requires in order to access the informal hearing procedures.

C. Section 8 Merged Vouchers

1. The payment standard is set by the Housing Authority between 90% and 110% of the FMR or higher or lower with HUD approval.

2. The participant pays the greater of the Total Tenant Payment or the minimum rent, plus the amount by which the gross rent exceeds the payment standard.

3. No participant when initially receiving tenant-based assistance on a unit shall pay more than 40% of their monthly-adjusted income if the gross rent exceeds the applicable payment standard.

D. Section 8 Preservation Vouchers

1. Payment Standard

a. The payment standard is the lower of:

i. The payment standard amount for the appropriate family unit size; or

ii. The payment standard amount for the size of the dwelling unit actually rented by the family.

b. If the dwelling unit is located in an exception area, the PHA will use the appropriate payment standard for the exception area.

c. During the HAP contract term, the payment standard for the family is the higher of :

i. The initial payment standard (at the beginning of the HAP

contract term), as determined in accordance with paragraph (1)(a) or (1)(b) of this section, minus any amount by which the initial rent to the owner exceeds the current rent to the owner; or

ii. The payment standard as determined in accordance with paragraph (1)(a) or (1)(b) of this section, as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.

d. At the next regular reexamination following a change in family composition that causes a change in family unit size during the HAP contract term, and for any examination thereafter during the term:

i. Paragraph (c)(i) of this section does not apply; and

ii. The new family unit size must be used to determine payment standard.

2. The PHA will pay a monthly housing assistance payment on behalf of the family that equals the lesser of:

a. The payment standard minus the total tenant payment; or

b. The gross rent minus the total tenant payment.

E. Manufactured Home Space Rental: Section 8 Vouchers

1. The payment standard for a participant renting a manufactured home space is the published FMR for rental of a manufactured home space.
2. The space rent is the sum of the following as determined by the Housing Authority:
 - a. Rent to the owner for the manufactured home space;
 - b. Owner maintenance and management charges for the space; and
 - c. Utility allowance for tenant paid utilities.
3. The participant pays the rent to owner less the HAP.
4. HAP equals the lesser of:
 - a. The payment standard minus the total tenant payment; or
 - b. The rent paid for rental of the real property on which the manufactured home owned by the family is located.

F. Rent for Families under the Noncitizen Rule

A mixed family will receive full continuation of assistance if all of the following conditions are met:

1. The family was receiving assistance on June 19, 1995;
2. The family was granted continuation of assistance before November 29, 1996;
3. The family's head or spouse has eligible immigration status; and
4. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

If a mixed family qualifies for prorated assistance but decides not to accept it, or if the family has no eligible members, the family may be eligible for temporary deferral of termination of assistance to permit the family additional time for the orderly transition of some or all of its members to locate other affordable housing. Under this provision the family receives full assistance. If assistance is granted under this provision prior to November 29, 1996, it may last no longer than three years. If granted after that date, the maximum period of time for assistance under the provision is 18 months. The PHA will grant each family a period of 6 months to find suitable affordable housing. If the family cannot find suitable affordable housing, the PHA will provide additional search periods up to the maximum time allowable.

Suitable housing means housing that is not substandard and is of appropriate size for the family. Affordable housing means that it can be rented for an amount not exceeding the amount the family pays for rent, plus utilities, plus 25%.

The family's assistance is prorated in the following manner:

1. Find the prorated housing assistance payment (HAP) by dividing the HAP by the total number of family members, and then multiplying the result by the number of eligible family members.
2. Obtain the prorated family share by subtracting the prorated HAP from the gross rent (contract rent plus utility allowance).
3. The prorated tenant rent equals the prorated family share minus the full utility allowance.

Utility Allowance

The Housing Authority maintains a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection (disposal of waste and refuse)).

The utility allowance schedule is determined 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. In developing the schedule, the Housing Authority uses normal patterns of consumption for the community as a whole, and current utility rates.

The Housing Authority reviews the utility allowance schedule annually in the month of July, and revises any allowance for a utility category if there has been a change of 10% or more in the utility rate since the last time the utility allowance schedule was revised. The Housing Authority maintains information supporting the annual review of utility allowances and any revisions made in its utility allowance schedule. Participants may review this information at any time by making an appointment with the PHA.

The Housing Authority uses the appropriate utility allowance for the size of dwelling unit actually leased by the family (rather than the family unit size as determined under the Housing Authority subsidy standards).

At each reexamination, the Housing Authority applies the utility allowance from the most current utility allowance schedule.

The Housing Authority will approve a request for a utility allowance that is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.

The utility allowance will be subtracted from the family's share to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to the owner. The

amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belong to the tenant.

When the unit lack separate utility meters the allowance will be paid to the landlord. If the unit has separate utility meters the allowance will be paid to the tenant.

If rental units in the PHA's jurisdiction are typically leased without owner-provided ranges and/or refrigerators, an allowance must be made for the cost to the family of providing its own.

13.5 Distribution of Housing Assistance Payment

The Housing Authority pays the owner the lesser of the housing assistance payment or the rent to owner. If payments are not made when due, the owner may charge the PHA a late payment, agreed to in the Contract and in accordance with generally accepted practices in the PHA jurisdiction if the following conditions apply:

- A. It is the owner's practice to charge such penalties for assisted and unassisted tenants; and
- B. The owner also charges such penalties against the tenant for late payment of family rent to the owner.

Late charges will not be paid when the reason for the lateness is attributable to factors beyond the control of the PHA.

13.6 Change of Ownership

PHA Policy

The PHA requires a written request by the owner who executed the HAP contract in order to make changes regarding who is to receive the PHA's rent payment or the address as to where the rent payment should be sent.

In addition, the PHA requires a written request from the new owner to process a change of ownership. The following documents must accompany the written request:

- A. Deed of Trust showing the transfer of title; and
- B. Tax Identification Number or Social Security Number.

New owners will be required to execute IRS form W-9. The PHA may withhold the rent payment until the taxpayer identification number is received.

CHAPTER 14

INELIGIBLE/ELIGIBLE HOUSING

The following types of housing cannot be assisted under the Section 8 Tenant-Based Program:

- A. A public housing or Indian housing unit;
- B. A unit receiving project-based assistance under a Section 8 Program;
- C. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
- D. College or other school dormitories;
- E. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
- F. A unit occupied by its owner. This restriction does not apply to cooperatives or to assistance on behalf of a manufactured home owner leasing a manufactured home space; and
- G. A unit receiving any duplicative Federal, State, or local housing subsidy. This does not prohibit renting a unit that has a reduced rent because of a tax credit.

The PHA will not approve a lease for any of the following special housing types, except as a reasonable accommodation for a family with disabilities:

- A. Congregate housing
- B. Group homes
- C. Shared housing
- D. Cooperative housing
- E. Single room occupancy housing

The PHA will approve leases for the following housing types:

- A. Single family dwellings
- B. Apartments
- C. Manufactured housing
- D. Manufactured home space rentals.
- E. House boats

- F. Lease-purchase agreements. A family leasing a unit with assistance under the program may enter into an agreement with an owner to purchase the unit. So long as the family is receiving such rental assistance, all requirements applicable to families otherwise leasing units under the tenant-based program apply. Any homeownership premium (e.g., increment of value attributable to the value of the lease-purchase right or agreement such as an extra monthly payment to accumulate a down payment or reduce the purchase price) included in the rent to the owner that would result in a higher subsidy amount than would otherwise be paid by the PHA must be absorbed by the family.

In determining whether the rent to owner for a unit subject to a lease-purchase agreement is a reasonable amount in accordance with 24 CFR 982.503, any homeownership premium paid by the family to the owner must be excluded when the PHA determines rent reasonableness.

CHAPTER 15

OWNER OR FAMILY DEBTS TO THE SECTION 8 PROGRAM

This section describes the PHA's policies for the recovery of monies overpaid to families and owners. In addition, this section outlines the collection methods and guidelines for the handling and collection of different types of debts. The Section 8 Program policy is to communicate program guidelines to owners and families so as to minimize overpayments. The PHA clearly documents, in the tenant file, the amount and nature of owner or family debts, as well as the method of calculation. Owners and families may receive copies of all relevant documentation regarding their debts, upon request. If the PHA finds any sign of falsification in a document from an applicant or a participant that is related directly to determine their income eligibility, such as social security benefits, household size, etc, PHA will terminate the participation or cancel the application.

PHA Policy

The PHA will make every effort to collect delinquent family or owner debts. The Section 8 Program will use a variety of collection tools to recover debts including, but not limited to:

- Request for lump sum payments
- Small claim or civil court actions
- Payment agreements
- Termination of family program participation
- Reductions in HAP to owner
- Abatements
- Collection agencies
- Referrals to the PHA's Department of Revenue and Recovery

15.1 Payment Agreement for families

A payment agreement or repayment agreement, as used in this Plan, is a document entered into between the PHA and a person who owes a debt to the Section 8 Program. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the PHA upon default of the agreement.

If the PHA offers a payment agreement, it will determine the terms. The PHA may not offer a payment agreement in all circumstances. The maximum length of time the PHA will enter into a payment agreement with a family is 36 months and the amount never to exceed* \$5,000. Any debt of more than \$5,000 will be submitted to the inspector general office for legal action and PHA will terminate the family housing assistance.

Debts owed for claims

Money owed to the PHA by the family because of overpayments on its behalf will be collected by requiring a lump-sum payment of the entire amount. At its discretion, the PHA may offer a family to enter into a repayment agreement to pay amounts owed to the PHA, and may describe the terms of the agreement. The PHA will maintain full and complete documentation of all debt.

***Amendment effective on January 1, 2010**

If the PHA decides to allow the family a repayment agreement for money that the family owes to the PHA, the family must repay in full within the terms established in the following table:

Debt Amount	Term in Months	Amount of First Payment
\$0.01 - \$250	Full Payment	
\$251 - \$500	3 to 6 months	20% - 33% of the debt
\$501 - \$1,000	7 to 11 months	10% - 20% of the debt
\$1,001 - \$2,500	12 - 18 months	6% - 10% of the debt
\$2,501 - \$3,000	19 - 24 months	5% - 10% of the debt
\$3,001 - \$5,000	25 - 36 months	5% - 10% of the debt

Delinquent Payments

A payment will be considered to be in arrears if:

- The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's payment agreement is in arrears, and the family has not contacted or made arrangements with the Section 8 Program, the PHA will:

- Require the family to pay the balance in full
- Pursue civil collection of the balance due
- Terminate the housing assistance.

A transferring family, delinquent on its payment agreement, is required to pay the balance in full prior to the issuance of a voucher.

Debts due to misrepresentations / non-reporting of Information

HUD's definition of program fraud and abuse is a single act; or pattern of actions that: Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.

Family Error/Late Reporting

Families who owe money to the Section 8 Program due to the family's failure to report increases in income or fail to report any information which will cause an incorrect HAP to be paid to the owner, will be required to repay in accordance with the guidelines in the payment agreement section.

Program Fraud

If a family owes money as a result of program fraud, the case may be referred for prosecution and the family's program participation will be terminated.

PREVENTION AND DETECTION OF FRAUD UNIT

The Housing Department of the Municipality of Caguas has created since May 2009 the Prevention and Detection of Fraud Unit under the Section 8 Program.

Objective

To educate and provide tools to the Program participants that will minimize the fraud incidence. To accomplish an educative program for the owner and the participant in whom they will be oriented related their rights, responsibilities and the situations that can lead them to a fraudulent penalized behavior.

Definitions

Fraud: Owner or tenant intention to not comply with the obligations established in the lease contract. Omission of information as a behavior pattern or makes false statements.

Fraud or abuse situation of the program: Hide information related to income, size of household, incorrect use of utilities, rent payment, security deposit, unit maintenance, community relations, use or abuse of controlled substances, or any conduct that cause the incorrect utilization of the Program Funds.

Prevention: Orientation

i. Group

- a. When a family receives a voucher as part of the holder package given to them, there is a promotional paper of the Unit and they will be oriented about their obligations and responsibilities, identity theft, its consequences and possible solutions. Also about the mechanisms that the PHA already has to detect fraud as the EIV and discrepancies reports.
- b. Sign Lease: Owners and tenants will be oriented when they sign the lease contract, about their obligations and responsibilities, deficiencies repairs, rent payment, security deposit, community relations and income verification.

ii. Individual

- a. In the annual recertification the Housing technician will revise with the tenant the Unit information as an orientation.
- b. The Housing Technician will verify with the Municipality Secretaria Office if the tenant has any contract with the Municipality.

iii. Unit Promotion

- a. Newspapers
- b. Posters
- c. Informative Video

Fraud Detection

- i. A telephone number and an electronic mail are available to receive complaints. There are 787-653-6361 and /or alertavivienda@caguas.gov.pr.
- ii. Unit Promotion
- iii. Complaints will be received by the Unit employees
- iv. Complaint Mailbox
- v. Employee must be proactive. He must verify and compare the documents received versus the information reported.
- vi. If an employee receives a complaint, he must complete a form of “Radicación de Querrela “and give it to the person in charge of the Unit.

Unit Staff

- i. In charge of the telephones and electronic mails
- ii. Responsible of evaluating the complaint, analyze it, and compare to the information in the file.
- iii. Direct the complaints and evaluate investigation techniques that will be used.
- iv. Recommendation to the Agency to proceed or not proceed with the possible assistance cancelation, payment plan or other. Legal Action will be referred.
- v. Follow up to his recommendation until the case final solution.
- vi. Follow up to the payment plans and the recovery of the money.
- vii. Refer cases to other pertinent agencies like credit agencies, government agencies, legal agencies, etc.

15.2 Guidelines for payment agreements

Payment agreements will be executed between the Section 8 Program and the head of household and/or spouse. Monthly payments may be decreased, but will not be stopped, in cases of family hardship, and if requested with reasonable notice from the family, upon verification of the hardship, and the approval of the program manager.

No transfer will be approved until a debt is paid in full.

Additional Monies Owed: If the family already has a payment agreement in place and incurs an additional debt to the Section 8 Program:

The City will not enter into more than one payment agreement with the family. The family may be allowed 30 days to pay the second debt in full.

Owner debts to the Section 8 Program

If the Section 8 Program determines that the owner has retained housing assistance or claim payments the owner is not entitled to, the PHA may reclaim the amounts from future housing assistance or claim payments owed the owner for any units under contract. If future housing assistance or claim payments are insufficient to reclaim the amounts owed, the PHA will seek one or more of the following remedies:

- Require the owner to pay the amount in full within 30 days
- Pursue collections through collection agencies , the local court system, or the Office of the Inspector General (OIG)

- Restrict the owner from future participation

Writing Off Debts

The Finance Director may write off uncollectable debts. In determining whether a debt is uncollectable, the lack of success in collecting, along with the following factors will be considered:

- The debtor's whereabouts is unknown
- The debt is more than one year old
- The debtor is judgment proof
- The debtor is deceased
- The amount is less than \$250.00

CHAPTER 16

RECERTIFICATION

(See also Section II: *Issuing or Denying Vouchers* and Section IV: *Occupancy Policies*)

16.1 Changes in lease or rent

If the participant and owner agree to any changes in the lease, all changes must be in writing, and the owner must immediately give the PHA a copy of the changes. The lease, including any changes, must be in accordance with this Administrative Plan. The HAP contract will be executed annually or by six months if the owner requested.

Owners must notify the PHA of any changes in the amount of the rent at least sixty (60) days before the changes go into effect. Any such changes are subject to the PHA determining them to be reasonable.

Assistance shall not be continued unless the PHA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner if any of the following changes are made:

- A. Requirements governing participant or owner responsibilities for utilities or appliances;
- B. In the lease terms governing the term of the lease;
- C. If the participant moves to a new unit, even if the unit is in the same building or complex.

The approval of the PHA is not required for changes other than those specified in A, B, or C above.

16.2 Annual Reexamination

At least annually the PHA will conduct a reexamination of family income and circumstances. The results of the reexamination determine (1) the rent the family will pay, and (2) whether the family subsidy is correct based on the family unit size.

The PHA will send a notification letter to the family letting them know that it is time for their annual reexamination and scheduling an appointment. The letter includes forms for the family to complete in preparation for the interview. The letter includes instructions permitting the family to reschedule the interview if necessary. The letter tells families who may need to make alternate arrangements due to a disability that they may contact staff to request an accommodation of their needs. During the interview, the family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. The family will sign the HUD .

consent form and other consent forms that later will be mailed to the sources that will verify the family circumstances.

Upon receipt of verification, the PHA will determine the family's annual income and will calculate their family share.

Effective Date of Rent Changes for Annual Reexaminations

The new family share will generally be effective upon the anniversary date with 30 days notice of any rent increase to the family.

If the rent determination is delayed due to a reason beyond the control of the family, then any rent increase will be effective the first of the month after the month in which the family receives a 30-day notice of the amount. If the new rent is a reduction and the delay is beyond the control of the family, the reduction will be effective as scheduled on the anniversary date.

If the family caused the delay, then any increase will be effective on the anniversary date. Any reduction will be effective the first of the month after the rent amount is determined.

Missed Appointments

If the family fails to respond to the letter and fails to attend the interview, a second letter will be mailed. The second letter will advise of a new time and date for the interview, allowing for the same considerations for rescheduling and accommodation as above. The letter will also advise that failure by the family to attend the second scheduled interview will result in the PHA taking action to terminate the family's assistance.

16.3 Interim Reexaminations

During an interim reexamination only the information affected by the changes being reported will be reviewed and verified.

Families will be required to report any increase in income or decreases in allowable expenses between annual reexaminations.

Families are required to report the following changes to the PHA between regular reexaminations. These changes will trigger an interim reexamination.

- A. A member has been added to the family through birth or adoption or court-awarded custody.
- B. A household member is leaving or has left the family unit.
- C. Family break-up (See Section XI above)

16.4 Special Reexaminations

If a family reports zero income or when income is too unstable to project for 12 months, including families that temporarily have no income or have a temporary decrease in income, the PHA will schedule special reexaminations every 180 days until the income stabilizes and an annual income can be determined. Also, at briefings, Section 8 participants agrees to report, in writing, and provide certification following any change in annual income within ten (10) calendar days of the occurrence.

Effective Date of Rent Changes Due to Interim or Special Reexaminations

Unless there is a delay in reexamination processing caused by the family, any rent increase will be effective the first of the second month after the month in which the family receives notice of the new rent amount. If the family causes a delay, then the rent increases will be effective on the date it would have been effective had the process not been delayed (even if this means a retroactive increase).

If the new rent is a reduction and any delay is beyond the control of the family, the reduction will be effective the first of the month after the interim reexamination should have been completed.

If the new rent is a reduction and the family caused the delay or did not report the change in a timely manner, the change will be effective the first of the month after the rent amount is determined.

16.5 HCV Program Quality Control (QC), Internal Control Polices, and Procedures

The PHA QC Program “**monitor**” position was created in May of 2007. The purpose of the monitor is to review the HCV program for compliance with HUD requirements and make the Caguas PHA aware of any program problems, deficiency, fraud, abuse, and/or omissions, to maintain program integrity. The monitor selects a sample representing a cross section of all the cases worked by section 8 staff. A sample size will be taken according to “*PHA’s Quality Control Sample*” as required in 24 CFR Part 985.2. The monitor samples data from cases already completed on a weekly bases.

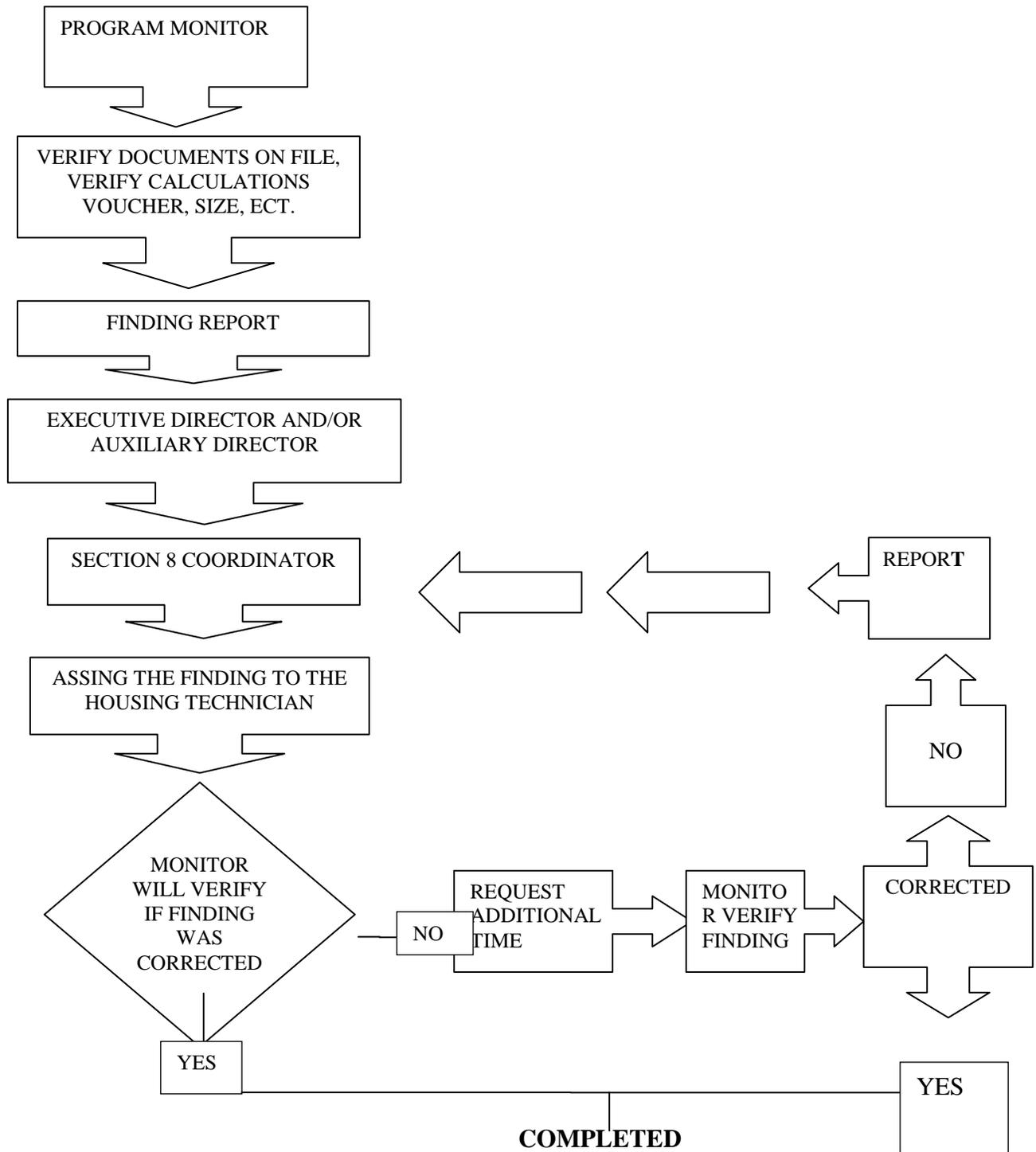
At a minimum, the monitor will review a sample that includes the following:

- Documents ordered as establish by the Agency
- Form HUD 52646 (voucher) voucher size
- Form HUD 52641 (HAP and lease)
- HAP interims
- Family composition photo
- Interview forms, move in, re-exams and interims
- Family compositions compared with voucher size.
- Family Incomes
- Supporting documents as established on the interview form.
- Forms required by HUD

- HUD 9886 Authorization for the release of the information
- HUD 52578-B statement of Family Responsibility
- Declaration of Section 214 status
- EIV verification
- Income evidence according with the interview
- Deduction or credits according with interview
- Inspections and documentation due on time
 - Deficiencies notification to owner
 - HUD forms 40061 (comparables)
 - HUD form 52667 (allowances for utilities)
 - HUD form 52580 (inspections)
- HAP abatement when the owner do not comply with the deficiencies correction at the time provided by the Agency
- Owner documents, requires by the state, and legal deed.
- Correct rent calculation, utilities and payment standard.

The PHA monitor submits or reports findings to the Housing Department Auxiliary Director and to the Section 8 Coordinator. The Coordinator will assign the finding(s) to the respective case worker. She/he will be required to complete all corrective actions within 15 days upon assignment. If additional time is needed, the director will determine the cases and may provide an addition 15 days for a maximum of 30 days. If finding was not corrected the Section 8 Coordinator will apply reprimand to the employee.

16.6 Internal Control Polices flow chart



CHAPTER 17
POLICY ON RESTRICTIONS ON THE NUMBER OF MOVES BY A PARTICIPANT
FAMILY [24CFR982.314(C)]

HUD regulations permit families to move with continued assistance to another unit within the limits of the PHA, or to a unit outside of the PHA jurisdiction under portability procedures. The regulations also allow the PHA the discretion to develop policies to define any limitations or restrictions on moves. This chapter describes the procedures for moves within and outside the PHA jurisdiction, and the policies for restrictions and limitations on moves.

17.1 Moves with Continued Assistance

Participating families are allowed to move to another unit after the initial 12 months has expired, if the landlord and the participant have mutually agreed to terminate the lease, or if the Housing Authority has terminated the HAP contract. The Section 8 Program will issue the family a new voucher if the family does not owe the PHA or any other Housing Authority money, has not violated a Family Obligation, has not moved or been issued a voucher within the last 12 months, and if the Section 8 Program has sufficient funding for continued assistance. If the move is necessitated for a reason other than family choice, the 12-month requirement will be waived.

When a Family May Move

The Section 8 Program will allow the family to move to a new unit if:

- The assisted lease for the old unit has terminated;
- The owner has given the tenant a notice to vacate, has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the tenant; or
- The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner).

Procedures Regarding Family Moves

Families considering transferring to a new unit will be scheduled to attend a mover's briefing. All families who are moving, including any families moving into or out of the PHA Section 8 Program jurisdiction, will be required to attend a mover's briefing prior to the PHA entering a new HAP contract on their behalf.

This briefing is intended to provide the following:

- A refresher on program requirements and the family's responsibilities. Emphasis will be on giving proper notice and meeting all lease requirements such as leaving the unit in good condition;
- Information about finding suitable housing and the advantages of moving to an area that does not have a high concentration of poor families;
- Payment standards, exception payment standard rent areas, and the utility allowance schedule;
- An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income if the gross rent exceeds the applicable payment standard;
- Portability requirements and opportunities;
- The need to have a reexamination conducted within 120 days prior to the move;
- An explanation and copies of the forms required to initiate and complete the move; and,
- All forms and brochures provided to applicants at the initial briefing.

Families are required to give proper written notice of their intent to terminate the lease. In accordance with HUD regulations, no notice requirement may exceed 60 days. During the initial term, families may not end the lease unless they and the owner mutually agree to end the lease. If the family moves from the unit before the initial term of the lease ends without the owner's and the PHA Section 8 Program approval, it will be considered a serious lease violation and subject the family to termination from the program.

The family is required to give the PHA a copy of the notice to terminate the lease at the same time as it gives the notice to the landlord. A family's failure to provide a copy of the lease termination notice to the PHA will be considered a violation of Family Obligations and may cause the family to be terminated from the program.

A family who gives notice to terminate the lease must mail the notice by certified mail or have the landlord or his agent sign a statement stating the date and time received. The family will be required to provide the certified mail receipt and a copy of the lease termination notice to the PHA, or a copy of the lease termination notice and the signed statement stating the date and time the notice was received. If the landlord or his/her agent does not accept the certified mail receipt, the family will be required to provide the receipt and envelope showing that the attempt was made.

Failure to follow the above procedures may subject the family to termination from the program.

CHAPTER 18

PORTABILITY

18.1 General Policies

A family whose head or spouse has a domicile (legal residence) in the jurisdiction of the PHA at the time the family first submits its application for participation in the program to the PHA may lease a unit anywhere in the jurisdiction of the PHA or outside the PHA jurisdiction as long as there is another entity operating a tenant-based Section 8 program covering the location of the proposed unit.

Families will only move to a jurisdiction where a Section 8 Program is being administered.

For income targeting purposes, the family will count towards the initial housing authority's goals unless the receiving housing authority absorbs the family. If absorbed, the admission will count towards the receiving housing authority's goals.

The portability must be requested in written at least three months prior to the ending of the actual lease or before the initial lease is signed. It will be granted in compliance with applicable laws and the availability of funds.

18.2 Denying Family Requests to Move:

The PHA may only deny a family's request to move if it has grounds to do so under the program regulations, which are as follows:

- 1) The PHA has grounds to deny the move because of the family's action or failure to act as described in 24 CFR 982.552 or 982.553. (As previously noted in HUD Notice PIH 2007-5, the Violence Against Women and Justice Department Reauthorization Act 2005 (VAWA 2005) amended section 8(r) of the U.S. Housing Act to provide an exception to the prohibition against a family moving under the portability provisions in violation of the lease.
- 2) The family is a non-resident applicant, or the family was a non-resident applicant that has not yet been assisted in the initial PHA jurisdiction for twelve months since being admitted to the program (see 24 CFR 982.353(c)).
- 3) The family is an applicant and is not income-eligible (see 24 CFR 982.353(d)(1)) in the area in which they wish to initially lease a unit.
- 4) The PHA has established policies on the timing and frequency of moves in accordance with 24 CFR 982.314(c)(2), and the requested move does not comply with those policies.

PHA Policy

Families participating in the HCV Program in the Municipality of Caguas will not be allowed to move more than once in any 12-month period and under no circumstances will the PHA allow a participant to improperly break a lease. Under extraordinary circumstances the PHA may consider allowing more than one move in a 12-month period.

5) The PHA does not have sufficient funding for continued assistance to support the move in accordance with 24 CFR 982.314(e)(1).

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PHA Policy

Denying Family Requests to Move Due to Insufficient Funding

The PHA will only deny a request to move to a higher cost unit within the PHA's jurisdiction or to higher cost area in accordance with 24 CFR 982.314(e)(1) if the PHA would be unable to avoid terminations of housing choice voucher assistance for current participants during the calendar year in order to remain within its budgetary allocation (including any available HAP reserves) for housing assistance payments.

The PHA will provide written notification to the local HUD Office when they determine it is necessary to deny moves to a higher cost unit based on insufficient funding.

The PHA will inform families of the PHA's local policy regarding moves denied due to lack of funding in a letter to the tenant at the time the move is denied. Also the PHA will inform the family that its request to move will be open for consideration for six months and the PHA will notify families with open requests when funds become available by a letter.

.Income Eligibility

A. A family must be income-eligible in the area where the family first leases a unit with assistance in the Voucher Program.

B. If a portable family is already a participant in the Initial Housing Authority's Voucher Program, income eligibility is not re-determined.

Portability: Administration by Receiving Housing Authority

A. When a family utilizes portability to move to an area outside the Initial Housing Authority jurisdiction, another Housing Authority (the Receiving Housing Authority) must administer assistance for the family if that Housing Authority has a tenant-based program covering the area where the unit is located.

B. A Housing Authority with jurisdiction in the area where the family wants to lease a unit must issue the family a voucher. If there is more than one such housing authority, the Initial Housing Authority may choose which housing authority shall become the Receiving Housing Authority.

18.3 Portability Procedures

Procedures will follow as established in this Administrative Plan, Notice PIH 2005-1 (HA), Notice PIH 2005-18 (HA) and as any other applicable or prevalence law.

A. When the PHA is the Initial Housing Authority:

1. The PHA will brief the family on the process that must take place to exercise portability. The family will be required to attend an applicant or mover's briefing.
2. The PHA will determine whether the family is income-eligible in the area where the family wants to lease a unit (if applicable).
3. The PHA will advise the family how to contact and request assistance from the Receiving Housing Authority.
4. The PHA will, within ten (10) calendar days, notify the Receiving Housing Authority to expect the family.
5. The PHA will immediately mail to the Receiving Housing Authority the most recent HUD Form 50058 (Family Report) for the family, and related verification information.

B. When the PHA is the Receiving Housing Authority:

1. When the portable family requests assistance from the PHA, the PHA will within ten (10) calendar days inform the Initial Housing Authority whether it will bill the Initial

Housing Authority for assistance on behalf of the portable family, or absorb the family into its own program. When the PHA receives a portable family, the family will be absorbed if funds are available and a voucher will be issued.

2. The PHA will issue a voucher to the family. The term of the PHA's voucher will not expire before the expiration date of any Initial Housing Authority's voucher. The PHA will determine whether to extend the voucher term. The family must submit a request for tenancy approval to the PHA during the term of the PHA's voucher.
3. The PHA will determine the family unit size for the portable family. The family unit size is determined in accordance with the PHA's subsidy standards.
4. The PHA will within ten (10) calendar days notify the Initial Housing Authority if the family has leased an eligible unit under the program, or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the voucher.
5. If the PHA opts to conduct a new reexamination, the PHA will not delay issuing the family a voucher or otherwise delay approval of a unit unless the re-certification is necessary to determine income eligibility.
6. In order to provide tenant-based assistance for portable families, the PHA will perform all Housing Authority program functions, such as reexaminations of family income and composition. At any time, either the Initial Housing Authority or the PHA may make a determination to deny or terminate assistance to the family in accordance with 24 CFR 982.552.

7. The PHA will deny or terminate assistance for family action or inaction in accordance with 24 CFR 982.552 and 24 CFR 982.553.

C. Absorption by the PHA

1. If funding is available under the consolidated ACC for the PHA's Voucher Program when the portable family is received, the PHA will absorb the family into its Voucher Program. After absorption, the family is assisted with funds available under the consolidated ACC for the PHA's Tenant-Based Program.

D. Portability Billing

1. To cover assistance for a portable family, the Receiving Housing Authority may bill the Initial Housing Authority for housing assistance payments and administrative fees. The billing procedure will be as follows:

a. As the Initial Housing Authority, the PHA will promptly reimburse the Receiving Housing Authority for the full amount of the housing assistance payments made by the Receiving Housing Authority for the portable family. The amount of the housing assistance payment for a portable family in the Receiving Housing Authority's program is determined in the same manner as for other families in the Receiving Housing Authority's program.

b. The Initial Housing Authority will promptly reimburse the Receiving Housing Authority for 80% of the Initial Housing Authority's on-going administrative fee for each unit month that the family receives assistance under the tenant-based programs and is assisted by the Receiving Housing Authority. If both Housing Authorities agree, we may negotiate a different amount of reimbursement.

E. When a Portable Family Moves

When a portable family moves out of the tenant-based program of a Receiving Housing Authority that has not absorbed the family, the Housing Authority in the new jurisdiction to which the family moves becomes the Receiving Housing Authority, and the first Receiving Housing Authority is no longer required to provide assistance for the family.

CHAPTER 19
CHARGES AGAINST THE SECTION 8 ADMINISTRATIVE
FEE RESERVE [24CFR982.155]

Occasionally, it is necessary for the PHA to spend money from its Section 8 Administrative Fee Reserve to meet unseen or extraordinary expenditures or for its other housing related purposes consistent with State law.

Any charge against the Section 8 Administrative Fee Reserve, must first be authorized by the Mayor, who is the Executive Director.

CHAPTER 20

INSPECTION POLICIES, HOUSING QUALITY STANDARDS AND DAMAGE CLAIMS

The PHA will inspect all units to ensure that they meet Housing Quality Standards (HQS). No unit will be initially placed on the Section 8 Existing Program unless the HQS is met. Units will be inspected at least annually, and at other times as needed, to determine if the units meet HQS.

The PHA will inspect the dwelling unit at reasonable times with reasonable notice. The family and owner will be notified of the inspection appointment by first class mail. If the family cannot be at home for the scheduled inspection appointment, the family must call and reschedule the inspection or make arrangements to enable the Housing Authority to enter the unit and complete the inspection.

If the family misses the scheduled inspection and fails to reschedule the inspection, the PHA will only schedule one more inspection. If the family misses two inspections, the PHA will consider the family to have violated a Family Obligation and their assistance will be terminated.

20.1 Types of Inspections

There are seven types of inspections the PHA will perform:

- A. Initial Inspection - An inspection that must take place to insure that the unit passes HQS before assistance can begin.
- B. Annual Inspection - An inspection to determine that the unit continues to meet HQS.
- C. Special Inspection - An inspection caused by a third party, i.e., HUD, needing to view the unit.
- E. Emergency - An inspection that takes place in the event of a perceived emergency. These will take precedence over all other inspections.
- F. Quality Control Inspection - Supervisory inspections on a sample of units that were under lease during the Housing Authority's previous fiscal year. The Inspector Supervisor and the Section 8 Coordinator will conduct the Quality Control Inspection. The PHA will conduct its HQS Quality Control re-inspections using HUD's minimum quality control sample size. requirements as follows:

MINIMUM SIZE OF THE PHA’S QUALITY CONTROL SAMPLE:

Universe	Minimum number of files or records to be sampled
50 or less	5
51-600	5 plus 1 for each 50 (or part of 50) over 50
601-2000	16 plus 1 for each 100 (or part of 100) over 600
Over 2000	30 plus 1 for each 200 (or part of 200) over 2000

These inspections will be due each 3 months as follows: March, June, September and December. The Universe will be all the failed inspections done in the last three months.

20.2 *Inspection Procedures

**Re-Inspection procedures*

1. All cases, with reexamination due in four months, are assigned to the inspectors.
2. The inspector will prepare the required documentation in order to make the inspection on time. This includes scheduling a date for the inspection (phone call or letter).
3. A complete inspection will be made to the unit following Inspection Form (HUD-52580-A). In cases where there is a need for an additional bedroom for a Live-In Aide or medical equipment the inspector will verify that the additional bedroom is used for what is intended for.
4. If any deficiencies are found, the inspector will identify who should repair the deficiency (owner or tenant) and notify by letter indicating the date in which the deficiency should be repaired (up to 30 days or 24 hours for high risk deficiencies).
5. The owner has the option to ask for additional time in order to correct the deficiency. The inspector will write an agreement with the owner, allowing a reasonable time and schedule a new date for re-inspection.
6. On that specific date the inspector will verify if deficiencies were not repaired:
 Owner’s deficiencies:
 - a. The owner will receive a second notice and a penalty letter.
 - b. Payments will be abated for as long as the unit does not comply with HQS standards.
 - c. The inspector recommends tenant’s other change of unit.
 Tenant’s deficiencies:
 - a. The inspector recommends end of participation.
7. If the unit has a Pass Inspection, the following documentation is prepared to certify it:
 - a. Completed Inspection Form HUD-52580-A
 - b. Comparables Form HUD-40061

**Amendment effective October 1, 2008*

- c. certification letter
 - d. Utilities Form HUD-52667
8. All completed inspection data is entered into Annual Inspection Log.
 9. The supervisor reviews and signs certification letter.

**Other Change of Unit, Portability Move-In and New Admission Inspection*

1. Request for Lease Approval is received.
2. The inspector will schedule the inspection within 15 days.
3. A complete inspection will be made to the unit following Inspection Form (HUD-52580-A). Owner and/or authorized representative and prospective tenant must be present during this inspection.
4. If deficiencies are found, the inspector will immediately notify the owner and will be given up to 30 days to correct the items noted as failed, depending on the extent of the repairs that are required to be made. If deficiencies are not corrected another Request for Lease Approval will be given to the tenant.
5. If the unit has Pass Inspection the following documentation is prepared to certify it:
 - α. Completed Inspection Form HUD-52580-A
 - β. Comparables Form HUD-40061
 - χ. Certification letter
 - δ. Utilities Form HUD-52667
6. All completed inspection data is entered into Annual Inspection Log.
7. The supervisor reviews and signs certification letter.

**Special or Complaint Inspection Procedures*

1. These inspections are at the request of the tenant, owner or other source.
2. The inspector will schedule the inspection.
3. A complete inspection will be made to the unit following Inspection Form (HUD-52580-A).
4. If the unit has a Pass Inspection , the following documentation is prepared to certify it:
 - a. Completed Inspection Form HUD-52580-A
 - b. Comparables Form HUD-40061
 - c. Certification letter
 - d. Utilities Form HUD-52667
5. If any deficiencies are found, the inspector will identify who should repair the deficiency (owner or tenant) and notify by letter indicating the date in which the deficiency should be repaired (30 days or 24 hours for high risk deficiencies).

**Amendment effective October 1, 2008*

6. The owner has the option to ask for additional time in order to correct the deficiency. The inspector will write an agreement with the owner, allowing a reasonable time and schedule a new date for re-inspection.
7. On that specific date the inspector will verify if deficiencies were not repaired:

Owner's deficiencies:

- a. The owner will receive a second notice letter and penalty letter.
- b. Payments will be abated for as long as the unit has the deficiencies.
- c. The inspector recommends tenant's other change of unit.

Tenant's deficiencies:

The inspector recommends End of Participation.

**Quality Control Inspection Procedures*

1. The inspector's supervisor or a qualified staff requests the data from the system manager on the next day the quarter ends. The data provided includes all pass inspections units within the last 90 days.
2. A sample is selected representing a cross-section of neighborhoods and inspectors' work.
3. A visit is scheduled to each of the units selected (by letter or phone call).
4. A complete inspection will be made to the unit following Inspection Form (HUD-52580-A). In cases where there is a need for an additional bedroom for a Live-In Aide or medical equipment, the inspector will verify that the additional bedroom is used for what it is intended for.
5. If any deficiencies are found, the inspector will identify who should repair the deficiency (owner or tenant) and notify the responsible party by letter, indicating the date in which the deficiency should be repaired (30 days or 24 hours for high risk deficiencies).
6. The owner has the option to ask for an additional term in order to correct the deficiency. The inspector will write an agreement with the owner, allowing a reasonable time and schedule a new date for re-inspection.

7. On that specific date the inspector will verify if deficiencies were not repaired:

Owner's deficiencies:

- a. The owner will receive a second notice and a penalty letter.
- b. Payments will be abated for as long as the unit does not comply with HQS standards.
- c. The inspector recommends tenant's other change of unit.

Tenant's deficiencies:

- a. The inspector recommends end of participation.

8. Once all the units were inspected a briefing review is conducted with each inspector, to discuss the results of QC inspections. A written certification is given to each inspector.

**Amendment effective October 1, 2008*

9. A complete QC Inspection Report is prepared and discussed with Section 8 Coordinator.

20.3 *Annual Inspection Log

PHA has created a log in order to follow the progress of the inspections assigned to the inspection staff. With this log we will know the status of each inspection. This log contains the following information:

1. zone number
2. unit number
3. type of inspection (Re-inspection, other change of unit, special)
4. date assigned
5. date of Inspection
6. date of deficiency letter (first notice)
7. date to re-inspect deficiencies
8. date of deficiency letter (second notice) if applicable.
9. date of Pass Inspection
10. date complete inspection is given to supervisor and data is entered to log

With this log the supervisor ensures that inspection process complies with regulation.

20.4 Owner and Family Responsibility

A. Owner Responsibility for HQS

1. The owner must maintain the unit in accordance with HQS.
2. If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA will take prompt and vigorous action to enforce the owner obligations. The PHA's remedies for such breach of the HQS include termination, suspension or reduction of housing assistance payments and termination of the HAP contract.
3. The PHA will not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the PHA and the PHA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects the owner must correct the defect within no more than 30 calendar days (or any PHA approved extension).

**Amendment effective October 1, 2008*

4. The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible. Furthermore, the PHA may terminate assistance to a family because of the HQS breach caused by the family.

B. Family Responsibility for HQS

1. The family is responsible for a breach of the HQS that is caused by any of the following:

a. The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;

b. The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or

c. Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).

2. If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any PHA approved extension).

3. If the family has caused a breach of the HQS, the PHA will take prompt and vigorous action to enforce the family obligations. The PHA may terminate assistance for the family in accordance with 24 CFR 982.552.

20.5 Housing Quality Standards (HQS) 24 CFR 982.401

This Section states performance and acceptability criteria for these key aspects of the following housing quality standards:

A. Sanitary Facilities

a. Performance Requirement

The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.

2. Acceptability Criteria

a. The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.

b. The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.

c. The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.

d. The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

B. Food Preparation and Refuse Disposal

1. Performance Requirements

a. The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.

b. There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

2. Acceptability Criteria

a. The dwelling unit must have an oven, a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. Either the owner or the family may supply the equipment. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished .

instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.

b. The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approval public or private system.

c. The dwelling unit must have space for the storage, preparation, and serving of food.

d. There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

C. Space and Security

1. Performance Requirement

The dwelling unit must provide adequate space and security for the family.

2. Acceptability Criteria

a. At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.

b. The dwelling unit must have at least one bedroom or living/ sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.

c. Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.

d. The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

D. Thermal Environment

1. Performance Requirement

The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

2. Acceptability Criteria

a. There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.

b. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

E. Illumination and Electricity

1. Performance Requirement

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.

2. Acceptability Criteria

a. There must be at least one window in the living room and in each sleeping room.

b. The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.

c. The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

F. Structure and Materials

1. Performance Requirement

The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

2. Acceptability Criteria

a. Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.

b. The roof must be structurally sound and weather tight.

c. The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.

d. The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.

e. Elevators must be working and safe.

G. Interior Air Quality

1. Performance Requirement

The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.

2. Acceptability Criteria

a. The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.

b. There must be adequate air circulation in the dwelling unit.

c. Bathroom areas must have one window that can be opened or other adequate exhaust ventilation.

d. Any room used for sleeping must have at least one window. If the window is designed to be opened, the window must work.

H. Water Supply

1. Performance Requirement

The water supply must be free from contamination.

2. Acceptability Criteria

The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.

I. Lead-based Paint

1. Definitions

a. Chewable surface: Protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age; for example, protruding corners, window sills and frames, doors and frames, and other protruding woodwork.

b. Component: An element of a residential structure identified by type and location, such as a bedroom wall, an exterior window sill, a baseboard in a living room, a kitchen floor, an interior window sill in a bathroom, a porch floor, stair treads in a common stairwell, or an exterior wall.

c. Defective paint surface: A surface on which the paint is cracking, scaling, chipping, peeling, or loose.

d. Elevated blood level (EBL): Excessive absorption of lead. Excessive absorption is a confirmed concentration of lead in whole blood of 20 ug/dl (micrograms of lead per deciliter) for a single test or of 15-19 ug/dl in two consecutive tests 3-4 months apart.

e. HEPA: A high efficiency particle accumulator as used in lead abatement vacuum cleaners.

f. Lead-based paint: A paint surface, whether or not defective, identified as having a lead content greater than or equal to 1 milligram per centimeter squared (mg/cm²), or 0.5 % by weight or 5000 parts per million (PPM).

2. Performance Requirements

a. The purpose of this paragraph of this Section is to implement Section 302 of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4822, by establishing procedures to eliminate as far as practicable the hazards of lead-based paint poisoning for units assisted under

this part. This paragraph is issued under 24 CFR 35.24(b)(4) and supersedes, for all housing to which it applies, the requirements of subpart C of 24 CFR part 35.

b. The requirements of this paragraph of this Section do not apply to 0-bedroom units, units that are certified by a qualified inspector to be free of lead-based paint, or units
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designated exclusively for the elderly. The requirements of subpart A of 24 CFR part 35 apply to all units constructed prior to 1978 covered by a HAP contract under part 982.

c. If a dwelling unit constructed before 1978 is occupied by a family that includes a child under the age of six years, the initial and each periodic inspection (as required under this part) must include a visual inspection for defective paint surfaces. If defective paint surfaces are found, such surfaces must be treated in accordance with paragraph k of this Section.

d. The Housing Authority may exempt from such treatment defective paint surfaces that are found in a report by a qualified lead-based paint inspector not to be lead-based paint, as defined in paragraph 1(f) of this Section. For purposes of this Section, a qualified lead-based paint inspector is a State or local health or housing agency, a lead-based paint inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD.

e. Treatment of defective paint surfaces required under this Section must be completed within 30 calendar days of Housing Authority notification to the owner. When weather conditions prevent treatment of the defective paint conditions on exterior surfaces within the 30-day period, treatment as required by paragraph k of this Section may be delayed for a reasonable time.

f. The requirements in this paragraph apply to:

i. All painted interior surfaces within the unit (including ceilings but excluding furniture);

ii. The entrance and hallway providing access to a unit in a multi-unit building; and

iii. Exterior surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).

g. In addition to the requirements of paragraph c of this Section, for a dwelling unit constructed before 1978 that is occupied by a family with a child under the age of six years with an identified EBL condition, the initial and each periodic inspection (as required under this part) must include a test for lead-based paint on chewable surfaces. Testing is not required if previous testing of chewable surfaces is negative for lead-based paint or if the chewable surfaces have already been treated.

h. Testing must be conducted by a State or local health or housing agency, an inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD. Lead content must be tested by using an X-ray fluorescence analyzer (XRF) or by laboratory analysis of paint samples. Where lead-based paint on chewable surfaces is identified,

treatment of the paint surface in accordance with paragraph k of this Section is required, and treatment shall be completed within the time limits in paragraph c of this Section.

i. The requirements in paragraph g of this Section apply to all protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age:

i. within the unit;

ii. The entrance and hallway providing access to a unit in a multi-unit building; and

iii. Exterior surfaces (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).

j. In lieu of the procedures set forth in paragraph g of this Section, the Housing Authority may, at its discretion, waive the testing requirement and require the owner to treat all interior and exterior chewable surfaces in accordance with the methods set out in paragraph k of this Section.

k. Treatment of defective paint surfaces and chewable surfaces must consist of covering or removal of the paint in accordance with the following requirements:

i. A defective paint surface shall be treated if the total area of defective paint on a component is:

(1) More than 10 square feet on an exterior wall;

(2) More than 2 square feet on an interior or exterior component with a large surface area, excluding exterior walls and including, but not limited to, ceilings, floors, doors, and interior walls;

(3) More than 10% of the total surface area on an interior or exterior component with a small surface area, including, but not limited to, windowsills, baseboards and trim.

ii. Acceptable methods of treatment are the following: removal by wet scraping, wet sanding, chemical stripping on or off site, replacing painted components, scraping with infra-red or coil type heat gun with temperatures below 1100 degrees, HEPA vacuum sanding, HEPA vacuum needle gun, contained hydroblasting or high pressure wash with HEPA vacuum, and abrasive sandblasting with HEPA vacuum. Surfaces must be covered with durable materials with joint edges sealed and caulked as needed to prevent the escape of lead contaminated dust.

iii. Prohibited methods of removal are the following: open flame burning or torching, machine sanding or grinding without a HEPA exhaust, uncontained hydroblasting or high pressure wash, and dry scraping except around electrical outlets or except when treating defective paint spots no more than two square feet in any one interior room or space (hallway, pantry, etc.) or totaling no more than twenty square feet on exterior surfaces.

iv. During exterior treatment soil and playground equipment must be protected from contamination.

v. All treatment procedures must be concluded with a thorough cleaning of all surfaces in the room or area of treatment to remove fine dust particles. Cleanup must be accomplished by wet washing surfaces with a lead solubilizing detergent such as trisodium phosphate or an equivalent solution.

vi. Waste and debris must be disposed of in accordance with all applicable Federal, State, and local laws.

l. The owner must take appropriate action to protect residents and their belongings from hazards associated with treatment procedures. Residents must not enter spaces undergoing treatment until cleanup is completed. Personal belongings that are in work areas must be relocated or otherwise protected from contamination.

m. Prior to execution of the HAP contract, the owner must inform the Housing Authority and the family of any knowledge of the presence of lead-based paint on the surfaces of the residential unit.

n. The Housing Authority will attempt to obtain annually from local health agencies the names and addresses of children with identified EBLs and must annually match this information with the names and addresses of participants under this part. If a match occurs, the Housing Authority will determine whether local health officials have tested the unit for lead-based paint. If the unit has lead-based paint, the Housing Authority will require the owner to treat the lead-based paint. If the owner does not complete the corrective actions required by this Section, the family must be issued a voucher to move.

o. The Housing Authority will keep a copy of each inspection report for at least three years. If a dwelling unit requires testing, or if the dwelling unit requires treatment of chewable surfaces based on the testing, the Housing Authority will keep the test results indefinitely and, if applicable, the owner certification and treatment. The records must indicate which chewable surfaces in the dwelling units have been tested and which chewable surfaces were tested or tested and treated in accordance with the standards prescribed in this Section, such chewable surfaces do not have to be tested or treated at any subsequent time.

p. The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

J. Access

1. Performance Requirement

The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

K. Site and Neighborhood

1. Performance Requirement

The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.

2. Acceptability Criteria

The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslide; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.

L. Sanitary Condition

1. Performance Requirement

The dwelling unit and its equipment must be in sanitary condition.

2. Acceptability Criteria

The dwelling unit and its equipment must be free of vermin and rodent infestation.

M. Smoke Detectors

1. Performance Requirements

a. Except as provided in paragraph b below of this Section, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).

b. For units assisted prior to April 24, 1993, owners who installed battery-operated or hard-wired smoke detectors prior to April 24, 1993, in compliance with HUD's smoke detector requirements, including the regulations published on July 30, 1992 (57 FR 33846), will not be required subsequently to comply with any additional requirements mandated by NFPA 74 (i.e., the owner would not be required to install a smoke detector in a basement not used for living

purposes, nor would the owner be required to change the location of the smoke detectors that have already been installed on the other floors of the unit).

Exceptions to the HQS Acceptability Criteria

The PHA will utilize the acceptability criteria as outlined above with applicable State and local codes. Additionally, the PHA has received HUD approval to require the following additional criteria:

- A. In each room, there will be at least one exterior window that can be opened and that contains a screen.
- B. Owners will be required to scrape peeling paint and repaint all surfaces cited for peeling paint with 2 coats of non-lead paint. An extension may be granted as a severe weather related item as defined below.
- C. Adequate heat shall be considered to be 68 degrees.
- D. In units where the tenant must pay for utilities, each unit must have separate metering device(s) for measuring utility consumption.
- E. A 1/2" overflow pipe must be present on the hot water heater safety valves and installed down to within 6 inches of the floor.

Time Frames

A. Time Frames for Corrections

- 1. Emergency repair items must be abated within 24 hours.
- 2. Repair of refrigerators, range and oven, or a major plumbing fixture supplied by the owner must be abated within 72 hours.
- 3. Non-emergency items must be completed within 10 days of the initial inspection.
- 4. For major repairs, the owner will have up to 30 days to complete.

B. Extensions

At the sole discretion of the PHA, extensions of up to 30 days may be granted to permit an owner to complete repairs if the owner has made a good faith effort to initiate repairs. If repairs are not completed within 60 days after the initial inspection date, the PHA will abate the rent and cancel the HAP contract for owner noncompliance. Appropriate extensions will be granted if a severe weather condition exists for such items as exterior painting and outside concrete work for porches, steps, and sidewalks.

Emergency Fail Items

The following items are to be considered examples of emergency items that need to be abated within 24 hours:

- A. No hot or cold water
- B. No electricity
- C. Inability to maintain adequate heat
- D. Major plumbing leak
- E. Natural gas leak
- F. Broken lock(s) on first floor doors or windows
- G. Broken windows that unduly allow weather elements into the unit
- H. Electrical outlet smoking or sparking
- I. Exposed electrical wires which could result in shock or fire
- J. Unusable toilet when only one toilet is present in the unit
- K. Security risks such as broken doors or windows that would allow intrusion
- L. Other conditions which pose an immediate threat to health or safety

Abatement

When a unit fails to meet HQS and the owner has been given an opportunity to correct the deficiencies, but has failed to do so within in the required timeframe, the rent for the dwelling unit will be abated as stated in the above inspections procedures.

CHAPTER 21
PHA SCREENING OF APPLICANTS FOR FAMILY BEHAVIOR OR SUITABILITY
FOR TENANCY (see also Section 2)

The procedures and documents required for determining family eligibility are as follows:

- Applicants present evidence of all income receive by the family including Social Security benefits, Social Services, pensions, child support, scholarships, assets, etc.
 - Applicants and participants are required to disclose and verify their Social Security numbers as well as their children's Social Security numbers (children over 6 years of age), and their employers business identification number (if necessary).
 - Certification of employment; signed by the employer.
 - Tenant Declarations for seasonal workers or for the self employed.
 - Eviction notice, where applicable.
 - Evidence or receipt of most recently paid rent.
 - Marriage certificate or divorce decree, where applicable.
 - Birth certificates of all the members of the family. (Baptism certifications will be accepted)
 - Good Conduct Certificate from the Police Department.
 - Certification of ongoing studies; for all children over 18 years of age.
 - Income tax return forms.
 - Certification of unemployment, for persons who are older than 18 years of age and are not studying.
 - Certification of a handicap or a medical disability.
 - Property Title of the location currently occupied by the applicant in order to verify that the property is not owned by the applicant.
 - Family group photograph.
- These items will be required at the discretion of the agency whenever applicable (provided that it will not impose financial hardship).

-Authorization for release of information for all members of households over 18 years of age.

The applicant is required to sign a form authorizing program personnel to corroborate the information presented with the respective public agencies and/or other institutions- e.g., the Social Services Department, the Housing Authority, the Social Security Administration, etc.- and to obtain verification of income.

Program personnel may also conduct interviews at their current place of residence and have their living conditions documented.

21.1 Income eligibility

1. To be eligible to receive assistance a family shall, at the time the family initially receives assistance under the Section 8 program:
 - a. An extremely low-income or a very low-income family;
 - b. A low-income family continuously assisted under the 1937 Housing Act;
 - c. A low-income family that meets additional eligibility criteria specified by the Housing Authority;
 - d. A low-income family that is a nonpurchasing tenant in a HOPE 1 or HOPE 2 project or a property subject to a resident homeownership program under 24 CFR 248.173;
 - e. A low-income family 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;
 - f. A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 (HOPE for public housing homeownership) or HOPE 2 (HOPE for homeownership of multifamily units) project.
2. Income limits apply only at admission and are not applicable for continued occupancy; however, as income rises the assistance will decrease.
3. The applicable income limit for issuance of a voucher is the highest income limit for the family size for areas within the housing authority's jurisdiction. The applicable income limit for admission to the program is the income limit for the area in which the family is initially assisted in the program. The family may only use the voucher to rent a unit in an area where the family is income eligible at admission to the program.
4. Families who are moving into the PHA's jurisdiction under portability and have the status of applicant rather than of participant at their initial housing authority must meet the income limit for the area where they were initially assisted under the program.
5. Families who are moving into the PHA's jurisdiction under portability and are already program participants at their initial housing authority do not have to meet the income eligibility requirement for the PHA program.

6. Income limit restrictions do not apply to families transferring units within the PHA Section 8 Program.

21.2 Citizenship/Eligible Immigrant status

To be eligible each member of the family must be a citizen, national, or a noncitizen who has eligible immigration status under one of the categories set forth in Section 214 of the Housing and Community Development Act of 1980 (see 42 U.S.C. 1436a(a)).

Family eligibility for assistance

1. A family will not be eligible for assistance unless every member of the family residing in the unit is determined to have eligible status, with the exception noted below.
2. Despite the ineligibility of one or more family members, a mixed family may be eligible for one of three types of assistance (See Section XII for calculating rents under the noncitizen rule and also Section XVI).
3. A family without any eligible members and receiving assistance on June 19, 1995, may be eligible for temporary deferral of termination of assistance.

21.3 Social Security Number Documentation

To be eligible, all family members must provide a Social Security Number or certify that they do not have one.

21.4 Signing Consent Forms

1. In order to be eligible each member of the family who is at least 18 years of age, and each family head and spouse regardless of age, must sign one or more consent forms.
2. The consent form must contain, at a minimum, the following:
 - a. A provision authorizing HUD and the PHA to obtain from State Wage Information Collection Agencies (SWICAs) any information or materials necessary to complete or verify the application for participation or for eligibility for continued occupancy;
 - b. A provision authorizing HUD or the PHA to verify with previous or current employers income information pertinent to the family's eligibility for or level of assistance;
 - c. A provision authorizing HUD to request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits; and

d. A statement that the authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.

21.5 Suitability for tenancy

The PHA determines eligibility for participation and will also conduct criminal background checks on all adult household members, including live-in aides. The PHA will deny assistance to a family because of drug-related criminal activity or violent criminal activity by family members. This check will be made through state or local law enforcement or court records in those cases where the household member has lived in the local jurisdiction for the last three years. If the individual has lived outside the local area, the PHA will contact law enforcement agencies where the individual had lived or request a check through the FBI's National Crime Information Center (NCIC).

The PHA will check with the State sex offender registration program and will ban for life any individual who is registered as a lifetime sex offender.

Additional screening is the responsibility of the owner. Upon the written request of a prospective owner, the PHA will provide any factual information or third party written information they have relevant to a voucher holder's history of, or ability to, comply with material standard lease terms or any history of drug trafficking.

CHAPTER 22

MERGER OF THE CERTIFICATE AND (HCV) VOUCHER PROGRAM **(Key Words Summarizing the HCV Program)**

On October 1, 1999, the Section 8 Certificate and Voucher Program were merged into one Tenant-Based Program called the Section Housing Choice Voucher Program. The new Program has features of the certificate and old voucher programs, plus new requirements. Some regulation changes were effective on that date and other will become effective during the coming years. The merger had to be completed by October 1, 2001. The main changes of the merger, which are described below, were adopted as needed. A summary of the new voucher program follows:

1. **Payment standards.** The subsidy amount is based on a payment standard set by the PHA anywhere between 90% to 110% of FMR. HUD may approve payment standards lower than 90% of FMR and payment standards higher than 110% of FMR. HUD may require PHA payment standard changes because of the incidence of high rent burdens. [§545:§8(o)(1)(B),(D)&(E)].
2. **Tenant rent.** A family renting a unit below the payment standard pays the higher of 30% of monthly adjusted income, 10% of monthly income, or the welfare rent. There is no voucher shopping incentive. A family renting a unit above the payment standard pays the highest of 30% of monthly adjusted income, 10% of monthly income, or the welfare rent, plus the amount of rent above the payment standard.
3. **Maximum initial rent burdens.** A family must not pay more than 40% of income for rent when the family first receives the subsidy in a particular unit. (This maximum rent burden requirement is not applicable at reexamination if the family stays in place.) [§545:§8(0)(3)].
4. **Income Limits.** Eligibility is limited to:
 - very low-income family
 - 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 homeownership programs
 - low-income tenant displaced from certain Section 221 and 236 projects
 - low-income family that meets PHA-specified eligibility criteria
5. **Optional PHA screening of applicants.** Although the screening and selection of tenants will remain a function of the owner, the PHA also may elect to screen applicants in accordance with any HUD requirements. [§545:§8(o)(6)(B)].
6. **Optional PHA disapproval of owners.** The PHA will refuse to enter into new Section 8 HAP contracts with owners who refuse (or have a history of refusing) to evict families

for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the premises by tenants, PHA employees or owner employees, or the residences by neighbors. ['545:'8(o)(6)(C)].

7. **Initial Lease Terms.** The PHA will approve an initial lease term of less than 1 year, if a lease of less than 1 year prevails local practices, and the PHA determines that the shorter term will improve housing opportunities for the family. ['545:'8(o)(7)(A)].

8. **Lease form and content.** The lease form must be in the standard form used in the locality by the owner. The lease must contain terms that are consistent with State and local law, and that applies generally to unassisted tenants in the same property. The lease may contain the HUD prescribed lease addendum. ['545:'8(o)(7)(B)&(F)].

9. **Termination of tenancy.** "Violent criminal activity on or near the premises" is added to the statutory termination of tenancy provisions. ['545:'8(o)(7)(D)].

10. **HQS.** Units must pass the federally established HQS or substitute local housing codes or codes adopted by PHA's. Substitute local housing codes or codes adopted by PHA's (1) cannot severely restrict housing choice and (2) must meet or exceed the HQS (unless HUD approves a lower standard that does not adversely affect the health or safety of families, and will significantly increase affordable housing access and expand housing opportunities). ['545:'8(o)(8)(B)].

11. **15 day initial HQS inspection deadline.** PHA's with 1250 or fewer tenant-based Section 8 units will conduct initial HQS inspections within 15 days of the owner's inspection request. PHA's with more that 1250 tenant-based Section 8 units must conduct initial HQS inspections within a "reasonable period" of the owner's inspection request. The PHA assessment system for tenant-based assistance (currently the Section 8 Management Assessment Program) must incorporate this PHA performance standard. ['545:'8(o)(8)(C)].

12. **PHA penalties for late payment of housing assistance to owners.** The housing assistance payment (HAP) contract may provide for PHA penalties for late payment of the housing assistance payment to the owner. Any late payment penalties must be imposed by the owner in accordance with generally accepted practices in the local housing market. For example, an owner could charge the PHA a late fee if the housing assistance payment is not received by the 5th day of the month if it is local practice that tenants are charged a late fee when the rent has not been paid-in-full by the 5th day of each month. A late payment fee must be paid from the PHA's

Administrative Fee unless HUD authorizes payment form another source. No late fee may be charged if HUD determines that the late payment is due to factors beyond the control of the PHA (e.g., late receipt of the Section 8 Funds from Treasury). ['545:'8(o)(10)(D)&(E)].

13. **HQS inspections and rent reasonableness determinations for PHA-owned units.** The local government or another entity approved by HUD must conduct HQS inspections and rent reasonableness determinations for PHA-owned units leased by voucher holders. The

PHA must pay any expenses with the performance of such inspections and rent determinations. [545:8(o)(11)].

14. **Subsidy amounts for manufactured homeowners leasing pads.** The subsidy amount for expenses associated with leasing the pads is revised to mirror the subsidy calculation method for families leasing "regular" units. [545:8(o)(12)].

15. **Project-based vouchers.** Project-based assistance is authorized for up to 15% of the PHA's certificates and vouchers. The prior exception allowing additional project-based assistance and special HAP contract terms for certain State assisted projects is eliminated.

Initial and any annual rent adjustments are subject to a rent reasonableness determination. [545:8(o)(13)].

16. **Witness relocation funds.** PHA's that receive witness relocation funds must have procedures for notifying potential recipients of funding availability. [545:8(o)(16)].

17. **Deed restrictions.** Voucher assistance may not be used in any manner that "abrogates any local deed restriction that applies to any housing consisting of 1 to 4 units". The Fair Housing Act explicitly applies. [545:8(o)(17)].

CHAPTER 23

SPECIAL HOUSING ASSISTANCE (See also Section III)

The PHA offers its Section 8 participants the prospect of expanding their housing opportunities through voluntary enrollment in the Homeownership Program. To be eligible for this, which is authorized by the Quality Housing and Work Responsibility Act of 1998, a participant must comply with some special rules as well as the Section 8 requirements.

23.1 Homeownership Program

The objective of this Program is to expand housing opportunities available to Section 8 Program participants by providing the opportunity to acquire a housing unit.

This Program allows any Section 8 Program's participant to purchase housing, and to use their Voucher money to pay mortgage. The Homeownership Program's regulations will be incorporated as Appendix II of this document.

23.2 Other Special Housing Types or Programs

Whenever the PHA decides to apply for Special Housing Types Funding; the policies on special rules will be state as HUD regulations, as established on Section III of this Plan, and any other applicable law. Also, as needed, amendments will be made to this Plan. Special Housing Type/Assistance includes the FSS Program and Homeownership Option.

CHAPTER 24

ORGANIZATIONAL STRUCTURE

The PHA's Section 8 Office will have the major responsibility and authority in the implementation of the Section 8 Housing Program. This office will work in close coordination with the Budget Office and Federal Programs of the PHA.

The duties and responsibilities of Section 8 Office maybe summarized as follows:

- Overall responsibility for insuring compliance with federal regulations, coordinating the implementation of Tenant Policy, Affirmative Marketing Plan and for directing the day to day activities design to meet program goals and objectives.
- Housing Inspector - is responsible for insuring that housing units meet the Section 8 Housing Quality Standards.
- Section 8 Accountant - maintains accounting books, records and reports in accordance with Municipal and HUD requirements; assures adequate funds for payment of the rental contracts.

The Section 8 Office has the following job descriptions for each Technical and Administrative Staff to perform the work required by the Section 8 Housing Voucher Program.

24.1 Housing Department Director

Administrative Responsibility

Supervise the Federal Programs Office and works in coordination with the Section 8 Program Director. Coordinate with fiscal units on financial matters.

Functional Responsibility Regarding the Section 8 Program

Has overall responsibility for compliance with the Federal Programs Office and pertinent Federal, State and Local Policies. Is responsible for meeting program goals and objectives.

Specific Duties

- Directs technical and administrative work of the Federal Programs (such as CDBG)
- Coordinates and collaborated in the overall Section 8 Program administration
- Responsible for assuring compliance with HUD regulations in program implementation.
- Supervise staff

24.2 Section 8 Executive Officer

Administrative Responsibility

Assists the Housing Department Director in the administration of the Section 8 Program. Coordinate with fiscal units on financial matters. Supervise the Section 8 Office. Coordinate with the Accountant on financial matters.

Functional Responsibility Regarding the Section 8 Program

Coordinates the overall responsibilities for compliance with the Administrative Plan, coordination with Affirmative Marketing Plan, Tenant Policy, Section 8 Office requirements and pertinent Federal, State and Local Policies. Is responsible for meeting program goals and objectives of the Section 8 Office.

Overall responsibility for providing program and informational assistance to families and the community related to the Section 8 Housing Program and particularly to financial and other components of the family assistance program.

Specific Duties

- Supervises the technical and administrative work of the Section 8 Voucher Program
- Represents the Federal Programs Director in meetings and, as deem as necessarily, serves as Acting Federal Programs' Director
- Coordinates and collaborated with the Federal Program Director in the overall Federal Programs and Section 8 Program administration
- Organize, assigns and supervises work performed by program personnel
- Supervises the contract negotiation with owners and tenants
- Evaluates grievances presented by owners and tenants
- Set program goals and prepare staff work plans
- Responsible for direct staff supervision
- Prepare monthly performance reports
- Prepare narrative and statistical reports in accordance with HUD regulations
- Responsible for assuring compliance with HUD regulations in program implementation
- Prepare monthly reports
- Prepare required documents for contract execution
- Meets with owners
- Assists in the implementation and orientation of the program
- Negotiate contracts with unit owners and tenants
- Evaluate grievances presented by unit owners and tenants
- Weekly reports to the Supervisor (Housing Department Director) concerning progress and problems

- Provides orientation to Section 8 Housing Voucher Program participants on:
 - < Application processing
 - < Family participation
 - < Effective use of voucher
 - < Rent subsidies
 - < Housing inspections
 - < Rights and responsibilities of program participants
 - < Neighborhood selection
 - < Grievance procedure
 - < Other pertinent information
 - < Maintains up-to-date information on other housing assistance programs
 - < Analyzes and reports on cases having difficulties obtaining the rent subsidy

- < Participates in the annual reexamination of families
- < Prepare weekly activity reports
- Responsible for initiating and maintaining contact with the client and applicant, eligibility verification and follow-up
- Responsible for maintaining current updated files on available housing units and providing information to clients
- Perform Quality Inspections Report
- Analyze and report on current rent reasonableness
- Prepare case reports and maintain an adequate file of all documents
- Verify family income
- Prepare and manage the form HUD-50058
- Revise and electronically sends the SEMAP certification and the Year End reports, such as form HUD-52681 and 52681-b
- Comply with any other duty assigned by the Federal Programs Director (Supervisor).

24.3 Secretary

Administrative Responsibility

Report directly to the Executive Officer. Coordinates with Housing Inspection Staff.

Functional Responsibility

Responsible for maintaining files, current and up to date.

Specific Duties

- Keep files in order
- Type owner, rental contracts, letters, orders, requisitions and reimbursements vouchers for Section 8 Office
- Answer and channel telephone calls
- Perform other duties related to Section 8 Housing Voucher Program and Federal Programs

24.4 Housing Inspector

Administrative Responsibility

Report to the Executive Officer.

Functional Responsibility

Responsible for insuring that all Housing Units under the Program meet Section 8 Housing Quality Standards, and for complying with all other inspection requirements as specified by HUD and/or local Law.

Specific Duties

- Inspects Housing Units prior to execution of contracts
- Certifies the Housing Units are in compliance with HQS
- Brief tenants on housekeeping rules
- Conduct annual inspections of Housing Units at time of re-examination and/or special inspections
- Analyzes and reports on current rent reasonableness
- Report monthly to the Program Supervisor on results of inspections
- Responsible for maintaining current updated files on available housing units and providing information to clients

24.5 Accountant (Financial Unit)

Administrative Responsibility

Report to the Executive Officer. Coordinate with the Housing Department Director and the Section 8 Executive Officer.

Functional Responsibility

Has overall responsibility for insuring that all books, records and reports are maintained in accordance with HUD requirements and generally accepted accounting standards.

Specific Duties

- Maintains accounting books in accordance with Section 8 Housing Choice Voucher Program
- Informs Program Director of the status of the program's finance
- Prepare requisitions for program funds
- Prepares and submits the necessary reports on program finances / Prepares annually Section 8 application (especially Form HUD 52672 and HUD 52673)
- Maintain records of the rental payment to the owners (HAP register)
- Coordinates with the Technical Staff and Housing Inspection about change in address, income, family composition and other information of the tenant and owner
- Prepare the financial reports at the end of the fiscal year (such as form HUD-52681)
- Prepare the information for the Section 8 data collection report (form 52681-b)
- Perform other duties as required by the Program Director

24.6 Housing Technician

The technicians are responsible for ensuring that each family selected to participate in the Section 8 Program enters into a contract which is to be signed by the head of the family.

Administrative Responsibility

Reports to the Section 8 Executive Officer.

Functional Responsibility

Responsible for initiation and maintenance of contact with clients and applicants, verification of eligibility and follow-ups. Responsible for maintaining current, updated files and providing information to clients. Responsible for establishing the terms and conditions of the lease contract and the consequences for non-compliance.

Specific Duties

- Coordinate meets with participants to:
 - conduct re-examinations
 - request documents/evidence, necessary to ensure compliance with program eligibility criteria
 - conduct/coordinates contract signing (by both owner and tenant)
 - Conduct briefings/interviews with clients in the Office
 - Prepare and maintain adequate file of all documents, with updated data; if necessary, review and request additional information
 - Verify family income data and realize any pertinent on-site/field research
 - Review inspections
 - Prepare monthly reports to inform the status of each case
 - Prepare cases having moving processes
 - Perform social work, such as referrals to pertinent agencies or finding services, for those participants that required it and for which the service or referral is deemed necessary
 - Maintain record keeping (put documents into file)
 - Assist to seminars and meetings, as required
 - Use of computer system to search and input pertinent clients data
 - Intake of telephone calls
 - Perform field/on-site research
 - As per request, assist to informal hearings
 - Take delivery of complaints
 - Send termination letters and the confirmatory termination letters
 - Provide individual information to clients concerning available housing and any other related matters
 - Perform other duties related to Section 8 Program

24.7 Program Monitor

Responsible of the quality control functions of the program. The purpose of the monitor review is to be aware of the deficiencies fraud, abuse and omissions to maintain the program integrity.

Administrative Responsibility

Reports to the Section 8 Executive Officer.

Specific duties

- Select a sample of each zone weekly and verify the following: Voucher Size, Family Composition, Income, Inspection documents, Payment Standard, Utilities and the rent calculation in the Form HUD-50058, Family Report.
- Prepare the finding report to the Director and to the Section 8 Coordinator.

APPENDIXES

APPENDIX I

Rent Reasonability Comparable Study Form

SECTION 8 HOME OWNERSHIP PROGRAM

1. GENERAL PROVISIONS.

The Section 8 Home Ownership Program of the Autonomous Municipality of Caguas ("PHA") permits eligible participants in the Section 8 housing choice voucher program, including participants with portable vouchers, the option of purchasing a home with their Section 8 assistance rather than renting. The home ownership option is limited to five percent (5%) of the total Section 8 voucher program administered by PHA in any fiscal year, provided that disabled families shall not be subject to the 5% limit.

Eligible applicants for the Section 8 home ownership program must have completed an initial Section 8 lease term, may not owe PHA or any other Housing Authority an outstanding debt, and must meet the eligibility criteria set forth herein.

Section 8 home ownership assistance may be used to purchase the following type of homes within the City of Caguas: new or existing single-family, condominium, planned use developments, cooperatives, lofts, live/work units, or manufactured homes. PHA also will permit portability of Section 8 home ownership assistance to another jurisdiction, provided the receiving jurisdiction operates a Section 8 home ownership program for which the Section 8 home ownership applicant qualifies or authorizes PHA to administer the home ownership assistance in their jurisdiction.

2. FAMILY ELIGIBILITY REQUIREMENTS.

Participation in the Section 8 home ownership program is voluntary. Each Section 8 home ownership participant must meet the general requirements for admission to the Section 8 housing choice voucher program as set forth in PHA's Administrative Plan. Such Section 8 family also must be "eligible" to participate in the home ownership program. The additional eligibility requirements for participation in PHA's Section 8 home ownership program include that the family must: (A) be a first-time homeowner or have a member who is a person with disabilities; (B) with the exception of elderly and disabled households, meet a minimum income requirement; (C) with the exception of elderly and disabled households, meet the requisite employment criteria; (D) have completed an initial lease term in the Section 8 housing choice voucher program; (E) have fully repaid any outstanding debt owed to PHA or any other Housing Authority; (F) not defaulted on a mortgage securing debt to purchase a home under the home ownership option; and (G) not have any member who has a present ownership interest in a residence at the commencement of home ownership assistance.

A. First-Time Homeowner.

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

(24 CFR,982.627(b)(2))

B. Minimum Income Requirement.

(1) Amount of Income.

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

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 at commencement of home ownership assistance is employed full-time (an average of 30 hours per week) and has been so continuously employed for one year prior to execution of the sales agreement. In order to reasonably accommodate a family's participation in the program, PHA will exempt families that include a person with disabilities from this requirement. PHA's Executive Director 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. Completion of Initial Lease Term.

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

E. Repayment of Any Housing Authority Debts

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

F. Additional Eligibility Factors.

(1) Elderly and Disabled Households.

Elderly and disabled families are exempt from the employment requirements set forth in Section 2. C. above. In the case of an elderly or disabled family, PHA will consider income from all sources, including welfare assistance in evaluating whether the household meets the minimum income required to purchase a home through the Section 8 home ownership program.

(2) Prior Mortgage Defaults.

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

3. FAMILY PARTICIPATION REQUIREMENTS.

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

A. Home Ownership Counseling Program.

A family's participation in the home ownership program is conditioned on the family attending and successfully completing a home ownership and housing counseling program provided or approved by PHA prior to commencement of home ownership assistance. The home ownership and counseling program will cover home maintenance; budgeting and money management; credit counseling; negotiating purchase price; securing mortgage financing; finding a home; and the advantages of purchasing and locating homes in areas that do not have a high concentration of low-income families.

[Note: § 982.630(b) provides "suggested topics" for the PHA required pre-assistance counseling program --- which are, for the most part, included here. PHA omitted suggested topics regarding fair housing, RESPA obligations and predatory lending issues. These topics should also be included in the homeownership counseling program.]

The counseling agency providing the counseling program shall either be approved by HUD or the program shall be consistent with the home ownership counseling provided under HUD's Housing Counseling program.

B. Locating and Purchasing a Home.

1. Locating A Home

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

(2) Type of Home.

A family approved for Section 8 home ownership assistance may purchase the following type of homes within the City of Caguas: a new or existing home, a single-family home, a condominium, a home in a planned use development, and a cooperative. The home must be already existing or under construction at the time PHA determines the family eligible for home ownership assistance *[to purchase the unit (§ 982.628(a)(2)).]* The

family also may purchase a home in a jurisdiction other than the City of Caguas, provided the Housing Authority in the receiving jurisdiction operates a Section 8 home ownership program for which the Section 8 home ownership applicant qualifies or authorizes PHA to administer the home ownership assistance in their jurisdiction. In the former case, a family's participation in the Section 8 home ownership program will be subject to the Section 8 home ownership program and policies of the receiving jurisdiction.

(3) Purchasing a Home

Once a home is located and a sales agreement approved by PHA is signed by the family, the family shall have up to three (3) months, or such other time as is approved by PHA's Executive Director or set forth in the PHA-approved sales agreement, to purchase the home.

(4) Failure to Complete Purchase

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

C. Sales Agreement.

Prior to execution of the offer to purchase or sales agreement, the financing terms must be provided by the family to PHA for approval. This includes the determination of the reasonableness of the sales price. The sales agreement must provide for inspection by PHA and the independent inspection referred to in Section 3(E) and must state that the purchaser is not obligated to purchase unless such inspections are satisfactory to PHA. The contract also must provide that the purchaser is not obligated to pay for any necessary repairs without approval by PHA. The sales agreement must provide that the purchaser is not obligated to purchase if the mortgage financing terms are not approved by PHA pursuant to Section 3(F). The sales agreement must also contain a seller certification that the seller is not debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

D. 1. Independent Initial Inspection Conducted

To assure the home complies with the housing quality standards of the Section 8 program, home ownership assistance payments may not commence until PHA first inspects the home. An independent inspection of existing homes covering major building systems also must be completed by a professional selected by the family and approved by PHA. PHA will not pay for the independent inspection. The independent inspection report must be provided to PHA. PHA may disapprove the unit due to information contained in the report or for failure to meet federal housing quality standards.

2. Housing Quality Standards (HQS) Inspections

A Housing Quality Standards (HQS) Inspection is required whenever the home is 100% ready for occupancy. The condition of the home must satisfy HQS standards before a sale may occur. PHA will conduct a HQS inspection first, and if satisfactory, then require the independent inspection.

No further HQS inspections are required. However, PHA reserves the right to conduct interim HQS inspections before continuing to provide yearly homeownership assistance or if there is a complaint that must be verified. If there is a family that includes a live in aid, HQS inspections will be conducted yearly.

E. Financing Requirements

The proposed financing terms must be submitted to and approved by PHA prior to close of escrow. PHA shall determine the affordability of the family's proposed financing. In making such determination, PHA may take into account other family expenses, including but not limited to child care, unreimbursed medical expenses, education and training expenses and the like. Certain types of financing, including but not limited to, balloon payment mortgages, unless convertible to a variable rate mortgage, are prohibited and will not be approved by PHA. Seller-financing mortgages shall be considered by PHA on a case by case basis. If a mortgage is not FHA-insured, PHA will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/ FHA, Ginnie Mae, Fannie Mae, Freddie Mac, PRFA, USDA Rural Housing Services, the Federal Home Loan Bank, or other private lending institution.

E. Compliance With Family Obligations.

A family must agree, in writing, to comply with all family obligations under the Section 8 program and PHA's home ownership policies. These obligations include (1) attending ongoing home ownership counseling, if required by PHA; (2) complying with the mortgage terms; (3) not selling or transferring the home to anyone other than a member of the assisted family who resides in the home while receiving home ownership assistance; (4) not refinancing or adding debt secured by the home without prior approval by PHA; (5) not obtaining a present ownership interest in another residence while receiving home ownership assistance; and (6) supplying all required information to PHA, including but not limited to annual verification of household income, notice of change in home ownership expenses, notice of move-out, and notice of mortgage default. PHA's Home Ownership Family Obligation policies are set forth in Appendix A hereto.

4. AMOUNT OF ASSISTANCE.

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

A. Determining the Payment Standard.

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

B. Determining the Monthly Home Ownership Expense.

Monthly home ownership expense includes all of the following: principal and interest on the initial mortgage and any mortgage insurance premium (MIP) incurred to finance the purchase and any refinancing of such debt; real estate taxes and public assessments; homeowner's insurance; maintenance expenses per PHA allowance; costs of major repairs and replacements per PHA allowance (replacement reserves); utility allowance per PHA's schedule of utility allowances; principal and interest on mortgage debt incurred to finance major repairs, replacements or improvements for the home including changes needed to make the home accessible; and homeowner association dues, fees or regular charges assessed, if any. Home ownership expenses for a cooperative member may only include PHA approved amounts for the cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home; principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt; home insurance; the allowances for maintenance expenses, major repairs and replacements and utilities; and principal and interest on debt incurred to finance major repairs, replacements, or improvements, including changes needed to make the home accessible.

C. Determining the Total Family Contribution

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

D. Payment to Family or Lender.

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

5. TERMINATION OF SECTION 8 HOMEOWNERSHIP ASSISTANCE

A. Grounds for Termination of Home Ownership Assistance

(1) Failure to Comply with Family Obligations Under Section 8 Program or PHA's Home Ownership Policies.

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

ownership assistance.

(2) Occupancy of Home.

Home ownership assistance will only be provided while the family resides in the home. If the family moves out of the home, PHA will not continue home ownership assistance commencing with the month after the family moves out. Neither the family nor the lender is obligated to reimburse the PHA for home ownership assistance paid for the month the family moves out.

(3) Changes in Income Eligibility.

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

(4) Maximum Term of Home Ownership Assistance.

Notwithstanding the provisions of Section 5(A), subparagraphs 1 through 3, except for disabled and elderly families, a family may receive Section 8 home ownership assistance for not longer than ten (10) years from the date of close of escrow unless the initial mortgage incurred to finance purchase of the home has a term that is 20 years or longer, in which case the maximum term is 15 years. Families that qualify as elderly at the commencement of home ownership assistance are not subject to a maximum term limitation. Families that qualify as disabled families at the commencement of home ownership assistance or at any time during the provision of home ownership assistance are not subject to a maximum term limitation. If a disabled family or elderly family ceases to qualify as disabled or elderly, the appropriate maximum term becomes applicable from the date home ownership assistance commenced; provided, however, that such family shall be eligible for at least six additional months of home ownership assistance after the maximum term becomes applicable. The time limit applies to any member of the household who has an ownership interest in the unit during any time that home ownership payments are made, or is a spouse of any member of the household who has an ownership interest.

In order for a non-elderly/ non-disabled family to continue to be assisted, they must continue to fulfill the employment requirement of an average of a minimum of 30 hours per week. In case of unemployment, an adult homeowner will re-secure employment within 90 days, unless a documented hardship exists. In the event of a documented hardship (i.e. layoff, company closure, death of a working adult, federal disaster, etc.), the head of household must provide on a monthly basis to the Homeownership Program Case Manager, verification that they are attempting to pursue employment. The homeowner must show a plan to return to work in order to remain eligible for the program. After six months of unemployment, the homeowner may be terminated from the Homeownership Voucher Program.

B. Procedure for Termination of Home Ownership Assistance.

A participant in the Section 8 Home Ownership program shall be entitled to the same termination notice and informal hearing procedures as set forth in the Administrative Plan of the PHA for the Section 8 housing choice voucher program.

6. CONTINUED PARTICIPATION IN SECTION 8 HOUSING CHOICE VOUCHER PROGRAM.

A. Default on FHA-Insured Mortgage.

If the family defaults on an FHA-insured mortgage, PHA may permit the family to move with continued Section 8 housing choice rental assistance if the family demonstrates that it has (a) conveyed title to the home to HUD or its designee, as required by HUD; and (b) moved from the home within the period established or approved by HUD.

B. Default on non-FHA-Insured Mortgage.

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

7. PHA ADMINISTRATIVE FEE.

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

8. WAIVER OR MODIFICATION OF HOME OWNERSHIP POLICIES.

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

APPENDIX A: SECTION 8 HOME OWNERSHIP OBLIGATIONS

This form is to be signed by the home buyer(s) in the presence of the Caguas Housing Authority's (PHA) Home Ownership Program Coordinator. The Coordinator will explain any and all clauses which you, the home buyer(s), may not understand.

The following paragraphs describe your responsibilities under the Section 8 Home Ownership Program. If you or members of your household do not meet these responsibilities, through your actions or your failure to act, you may be terminated from the Section 8 Home Ownership Program.

1. Family Obligations: You must comply with all Family Obligations of the Section 8 Housing Choice Voucher Program, excepting only the prohibition against owning or having an interest in the unit. *Family Obligations §§ 982.551(c),(d),(e),(f),(g) and (j) do not apply to the Section 8 Homeownership Program.*
2. Housing Counseling: All participating family members (i.e. those signing the purchase offer and loan documents) must satisfactorily complete a PHA provided or approved counseling program prior to commencement of home ownership assistance. PHA may require any or all participating family members to attend additional housing counseling classes as a condition of continued assistance.
3. Purchase Contract: You must include contract conditions in any Offer to Purchase that give PHA a reasonable time (a) to inspect the home for compliance with HUD's Housing Quality Standards; (b) to review and approve a professional home inspection report obtained by you from a PHA approved inspector; and (c) approve the terms of your proposed financing. Advise your Realtor of these requirements.
4. Mortgage Obligations: You must comply with the terms of any mortgage incurred in the purchase of the property and must notify PHA's Home Ownership Program Counselor within five (5) days of receipt of any late

payment or default notice.

5. **Occupancy:** You must occupy the unit as your principal residence. You may not transfer, sell, or assign any interest in the property without PHA's prior written consent. You may not rent or lease any part of the premises without PHA's prior written consent. You must notify PHA in writing at least 30 days prior to moving out of the house for a period of 30 days or longer or prior to any sale, transfer, assignment, lease or other form of alienation of the assisted property.

6. **Maintenance:** You must maintain the property in a decent, safe and sanitary manner. You must allow PHA to inspect the property within one-week of a demand by PHA to conduct an inspection. You must correct any notice of deficiency issued by PHA within the time limit specified in the notice. If you fail to adequately maintain the property, PHA may divert the maintenance and replacement reserves portions of the Home Ownership Assistance Payment to an escrow account to be used to pay for reasonable and necessary maintenance expenses.

7. **Annual Re-examination:** You must annually provide PHA with current information regarding family income and composition in a format required by PHA.

8. **Refinancing:** You must notify PHA in writing of any proposal to refinance the original purchase mortgage or of any proposal to encumber the property with secondary financing and obtain PHA's written approval of such financing prior to executing any loan documents.

9. **Default:** In the event of a default on your mortgage obligation, you must cooperate with PHA and the lender to minimize any loss to the lender in order to maintain your eligibility to continue as a participant in the Section 8 Housing Choice Voucher Program.

10. **Continuous Employment Obligations:** You must agree to continued employment requirement as stated in the PHA Administrative Plan.

By signing below, I attest that I have read and understood my obligations as a participant in the Section 8 Home Ownership Program and I agree to abide by these responsibilities. I understand that PHA may terminate my home ownership assistance if I violate any of these obligations, but that I may request an informal review of any proposed notice of termination prior to it becoming effective.

APPENDIX III

PROJECT BASED PLAN

o the Municipality of Caguas Section 8 Program Administrative Plan Housing Choice Voucher Program Project Based Policies

General

The Municipality of Caguas section 8 program will provide Project Based Section 8 Vouchers in accordance with the provisions set forth in CFR Part 983 and any other guidance or policies established by HUD.

Program Set-Aside

The number of project based units that will be made available for the HCVPA Program will be equal to 20% of the total funding available under the Annual Contributions Contract (ACC) for tenant based assistance (Housing Choice Voucher funding), equivalent to 20% of the baseline units established by HUD.

Up to 20% of any new funding increments may also be designated for project-based assistance provided that the funding is not designated for any other special purpose under the Housing Choice Voucher Program.

Agency Plan

Prior to entering into a Housing Assistance Payments Contract for Project Based Assistance, the Municipality will determine that said contract is consistent with the Annual Agency Plan. Consistency with the Plan will be determined through the existence of circumstances indicating that project-basing of Section 8 assistance, rather than tenant-basing of the same amount of assistance, is an appropriate option and is consistent with the requirements of “deconcentrating poverty and expanding housing and economic opportunities”.

To assure consistency with deconcentration of poverty all new project based assistance agreements or Housing Assistance Payments contracts must be for units located in census tracts with poverty rates of less than 20%, unless the Municipality secures an exception from the HUD.

Eligible Housing Units

The Municipality will provide project based assistance for new construction, rehabilitation and existing housing based on the criteria established further in this plan.

A housing unit will be considered an existing unit for purposes of the project-based voucher program, if, at the time of selection of the project, the unit requires a maximum expenditure of less than \$1,000 per assisted unit to comply with the Federal Housing Quality Standards (HQS). A housing unit will be considered a rehabilitation unit if the unit requires a minimum of more than \$1,000 per assisted unit to comply with HQS.

All proposed sites for rehabilitation and new construction must meet the site and neighborhood standards as defined in 24CFR 983.6. Ineligible properties include the following:

- Housing for which the construction or rehabilitation is started before execution of the HCVPBA agreement;
- Shared housing, nursing homes, and facilities providing continual psychiatric, medical, nursing services, board and care, or intermediate care;
- Properties within the grounds of penal, reformatory, medical, mental and similar public or private institutions;
- Properties located in the Coastal Barrier Resources;
- Properties located in areas having special flood hazards unless, it is located in an area participating in the National Flood Insurance Program.

Other federal requirements to determine eligibility of units include the following: prohibition from using HCVPBA in units with other assistance under the U.S. Housing Act of 1937 within five years prior to HCVPBA; minimizing displacement as defined in 24CFR983.10; Equal Opportunity and environmental requirements defined in 24CFR983.11 and Uniform Federal Accessibility Standards (UFAS) as defined in 24 CFR Section 8.23,

Income Mix

No more than 25% of the total units in a multi-family development may receive project-based assistance unless the assisted units are made available to elderly or disabled families.

This provision only applies to units assisted with project-based vouchers; there is no limitation on the income of other tenants in a HCVPBA project or on households with tenant-based voucher assistance.

Notification of Program Availability

The Municipality will accept applications for the HCVPBA program periodically until such time that the full program set-aside has been placed under HAP contract.

The availability of project-based assistance will be advertised in a newspaper of general circulation.

The following items will be included in the program advertisement:

- The deadline for submission of applications (not less than 60 days from the date of the announcement of availability).
- The total estimated number of units to be selected for assistance.
- The proposal evaluation criteria and timelines for selection of units.
- Any other information required by the regulations

Also, in accordance with section 983.51 may select PBV proposal by the following method.

Project-based assistance (PBV) is authorized. The PHA will select PBV proposals by the following selection method:

- Selection of a proposal for housing assisted under a federal, state, or local government assistance, community development, or supportive service program that requires competitive selection of proposals (eg. HOME, and units for which competitively awarded LIHTCs have been provide), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

Owner Application Requirements

Property owners responding to the notification of HCVPBA funding must submit an application in the form prescribed by the Municipality. The application must contain at a minimum the following information:

- A description of the housing including the number of units by size, bedroom count, bathroom count, sketches of the proposed new construction or rehabilitation, unit plans and estimated date of construction, if applicable. Amenities and other services should also be included in this description.

- Evidence of site control and for new construction, identification and description of the proposed site, site plan and neighborhood.
- Evidence of current zoning or evidence to indicate that rezoning is likely and will not delay the project.
- The proposed contract rent for the project including which utilities are included and for those utilities not included an estimate of average monthly costs for the first year of occupancy.
- A statement identifying all information related to displacement and relocation and identification of the responsible party that will carry out the relocation.
- Identification of the owner and other project principals, investors and other parties that have a substantial interest in the project and information on the qualifications and experience of the principal participants.
- A management and maintenance plan for the project.
- Evidence of financing to support the project.
- Other relevant information as determined by the Municipality of Caguas

Program Selection Criteria

In addition to the criteria identified above under eligible units, the following threshold criteria must be met for an application to be considered for selection for the HCVBPA program.

- The proposed project must not permanently displace any current tenants. Tenants may be temporarily relocated if necessary during rehabilitation of the unit at the expense of the owner.
- Rental levels must not exceed 110% of the Fair Market Rent or any approved exception payment standard and must be reasonable in relation to rents charged in the private market for unassisted comparable units.
- If a unit has been allocated a low income housing tax credit (IRS Code 42) but is not located in a qualified census tract, as defined in the law, the rent levels may be set at any level that is comparable with unassisted market rate units.

Following are the review criteria with associated point values that will be used by the Municipality of Caguas in the evaluation process of proposals received under the HCVBPA program. There is no minimum passing score, nor a specific maximum score. Projects will be ranked by score and the highest ranked projects will undergo further review by the Municipality of Caguas. The selected projects must comply with all requirements set forth in this plan and all application HUD regulations.

Evaluation Criteria	Points
The proposed housing will serve a elderly population (62	

year or older)	25
The project will be located outside high poverty areas (as defined by the census)	5
The developer has secured financing for the project	25
The proposed project will have more than 100 units but less than 150 and the operation will be viable with rents equivalent to the FMR.	25
Experience and capacity to develop housing units <ul style="list-style-type: none"> • Experience in the development of similar projects (elderly housing) (10 points) • Financial Capability (10 Points) • Number of similar projects developed (10 points) 	30
Capacity to operate and manage the project <ul style="list-style-type: none"> • Experience managing elderly projects (5 points) • Experience managing low income families projects(5 points) • Experience managing Tax Credits Projects (5 points) • Experience providing supporting services to residents of elderly project. (5 points) 	20
Evidence of Tax Credit Allocation	10
Evidence of Construction Permits	25
TOTAL MAXIMUM POINTS	165

Prior to selecting the units for project based assistance, the Municipality of Caguas will make a determination that the application is responsive and in compliance with all selection criteria and is otherwise in compliance with HUD program regulations and requirements.

Establishment of Initial Rents

The Municipality of Caguas will determine and establish the rents in accordance with the market rents and appropriate payment standard.

Rehabilitation Work and New Construction Requirements

When applicable the owner will be required to prepare work write ups, construction specifications and plans upon request as determined appropriate by the Municipality of Caguas for rehabilitation and new construction

projects. In addition, new construction projects require certification by a design architect that the proposed new construction reflected in the working drawings and specifications complies with housing quality standards, local codes and ordinances and zoning requirements.

The owner is responsible for selecting a responsible contractor for rehabilitation and new construction and said contractor must provide the Municipality of Caguas with a non-debarment certification.

An agreement to enter in a Housing Assistance Payments (AHAP) Contract will be executed upon satisfactory completion of all requirements identified above. Upon execution of the AHAP, the construction period shall commence. The construction period shall be determined in accordance with the approved application and entered into the AHAP agreement. The Municipality of Caguas will perform regular inspections during the construction period.

Upon completion of construction, the owner must provide the Municipality of Caguas with a certificate of occupancy and an owner certification pursuant to 24CFR983.104. The Municipality of Caguas will perform a final inspection prior to acceptance of the units and notify the owner of any deficiencies that may exist. The owner will be allotted a time extension if warranted or MAS may reject any units that do not meet program requirements. If deficiencies are not cured in the agreed upon time or the owner fails to complete the work within the timeframe identified in the AHAP agreement, the Municipality of Caguas may adjust the number of units to be placed under contract or not proceed with execution the HAP agreement.

Housing Assistance Payments Contract

Upon acceptance of the units by the Municipality of Caguas, a Housing Assistance Payments contract for Project Based Assistance for the Housing Choice Voucher Program will be executed in the format prescribed by HUD (52530-A).

The Municipality of Caguas will execute all HCVBPA HAP contracts for a period of 10 years, subject to future availability of funding under the ACC with HUD. In addition, the HAP contract will permit two extensions for a period of five years each, based on a determination by the Municipality of Caguas that an extension is necessary to achieve long term affordability of the housing.

The HAP contract will provide for annual review of the rental amounts. Adjustments of rents will be subject to the annual adjustment factor provided that the rents charged for the HCVBPA units are comparable to unassisted units in the rental market.

Special rent adjustments above the annual adjustment factor shall also be considered if it is determined that the rent continues to be reasonable. The owner shall be responsible for providing the Municipality of Caguas with market comparability data for any special rent increase that is requested.

The Municipality of Caguas will provide for vacancy payment under the HCVBPA contract for up to 60 days provided that the vacancy is not the fault of the owner and the owner the Municipality of Caguas taken every reasonable action to minimize the likelihood and extent of vacancies.

Tenant Selection

Tenants residing in units selected for the HCVBPA program who otherwise qualify for Section 8 assistance will

be placed on the Municipality of Caguas Section 8 waiting list. Owners may also refer applicants to the waiting list based on the Municipality of Caguas waiting list policies and selection criteria.

The Municipality of Caguas will maintain a combined waiting list for Moderate Rehabilitation and Project Based Assistance, but separate from the tenant based waiting list. Applicants will be referred to available HCVBPA or MR units as they reach the top of the list and units are available. The PHA will not take any of the following actions against an applicant who has applied for, received, or refused an offer of PBV assistance or rejected by the owner (but is eligible for the program) : Refuse to list the applicant on the PHA waiting list for tenant-based assistance; Deny any admission preference for which the applicant is currently qualified. The application will be placed in the Tenant Based Program Waiting List, based on the date and time of the application or the date the preference was approved by the PHA.

Admission to HCVBPA units is subject to HUD requirements and 75% of all new admissions on an annual basis must be at or below 30% of median income of the area. The remaining 25% shall have annual incomes between 30% and 50% of median income. An exception to these admission criteria will be made for any continuously assisted family in the Section 8 tenant base program or the Public Housing program who wishes to locate to a HCVBPA unit.

Owners must lease all assisted units to eligible families. Failure to do so will result in a reduction of the units under contract or other legal remedies including suspension or debarment from HUD programs.

After one year of occupancy in a HCVBPA unit, a tenant may move. The Municipality of Caguas will convert HCVBPA tenants wishing to move to Housing Choice Voucher participants by providing them with the next available voucher. Housing Assistance payments will continue on the HCVBPA unit until the tenant vacates the HCVBPA unit.

The owner is responsible for screening and selection of tenants in accordance with the written selection criteria approved as part of the original proposal for the HCVBPA program. The owner must promptly notify the Municipality of Caguas in writing of the rejection of a family and the grounds for such decision.

If the owner rejects an applicant family who believes the rejection was unlawful discrimination, the Municipality of Caguas will assist the family or refer the family to the local Fair Housing Center or the HUD field office.

When a family is selected for a HCVBPA unit, the Municipality of Caguas will brief the family and provide them with all required written information and documents identified in 24CFR983.203.

Housing Quality Standards (HQS) Inspections

PHA will inspect each unit before the execution of HAP Contract and inspect a turnover unit prior to reoccupancy. Also PHA will inspect a random sample of non-turnover units for at least 20% of the contract units in a building annually. PHA reserves the right to conduct interim HQS inspections if there is a complaint that must be verified.

Ongoing Activities

The Municipality of Caguas shall administer the HCVBPA program in accordance with all provisions under the

Housing Choice Voucher program including issuing of monthly HAP payments, annual re-certification of household composition and income and annual inspection of all units to assure compliance with HQS.

The owner is responsible for managing the units in accordance with all requirements under the approved management plan and the Housing Assistance Payments contract. After initial occupancy, the owner must immediately notify the Municipality of Caguas of any vacancies. The Municipality of Caguas will refer a minimum of five families to the owner from its exiting waiting list.

If the Municipality of Caguas has not referred an adequate number of applicant families to the owner within 30 days from notification of the vacancy, the owner may advertise and solicit applications from otherwise eligible families. Upon selection of an applicant, the owner will refer the applicant to the Municipality of Caguas for processing and briefing.

If a determination is made that the unit does not meet HQS requirements due to overcrowding as defined in the subsidy standards in the Municipality of Caguas Housing Choice Voucher program, then the Municipality of Caguas will issue tenant based assistance upon availability.

Other Policies

All other policies stated in the Section 8 administrative plan related to occupancy of Section 8 tenant-based assisted units will apply to Project Based units as appropriate.