

<b>PHA 5-Year and Annual Plan</b>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011																																							
<b>1.0</b>	<b>PHA Information</b> PHA Name: <u>Mercedes Housing Authority</u> PHA Code: <u>TX029</u> PHA Type: <input type="checkbox"/> Small <input type="checkbox"/> High Performing <input checked="" type="checkbox"/> Standard <input type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: (MM/YYYY): <u>10/2011</u>																																								
<b>2.0</b>	<b>Inventory</b> (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: <u>226</u> Number of HCV units: <u>420</u>																																								
<b>3.0</b>	<b>Submission Type</b> <input type="checkbox"/> 5-Year and Annual Plan <input checked="" type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only																																								
<b>4.0</b>	<b>PHA Consortia</b> <i>N/A</i> <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)																																								
<b>5.0</b>	<b>5-Year Plan.</b> Complete items 5.1 and 5.2 only at 5-Year Plan update. <i>NOT APPLICABLE</i>																																								
<b>5.1</b>	<b>Mission.</b> 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: <i>NOT APPLICABLE</i>																																								
<b>5.2</b>	<b>Goals and Objectives.</b> 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. <i>NOT APPLICABLE</i>																																								
<b>6.0</b>	<b>PHA Plan Update</b>  (a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:  <p style="text-align: center;">The following PHA Plan elements marked '<u>X</u>' have been revised since the last Annual Plan submission by the Mercedes Housing Authority.  <u>N/C</u> denotes NO CHANGE and <u>N/A</u> denotes NOT APPLICABLE</p> <table style="margin-left: auto; margin-right: auto;"> <tr><td style="text-align: center;"><u>  X  </u></td><td>903.7(1)</td><td>Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures</td></tr> <tr><td style="text-align: center;"><u>  X  </u></td><td>903.7(2)</td><td>Financial Resources</td></tr> <tr><td style="text-align: center;"><u>  N/C  </u></td><td>903.7(3)</td><td>Rent Determination</td></tr> <tr><td style="text-align: center;"><u>  X  </u></td><td>903.7(4)</td><td>Operation and Management</td></tr> <tr><td style="text-align: center;"><u>  N/C  </u></td><td>903.7(5)</td><td>Grievance Procedures</td></tr> <tr><td style="text-align: center;"><u>  N/C  </u></td><td>903.7(6)</td><td>Designated Housing for Elderly and Disabled Families</td></tr> <tr><td style="text-align: center;"><u>  X  </u></td><td>903.7(7)</td><td>Community Service and Self-Sufficiency</td></tr> <tr><td style="text-align: center;"><u>  N/C  </u></td><td>903.7(8)</td><td>Safety and Crime Prevention</td></tr> <tr><td style="text-align: center;"><u>  N/C  </u></td><td>903.7(9)</td><td>Pets</td></tr> <tr><td style="text-align: center;"><u>  N/C  </u></td><td>903.7(10)</td><td>Civil Rights Certification</td></tr> <tr><td style="text-align: center;"><u>  X  </u></td><td>903.7(11)</td><td>Fiscal Year Audit</td></tr> <tr><td style="text-align: center;"><u>  N/C  </u></td><td>903.7(12)</td><td>Asset Management</td></tr> <tr><td style="text-align: center;"><u>  N/C  </u></td><td>903.7(13)</td><td>Violence Against Women Act (VAWA)</td></tr> </table>		<u>  X  </u>	903.7(1)	Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures	<u>  X  </u>	903.7(2)	Financial Resources	<u>  N/C  </u>	903.7(3)	Rent Determination	<u>  X  </u>	903.7(4)	Operation and Management	<u>  N/C  </u>	903.7(5)	Grievance Procedures	<u>  N/C  </u>	903.7(6)	Designated Housing for Elderly and Disabled Families	<u>  X  </u>	903.7(7)	Community Service and Self-Sufficiency	<u>  N/C  </u>	903.7(8)	Safety and Crime Prevention	<u>  N/C  </u>	903.7(9)	Pets	<u>  N/C  </u>	903.7(10)	Civil Rights Certification	<u>  X  </u>	903.7(11)	Fiscal Year Audit	<u>  N/C  </u>	903.7(12)	Asset Management	<u>  N/C  </u>	903.7(13)	Violence Against Women Act (VAWA)
<u>  X  </u>	903.7(1)	Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures																																							
<u>  X  </u>	903.7(2)	Financial Resources																																							
<u>  N/C  </u>	903.7(3)	Rent Determination																																							
<u>  X  </u>	903.7(4)	Operation and Management																																							
<u>  N/C  </u>	903.7(5)	Grievance Procedures																																							
<u>  N/C  </u>	903.7(6)	Designated Housing for Elderly and Disabled Families																																							
<u>  X  </u>	903.7(7)	Community Service and Self-Sufficiency																																							
<u>  N/C  </u>	903.7(8)	Safety and Crime Prevention																																							
<u>  N/C  </u>	903.7(9)	Pets																																							
<u>  N/C  </u>	903.7(10)	Civil Rights Certification																																							
<u>  X  </u>	903.7(11)	Fiscal Year Audit																																							
<u>  N/C  </u>	903.7(12)	Asset Management																																							
<u>  N/C  </u>	903.7(13)	Violence Against Women Act (VAWA)																																							

- 6.0** (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.

The following are the specific locations where the public may obtain copies of the 2011 Annual Plan:

- Administrative Office  
306 W. 5<sup>th</sup> Street  
Mercedes, TX 78570

## 6.0 PHA Plan Elements

### 903.7(1) Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures *CHANGES*

#### A. Public Housing

Public Housing policies that govern resident or tenant eligibility, selection and admission (including preferences), unit assignment, procedures to maintaining waiting list for admission to public housing and site-based waiting lists (if applicable).

#### (1) Eligibility

The Mercedes Housing Authority verifies eligibility for admission to public housing when families are #1 on the waiting list.

The PHA uses the following non-income screening factors to establish eligibility for admission to public housing:

- Criminal or Drug-related activity
- Rental history
- Housekeeping
- The PHA will attempt to ascertain whether domestic violence was a factor in the poor rental and tenancy history and exercise discretion in determining suitability for tenancy, taking into consideration the circumstances that may have contributed to the negative reporting.

The Housing Authority requests criminal records from the following enforcement agencies for screening purposes:

- Local law enforcement agencies
- State law enforcement agencies

(2) Selection and Assignment

Selection for admission to public housing shall be made from the PHA's current waiting list in accordance with date and time of application.

(3) Preferences

The PHA does not plan to exceed the federal targeting requirements by targeting more than 40% of all new admissions to public housing to families at or below 30% of the median area income.

It is the policy of the PHA that transfers will take precedence over new admissions in the following circumstances:

- Emergencies
- Medical justification
- Administrative reasons determined by the PHA
- Domestic Violence

The PHA does not plan to employ any admission preferences for admission to public housing.

(4) Unit Assignment

Applicants are ordinarily given one (1) vacant unit choice before they fall to the bottom of, or are removed from the waiting list. This policy is consistent across all waiting list types.

(5) Maintaining Waiting List *CHANGES*

The Mercedes Housing Authority maintains a community-wide waiting list. Interested persons may apply for admission to public housing at the main administrative office located at 306 W. 5<sup>th</sup> Street, Mercedes, TX 78570 or at the Queen City Retreat Office.

The Mercedes Housing Authority does not plan to operate any site-based waiting lists.

(6) Occupancy

Applicants and residents may use the following reference materials to obtain information about the rules of occupancy of public housing.

- The PHA-resident lease
- The PHA's Admissions and Continued Occupancy Policy
- PHA briefing seminars or written materials

6.0

Residents must notify the PHA of changes in family composition:

- At an annual reexamination and lease renewal
- At any time family composition changes
- At family request for revision

(7) Deconcentration and Income Mixing **CHANGES**

The PHA has performed its annual deconcentration and income mixing analysis to determine if the PHA has any general occupancy public housing developments covered by the deconcentration rule. The analysis results follow:

The PHA does have general occupancy public housing developments covered by the deconcentration rule.

The following covered developments have average incomes that fall above or below the Established Income Range.

<b>Deconcentration Policy for Covered Developments</b>			
<b>Development Name:</b>	<b>Number of Units</b>	<b>Explanation (if any) [see step 4 at §903.2(c)(1)(iv)]</b>	<b>Deconcentration policy (if no explanation) [see step 5 at §903.2(c) (1)(v)]</b>
Queen City – Hi Rise	80	C. The Covered Development's or Development's size, location, and/or configuration promote income deconcentration, such as scattered site or small developments	
Blue Bonnet	25	C. The Covered Development's or Development's size, location, and/or configuration promote income deconcentration, such as scattered site or small developments	
San Jacinto	26	C. The Covered Development's or Development's size, location, and/or configuration promote income deconcentration, such as scattered site or small developments	
Taylor	24	C. The Covered Development's or Development's size, location, and/or configuration promote income deconcentration, such as scattered site or small developments	

B. Section 8

Section 8 HCV policies that govern participant eligibility and selection for assistance (including preferences), and procedure for maintaining waiting list.

(1) Eligibility

The PHA conducts screening to the extent of:

- Criminal or Drug-related activity only to the extent required by law or regulation
- More general screening than criminal and drug-related activity - Domestic Violence – Attempt to ascertain whether domestic violence was a factor in the poor rental and tenancy history or criminal activity and exercise discretion in determining suitability for tenancy about the circumstances that may have contributed to the negative reporting.

The Housing Authority requests criminal records from the following enforcement agencies for screening purposes:

- Local law enforcement agencies
- State law enforcement agencies

The PHA shares the following information with prospective landlords:

- Criminal or drug-related activity
- Current or previous landlord name and address
- Resident name and mailing address (last known to PHA)

(2) Waiting List Organization *CHANGES*

The Mercedes Housing Authority's waiting list for the section 8 tenant-based assistance is not merged with any other program waiting list:

Interested person may apply for admission to section 8 tenant-based assistance at:

- HCV Office, 902 E. 5<sup>th</sup> Street, Mercedes, TX 78570

(3) Search Time

The PHA does give extensions on standard 60-day period to search for a unit under the following circumstances:

- Medical reasons
- Hardship cases

(4) Preferences

The PHA does not plan to exceed the federal targeting requirements by targeting more than 75% of all new admissions to the section 8 program to families at or below 30% of the median area income.

The PHA plans to employ the following admission preferences for admission to section 8 tenant-based assistance:

<u>Priority</u>	<u>Preference</u>
<u>1</u>	- Applicants that have recently left or been displaced from a FEMA Cottage as of June 24, 2009 due to Hurricane Katrina and/or Rita
<u>2</u>	- Applicants that have recently left or been displaced due to Hurricanes Katrina and/or Rita
<u>3</u>	- Applicants that have the same preference will be selected by date and time and order of application
<u>4</u>	- Applicants date and time of application

In relationship of preferences to income targeting requirements, the pool of applicant families ensures that the PHA will meet income targeting requirements.

(5) Special Purpose Section 8 Assistance Programs

The policies governing eligibility, selection and admissions to any special-purpose section 8 program administered by the PHA are contained in the following documents or other reference materials:

- The Section 8 Administrative Plan

The PHA announces the availability of any special-purpose section 8 program to the public through:

- Newspaper Ads
- Posted in HA office
- Posted in City Hall
- Posted in Municipal Court

6.0 903.7(2) Financial Resources

<b>Financial Resources: Planned Sources and Uses</b>		
<b>Sources</b>	<b>Planned \$</b>	<b>Planned Uses</b>
<b>1. Federal Grants (FY 2011 grants)</b>		
a) Public Housing Operating Fund	1,195,835.00	
b) Public Housing Capital Fund (2011 formula)	363,641.00	
c) HOPE VI Revitalization		
d) HOPE VI Demolition		
e) Annual Contributions for Section 8 Tenant-Based Assistance	1,449,962.00	
f) Resident Opportunity and Self-Sufficiency Grants		
g) Community Development Block Grant		
h) HOME		
Other Federal Grants (list below)		
<b>2. Prior Year Federal Grants (unobligated funds only) (list below)</b>		
2010 Capital Funds Grant	10,000.00	Public housing capital improvements
<b>3. Public Housing Dwelling Rental Income</b>	<b>431,968.00</b>	Public housing operations
<b>4. Other income (list below)</b>		
Legal fees/late fees, late charges	4,220.00	Public housing operations
Non-Dwelling Rent	3,000.00	Public housing operations
<b>5. Non-federal sources (list below)</b>		
<b>Total resources</b>	<b>\$3,458,626.00</b>	

903.7 (3) Rent Determination Policies *NO CHANGE*

A. Public Housing

(1) Income Based Rent Policies

a. Use of discretionary policies

The PHA will employ discretionary rent-setting policies for income based rent in public housing.

## b. Minimum Rent

The PHA's minimum rent is \$50.00.

The PHA has adopted the following discretionary minimum rent hardship exemption policies.

1. The minimum rent requirement may be waived under certain circumstances. Financial hardship status is to be granted immediately for ninety (90) days in the event of the following:
  - a. The family has lost eligibility or is awaiting an eligibility determination to receive federal, state or local assistance, including a family having a non-citizen household member lawfully admitted for permanent residence and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996;
  - b. The family income has decreased due to changed circumstances such as separation, divorce, and abandonment;
  - c. One or more family members have lost employment;
  - d. The family would be evicted as a result of imposing the minimum rent requirement;
  - e. There has been a death in the family; or
  - f. There are other hardship situations determined by the PHA on a case-by-case basis, i.e. alimony, child support, etc.

Financial hardship exemption only applies to payment of minimum rent - not to rent based on the statutory formula for determining the Total Tenant Payment (TTP).
2. If tenant initiates a request for a hardship exemption that the PHA determines is temporary in nature:
  - a. Rent may be suspended, during the ninety (90) day period beginning on the day the request is made. At the end of the ninety (90) day period, the minimum rent is reinstated retroactively to the date of suspension.
  - b. The PHA will allow the family a maximum of six (6) months to make payment of any delinquent minimum rent payments accrued during the suspension period. However, the family must execute a Repayment Agreement.
  - c. The family may not be evicted for non-payment of rent during this ninety (90)-day suspension period..
  - d. If the hardship is subsequently determined to be long-term, the PHA will retroactively exempt residents from the minimum rent requirement for the ninety (90)-day period.

6.0

3. Hardship determinations are subject to the PHA's Informal Hearing Process and families are exempt from any escrow deposit that may be required under regulations governing the hearing process for other determinations.

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

The PHA does not plan to charge rents at a fixed amount or percentage less than 30% of adjusted income.

d. Discretionary deductions and/or exclusion policies

The PHA plans to employ the following discretionary (optional) deductions and/or exclusions policies:

- For the earned income of a previously unemployed household member
- For household heads

e. Ceiling Rents

The PHA does not have ceiling rents.

f. Rent Re-determinations

Between annual income reexaminations, the tenant is required to report changes in income or family composition to the PHA such that the changes result in an adjustment to rent as follows:

- Any time the family experiences an income increase
- Within ten (10) business days of such occurrence

g. Individual Savings accounts (ISAs)

The PHA does not plan to implement individual savings accounts for residents as an alternative to the required 12 month disallowance of earned income and phasing in of the rent increase in the next year.

(2) Flat Rents

The PHA used the following sources of information in setting the market-based flat rents to establish comparability.

- Use 110% over the Fair Market Rents (McAllen, Edinburg, Mission, TX MSA)

B. Section 8 Tenant-based Assistance(1) Payment Standards

The PHA's payment standard is:

- At or above 90% but below 100% of FMR

The PHA selected this standard because:

- FMRs are adequate to ensure success among assisted families in the PHA's segment of the FMR area
- Reflects market or submarket

The PHA monitors the payment standards for adequacy and changes when needed (due to FMR's in the area decreasing) and considers the following factors in its assessment of the adequacy:

- Rent burdens of assisted families

(2) Minimum Rent

The PHA's minimum rent is \$50.00.

The PHA has adopted the following discretionary minimum rent hardship exemption policies:

1. The minimum rent requirement may be waived under certain circumstances. Financial hardship status is to be granted immediately for ninety (90) days in the event of the following:

- a. The family has lost eligibility or is awaiting an eligibility determination to receive federal, state or local assistance, including a family having a non-citizen household member lawfully admitted for permanent residence and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996;
- b. The family income has decreased due to changed circumstances such as separation, divorce, and abandonment;
- c. One or more family members have lost employment;
- d. The family would be evicted as a result of imposing the minimum rent requirement;
- e. There has been a death in the family; or
- f. There are other hardship situations determined by the PHA on a case-by-case basis, i.e. alimony, child support, etc.

Financial hardship exemption only applies to payment of minimum rent - not to rent based on the statutory formula for determining the Total Tenant Payment (TTP).

6.0

2. If tenant initiates a request for a hardship exemption that the PHA determines is temporary in nature:
  - a. Minimum rent may be suspended; during the ninety (90) day period beginning on the day the request is made. At the end of the ninety (90) day period, the minimum rent is reinstated retroactively to the date of suspension and the HAP is again adjusted.
  - b. The PHA will allow the family a maximum of six (6) months to make payment of any delinquent minimum rent payments accrued during the suspension period. However, the family must execute a Repayment Agreement.
  - c. If the hardship is subsequently determined to be long-term, the PHA will retroactively exempt residents from the minimum rent requirement for the ninety (90)-day period.
  - d. Note that the PHA can only suspend the minimum rent contribution. If the family is residing in a unit whose Gross Rent exceeds the Payment Standard, the family will be responsible for the excess rent.
3. Hardship determinations are subject to the PHA's Informal Hearing Process and families are exempt from any escrow deposit that may be required under regulations governing the hearing process for other determinations.

#### 903.7(4) Operation and Management *CHANGES*

##### (1) PHA Management Structure

- a. A brief description of the management structure and organization of the PHA

The Executive Director directs the day-to-day management and operation of the Housing Authority with the assistance of the following lead staff and their line staff.

Executive Secretary

Director of Housing Operations/Finance – assists the Executive Director with the day-to-day management and operation of the public housing and Section 8 programs and in maintaining the Agency financially solvent, oversees all financial and procurement functions and supervises the following staff:

Manager of Housing Choice Voucher Program – assists the Director of Housing Operations/Finance with the day-to-day management and operation of the Section 8 Programs and supervises the following staff:

- HCV Coordinator

6.0

Receptionist – assists the Director of Housing Operations/Finance with the day-to-day management and operation of the public housing and Section 8 programs and supervises the following staff:

- Finance Clerk

Supervisor Low Rent Program – assists the Director of Housing Operations/Finance with the day-to-day management and operation of the public housing programs and supervises the following staff:

- Development Coordinator (2)
- Office Clerk

Supervisor Maintenance – assists the Director of Housing Operations/Finance with the day-to-day operation of facilities management and maintenance of the public housing stock and supervises the following staff:

- Warehouse Clerk/Low Rent Inspector
- Mechanic “A” (2)
- Mechanic “B” (2)
- Mechanic “B” Aide
- Janitorial

b. HUD Programs Under PHA Management *CHANGES*

Program Name	Units or Families Served at Year Beginning	Expected Turnover
Public Housing	213	10
Section 8 Vouchers	306	10
Section 8 Project Based Assistance	0	35
Section 8 Certificates	N/A	N/A
Section 8 Mod Rehab	N/A	N/A
Special Purpose Section 8 Certificates/Vouchers (list individually)		
<b>KDHAP Program</b>	19	5
Other Federal Programs(list individually)	N/A	N/A

c. Management and Maintenance Policies

The PHA has adopted the following policies that contain the Agency’s rules, standards, and policies that govern management, operation, and maintenance of the Public Housing and Section 8 assistance programs.

Public Housing Management:

- Work Order System
- Pest Eradication Policy

6.0

- Maintenance Plan
- Uniform Inspection System
- Admission and Continued Occupancy Policy
- Admission and Continued Occupancy Procedures Manual
- Fair Housing Policy
- Grievance Procedures
- Tent Selection and Assignment Plan
- Handicapped Policy
- Termination and Eviction Policy
- Transfer and Transfer Waiting List Policy
- Resident Initiatives Policy
- Section 3 Plan
- Pet Policy for Families
- Pet Policy for Elderly
- Procurement Policy and Procedures
- Personnel Policy
- Natural and National Disaster Policy/Plan
- Community Service Policy

Section 8 Management:

- Administrative Plan
  - Addendum(s) to PHA's current Section 8 Administration Plan –
    - 1) To amend waiting list organization
    - 2) To establish local preferences
    - 3) MHA intent to operate Project-Based Assistance Program
    - 4) MHA plan to Cancel HAP Contracts due to insufficient funding
- (Addendum provided as attachment tx029e01)**
- Section 8 Procedures Manual
  - Section 8 Homeownership Plan

903.7(5) Grievance Procedures ***NO CHANGE***

A. Public Housing

The PHA has not established any written grievance procedures in addition to federal requirements found at 24 CFR Part 966, Subpart B, for residents of public housing.

Residents or applicants who desire to initiate the PHA grievance Process should contact the following:

- PHA main administrative office

6.0

B. Section 8 Tenant-Based Assistance

The PHA has not established informal review procedures for applicants to the Section 8 tenant-based assistance program and informal hearing procedures for families assisted by the Section 8 tenant-based assistance program in addition to federal requirements found at 24 CFR 982.

Section 8 applicants or assisted families who desire to initiate the informal review and informal hearing process should contact the following:

- PHA main administrative office

903.7(6) Designated Housing for Elderly and Disabled Families *NO CHANGE*

The PHA has not designated or applied for approval to designate or does not plan to apply to designate any public housing for occupancy only by the elderly families or only by families with disabilities, or by elderly families and families with disabilities or will not apply for designation for occupancy by only elderly families or only families with disabilities, or by elderly families and families with disabilities as provided by section 7 of the U.S. Housing Act of 1937 (42 U.S.C. 1437e) in the upcoming fiscal year.

903.7(7) Community Service and Self-Sufficiency *CHANGES*

A. PHA Coordination with the Welfare (TANF) Agency.

1. The PHA has not entered into a cooperative agreement with the TANF Agency, to share information and /or target supportive services (as contemplated by section 12(d)(7) of the Housing Act of 1937.)
2. Other coordination efforts between the PHA and TANF agency include:
  - Client referrals
  - Information sharing regarding mutual clients (for rent determinations and otherwise)

B. Services and programs offered to residents and participants by the Mercedes Housing Authority are as follows:

(1) General

a. Self-Sufficiency Policies

The PHA will not employ discretionary policies to enhance the economic and social self-sufficiency of assisted families.

## b. Economic and Social self-sufficiency programs

The PHA does not coordinate, promote or provide any policies or programs for the enhancement of the economic and social self-sufficiency of assisted families.

(2) Family Self Sufficiency programs – N/A

## C. Welfare Benefit Reductions

The PHA is complying with the statutory requirements of section 12(d) of the U.S. Housing Act of 1937 (relating to the treatment of income changes resulting from welfare program requirements) by:

- Adopting appropriate changes to the PHA's public housing rent determination policies and train staff to carry out those policies
- Informing residents of new policy on admission and reexamination
- Actively notifying residents of new policy at times in addition to admission and reexamination.

## D. Community Service Requirement

Pursuant to section 12(c) of the U. S. Housing Act of 1937, the PHA will comply with requirements of community service by identifying the number of tenants required to perform community service, the number of tenants granted exemptions, the number of tenants in non-compliance, and the number of tenants terminated/evicted due to non-compliance.

**Description of the Community Service Policy**

The Mercedes Housing Authority Community Service Policy is simple and definitive of Section 512 of the Quality and Work Responsibility Act of 1998. The Mercedes Housing Authority believes that the community service requirement should not be received by the resident to be a punitive or demeaning activity, but rather to be a rewarding activity that will benefit both the resident and the community. Community service offers public housing residents and opportunity to contribute to the communities that support them while gaining work experience. The requirement is easy and rewarding and the Housing Authority provides the residents with the name of agencies, the agencies point of contact and all required paper work necessary to accomplish the monthly service.

The Community Service Policy allows the PHA to identify those residents required to participate in the community service requirement. Participants will be required to contribute 8 hours of community service each month or to participate in a self-sufficiency program for 8 hours each month. Identified residents are responsible to determine the appropriateness of the voluntary

6.0

service within guidelines provide in the policy. Allowed activities that may be included are listed in the policy. Voluntary political activities are prohibited from being considered to meet the Community Service requirement. Participation in self-sufficiency activities that may be included are listed in the policy. A list of exemptions that may be claimed from the requirement is provided in the policy. Family obligations and PHA obligations are addressed in detail. Lease requirements and documentation and non-compliance are all clearly addressed.

**Administrative Steps Taken to Implement the Requirement**

The Mercedes Housing Authority currently has the Community Service Policy implemented into the ACOP and on the Contract Lease. Each resident is provided with a copy of the Community Service/Self Sufficiency Requirement Policy at date of move in and at annual reexamination. The Mercedes Housing Authority currently does not have a cooperative agreement with TANF (welfare) to verify residents' status, however, is working to have an active agreement with Texas Department of Human Resources. The Mercedes Housing Authority administers the Community Service Program by verifying on a monthly basis whether those who need to comply have complied with the requirement and notifies, in writing, all residents who fail to comply with their Community Service requirement and is further explained the possible actions of termination of contract for failure to provide sufficient proof of compliance.

Mercedes Housing Authority follows the procedures below to implement the Community Service Requirement for Public Housing Tenants. Community hours for tenants are recorded on a monthly basis.

1. Letters are mailed out to tenants to notify them that their community hours, which have not been turned in, are pending, indicating specific months and number of hours.
2. Tenants who call in to the Mercedes Housing Authority office are reminded over the phone regarding their community hours.
3. When the tenant or family member is found to be non-compliant at re-examination, the Head of Household and any non-compliant adult family member will sign an agreement with the Authority agreeing to make up the deficient hours that are needed to renew the lease.
4. At the next re-examination, the second year, if tenant and/or adult family member still do not comply with the community service requirement, the family is advised that the lease will not be renewed for the following year, unless the non-compliant member(s) agrees to move out of the unit or produce all pending community hours.

### Programmatic Aspects of the Requirements

The Mercedes Housing Authority does inform residents of the types of activities that are available throughout the community for those who are subject to comply with Community Service requirement. Available activities may include activities such as volunteering at the local schools near their development, at churches, at the local Boys and Girls Club, at child and adult day care centers. At the Mercedes Housing Authority Queen City Retreat activities may include serving meals to those elderly and/or disabled residents who qualify for the Amigos del Valle Meal Program.

The PHA sent letters notifying those residents who are non-compliant. Each resident in non-compliance is scheduled an appointment for an interview providing them an opportunity to explain and document the reason for non-compliance. Based on the documented reason provided, the PHA makes a determination to begin the termination and eviction process or to give the resident an opportunity to correct the matter to become compliant. As some of the residents are approaching the two year mark, the PHA met with the local Justice of the Peace to begin the eviction process accordingly.

Community Service Implementation Report: **CHANGES**

- Number of tenants required to perform community service: 109
- Number of tenants performing community service: 99
- Number of tenants granted exemptions: 117
- Number of tenants in non-compliance: 10
- Number of tenants terminated/evicted due to non-compliance: -0-

#### 903.7(8) Safety and Crime Prevention **NO CHANGE**

The PHA's plan for safety and crime preventions to ensure the safety of the public housing residents is addressed below.

##### A. Need for measures to ensure the safety of public housing residents:

1. Description of the need for measures to ensure the safety of public housing residents.
  - Observed lower-level crime, vandalism and/or graffiti
2. Information or data used by the PHA to determine the need for PHA actions to improve safety of residents:
  - Safety and security survey of residents
  - Police reports
3. Developments that are most affected:
  - Linda Vista
  - Taylor
  - Bluebonnet

6.0

B. Crime and Drug Prevention activities the PHA has undertaken or plans to undertake in the next PHA fiscal year.

1. List of crime prevention activities:

- Mercedes Housing Authority will work closely with Mercedes Policy Department to weed out families who are associated with crime.

2. Developments that are most affected:

- Linda Vista
- Taylor
- Bluebonnet
- San Jacinto

C. Coordination between PHA and the police.

1. Description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities:

- Police involvement in development, implementation, and/or ongoing evaluation of drug-elimination plan
- Police provide crime data to housing authority staff for analysis and action
- Police regularly testify in and otherwise support eviction cases
- Police regularly meet with the PHA management and residents
- Agreement between PHA and local law enforcement agency for provision of above-baseline law enforcement services

2. Developments that are most affected:

- Linda Vista
- Taylor
- Bluebonnet
- San Jacinto

903.7(9) Pets ***NO CHANGE***

The Mercedes Housing Authority has implemented the Pet ownership policy. The pet policy rules shall apply to Residents living in the units operated by the Mercedes Housing Authority. The rules do not apply to animals used by persons with disabilities.

The Mercedes Housing Authority allows common household pets as authorized by the policy, which means a domesticated animal, such as cats, dogs, fish, birds rodents (including rabbits and turtles), that are traditionally kept in the home for pleasure rather an for commercial purposes.

6.0

Residents need to register their pets with the Mercedes Housing Authority before it is brought onto the premises, and will update registration annually. The Pet fee for the Mercedes Housing Authority will be \$200.00 which is non-refundable and a pet deposit of \$150.00.

The Resident will be required to sign a Pet Agreement and a Pet Policy Certification that includes a photo of the pet.

#### 903.7(10) Civil Rights Certification *NO CHANGE*

The PHA has examined its programs and proposed programs to identify any impediments to fair housing choices, has addressed those impediments in a reasonable fashion, and is working with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing. The PHA assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.

The PHA has taken the following specific actions to Affirmative Further Fair Housing in its public housing and Section 8 assistance programs.

The PHA will not, on the grounds of race, color, creed, sex, religion, age, disability, national origin or familial status:

- Deny a person or family admission to housing or assistance;
- Provide housing which is different than that provided others, except for elderly and/or disabled where accessibility features may be required;
- Subject a person to segregation or disparate treatment;
- Restrict a person's access to any benefit enjoyed by others in connection with housing programs;
- Treat a person differently in determining eligibility or other requirements for admission or assistance;
- Deny any person access to the same level of services provided to others;
- Deny a person the opportunity to participate in a planning or advisory group that is an integral part of the housing programs.

The PHA will not intimidate, threaten or take any retaliatory action against any applicant, resident, or participant because of a person's participation in civil rights activities or assertions of civil rights.

HUD Fair Housing Posters are posted at the PHA main administrative office and at each development office.

The PHA will ensure accessibility to offices to afford persons with disabilities the opportunity to apply for admission or assistance to the public housing programs.

6.0

The PHA will make sure that all employees of the PHA are familiar with non-discrimination requirements, especially those employees who are involved in the admissions process.

The PHA prominently displays a fair housing poster at each office where applications are taken and at each management office.

The PHA's policies and practices are designed to provide assurance that all persons with disabilities will be provided reasonable accommodations so that they can fully access and utilize the housing programs and related services.

The PHA will identify and eliminate situations and /or practices that create barriers to equal housing opportunity for all.

The PHA reviews its policies and procedures, at least annually, to assure compliance with all civil rights requirements.

903.7(11) Fiscal Year Audit *CHANGE*

The PHA is required to have an audit conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c(h)).

The most recent fiscal audit was submitted to HUD. There were no findings as a result of that audit.

903.7(12) Asset Management *NO CHANGE*

The PHA will conduct a Physical Needs Assessment (PNA) of all AMP's within the next fiscal year. The needs of the projects has been prioritized, not only based upon the PNA, but also upon needs identified during inspections performed by PHA staff and HUD REAC and during Energy Audits. A combination of these methods will determine the agency's long- term operating goals and serve as a guide in handling the agency's capital investments. The needs, as determined, will serve as the agency's guide towards developing a plan of action with regards to rehabilitation, demolition/disposition. The current plans for modernization activities are included in the agency's Annual Statement and Five-Year Action Plan.

The PHA will proceed to allocate funds, based upon funds availability, to the projects identified as a result of those efforts previously described and also based upon other current available project information pertaining to occupancy, vacancies, expenses, prior improvements and other project data.

**6.0** 903.7(13) Violence Against Women Act (VAWA) *NO CHANGE*

The Mercedes Housing Authority (MHA) has incorporated in its PHA Plan goals and objectives, and policies and procedures the applicable provisions of the Violence Against Women and Reauthorization Act of 2005 (VAWA) to support or assist victims of domestic violence, dating violence, or stalking.

The PHA goal to provide an improved living environment is being met by the MHA by its effort to implement affirmative measures to assist victims of domestic violence in avoiding their abusers and continuing occupancy in public housing.

Towards its effort to meet the PHA goal to promote self-sufficiency and asset development of assisted households, the MHA has continued to seek avenues to partner with local agencies and/or support groups who assist families who are victims of domestic violence to move out of abusive situations and begin again.

The MHA is in the process of creating a partnership with Mujeres Unidas and the Salvation Army. The MHA would be involved as a partner who would refer tenants in their housing program who are experiencing domestic violence and want to get away from their abuser.

In addition, the MHA is currently assisting tenants who are victims of domestic violence by honoring their transfer requests and eliminating any transfer fees.

MHA shall train its staff on the required confidentiality issues imposed by VAWA. The MCHA was already providing a preference for victims of domestic violence prior to passage of the VAWA and will continue to provide this preference. In addition, we have added the circumstances of domestic violence to the transfer policy that will permit the affected family or individual to take precedence over new admissions.

**7.0** **Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers.** *Include statements related to these programs as applicable.*

**a. HOPE VI or Mixed Finance Modernization or Development** *NO CHANGE*

The PHA has not received a HOPE VI revitalization grant.

The PHA does not plan to apply for a HOPE VI Revitalization grant in the Plan year.

The PHA will not be engaging in any mixed-finance development activities for public housing in the Plan year.

7.0

The PHA will be conducting other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement as follow:

- Become a General Partner in a Tax Credit Development (Anacvitas Manor) – Summer of 2008

**b. Demolition and/or Disposition *CHANGES***

The PHA plans to conduct demolition or disposition activities in the plan Fiscal Year.

Activity Descriptions:

Demolition/Disposition Activity Description	
1a. Development name: <b>Retama</b>	
1b. Development (project) number: <b>TX029001</b>	
2. Activity type: Demolition <input type="checkbox"/>	Disposition <input checked="" type="checkbox"/>
3. Application status (select one) Approved <input checked="" type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>	
4. Date application <b>approved</b> , submitted, or planned for submission: <b>(04/08/2008)</b>	
5. Number of units affected: <b>64</b>	
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development	
7. Timeline for activity: a. Actual or projected start date of activity: <b>January 2008</b> b. Projected end date of activity: <b>December 31, 2010</b>	

Demolition/Disposition Activity Description	
1a. Development name: <b>Queen City Retreat</b>	
1b. Development (project) number: <b>TX029000002</b>	
2. Activity type: Demolition <input type="checkbox"/>	Disposition <input checked="" type="checkbox"/>
3. Application status (select one) Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>	
4. Date application approved, submitted, or <b>planned</b> for submission: <b>(10/01/2011)</b>	
5. Number of units affected: <b>land demolished in 1998</b>	
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development	
7. Timeline for activity: a. Actual or projected start date of activity: <b>October 2011</b> b. Projected end date of activity: <b>December 2012</b>	

**7.0 c. Conversion of Public Housing *NO CHANGE***

Assessments of Reasonable Revitalization Pursuant to section 202 of the HUD FY 1996 HUD Appropriations Act

The PHA does not have any developments or portions of developments identified by HUD or the PHA as covered under section 202 of the HUD FY 1996 HUD Appropriations Act.

**d. Homeownership *NO CHANGE***

1. Public Housing

The PHA does not administer any homeownership programs for public housing.

2. Section 8 Tenant Based Assistance

The PHA does plan to administer a homeownership programs for section 8. Below is the program description.

**Program Description:**

The Mercedes Housing Authority Homeownership Program requires at least six months of being on the Housing Choice Voucher (HCV) Program and maintaining a steady flow of income that falls within the minimum requirements. The Mercedes Housing Authority will evaluate families that fall under this criteria and make recommendations to the Community Development Corporation of South Texas (CDC of South Texas). CDC of South Texas then provides credit counseling for the family and processes the required applications and documents needed. Once the CDC of South Texas completes their process and they too qualify the family, then the Mercedes Housing Authority is notified that the tenant qualified and an inspection of the newly constructed home must be conducted and notifies the Mercedes Housing Authority of the client's mortgage payment and the date that the client will be allowed to move in.

The PHA will limit the number of families participating in the Section 8 homeownership option to 25 or fewer participants.

The PHA has established eligibility criteria for participation in its Section 8 Homeownership Option program in addition to HUD criteria as follows:

- Families must be in HCVP for six (6) months

**7.0 e. Project-based Vouchers *NO CHANGE***

Agencies utilizing the Section 8 Project Based Voucher Program, including certificate programs that were converted to vouchers or intending to utilize the Section 8 Project Based Voucher Program during the upcoming fiscal year are required to provide the following information. Based on this information Nelrod will prepare the required attachment.

The MHA plans to “project-base” tenant-based Section 8 Vouchers in the current year for a period of five (5) years.

The project basing of units, rather than tenant-basing of the same amount of assistance is an appropriate option due to the following circumstances below:

- Low utilization rate for vouchers due to lack of suitable rental units for elderly and disabled households
- Access to neighborhoods outside of high poverty areas
- Provide units that are suitable to meet the needs of Elderly and/or Disabled households

Consistent with goals, it has been the MHA’s intentions to apply for special funding allocations to meet the needs of the Elderly and Disabled households. However, in the interim of meeting this goal, the MHA intends to commit sixteen (16) vouchers or up to 20% of the budget authority allowed by HUD for units throughout the City and its ETJ. If the 20% currently allowed by HUD is increased by statute and/or regulations, the Housing Authority will accordingly increase the amount of project-based vouchers.

The Mercedes Housing Authority intends to enter into an agreement to commit sixteen (16) Housing Choice Vouchers to attract assistance to units with Project-Based assistance due to the needs of households in the area comprised of Elderly, Disabled and near Elderly households with special needs. The MHA intends to supply sufficient units that provide an environment that meet the needs and provide services specifically designed to assist individuals meeting the criteria to receive assistance. **(See attachment tx029f01).**

On November 19, 2009, the Mercedes Housing Authority Board of Commissioners adopted an Addendum to the MHA’s current Section 8 Administrative Plan to include operation of Project-Based Assistance Program. A copy of the Addendum is provided as **attachment tx029e01.**

Consolidated Plan jurisdiction: County of Hidalgo.

The MHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan of the jurisdiction.

- The MHA has based its statement of needs of families on its waiting lists and on the needs expressed in the Consolidated Plan/s.

<b>8.0</b>	<b>Capital Improvements.</b> Please complete Parts 8.1 through 8.3, as applicable.																																																																
<b>8.1</b>	<p><b>Capital Fund Program Annual Statement/Performance and Evaluation Report.</b> 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.</p> <p>Required reports are included as following attachments:</p> <ul style="list-style-type: none"> <li>▪ 2011 Capital Fund Program Annual Estimate - attachment tx029a01</li> <li>▪ 2010 Performance and Evaluation Report - attachment tx029c01</li> <li>▪ 2009 Performance and Evaluation Report - attachment tx029d01</li> </ul>																																																																
<b>8.2</b>	<p><b>Capital Fund Program Five-Year Action Plan.</b> As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i>, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.</p> <p>Required report is included as following attachment:</p> <ul style="list-style-type: none"> <li>▪ FY 2011 Capital Fund Program 5 Year Action Plan - attachment tx029b01</li> </ul>																																																																
<b>8.3</b>	<p><b>Capital Fund Financing Program (CFFP).</b> <i>N/A</i></p> <p><input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.</p>																																																																
<b>9.0</b>	<p><b>Housing Needs.</b> Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location, rate the impact of that factor on the housing needs for each family type, from 1 to 5, with 1 being “no impact” and 5 being “severe impact”.</p> <p>With the increase in loss of jobs, mortgage foreclosures, and the plummeting financial situation being experienced, the families needing housing assistance has increased in the Mercedes Housing Authority jurisdiction. There is a shortage of affordable housing for all eligible populations that requires the Housing Authority to seek avenues to increase the number of available affordable housing when possible.</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th colspan="8">Housing Needs of Families in the Jurisdiction by Family Type</th> </tr> <tr> <th>Family Type</th> <th>Overall</th> <th>Afford-ability</th> <th>Supply</th> <th>Quality</th> <th>Access-ibility</th> <th>Size</th> <th>Loca-tion</th> </tr> </thead> <tbody> <tr> <td>Income &lt;= 30% of AMI</td> <td>525</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> </tr> <tr> <td>Income &gt;30% but &lt;=50% of AMI</td> <td>100</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> </tr> <tr> <td>Income &gt;50% but &lt;80% of AMI</td> <td>60</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> </tr> <tr> <td>Elderly</td> <td>55</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> </tr> <tr> <td>Families with Disabilities</td> <td>50</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> </tr> <tr> <td>Hispanic</td> <td>600</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> <td>5</td> </tr> </tbody> </table>	Housing Needs of Families in the Jurisdiction by Family Type								Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion	Income <= 30% of AMI	525	5	5	5	5	5	5	Income >30% but <=50% of AMI	100	5	5	5	5	5	5	Income >50% but <80% of AMI	60	5	5	5	5	5	5	Elderly	55	5	5	5	5	5	5	Families with Disabilities	50	5	5	5	5	5	5	Hispanic	600	5	5	5	5	5	5
Housing Needs of Families in the Jurisdiction by Family Type																																																																	
Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion																																																										
Income <= 30% of AMI	525	5	5	5	5	5	5																																																										
Income >30% but <=50% of AMI	100	5	5	5	5	5	5																																																										
Income >50% but <80% of AMI	60	5	5	5	5	5	5																																																										
Elderly	55	5	5	5	5	5	5																																																										
Families with Disabilities	50	5	5	5	5	5	5																																																										
Hispanic	600	5	5	5	5	5	5																																																										

9.0

**Housing Needs of Families on the Waiting List**

Waiting list type: (select one)

- Section 8 tenant-based assistance
- Public Housing
- Combined Section 8 and Public Housing
- Public Housing Site-Based or sub-jurisdictional waiting list (optional)

If used, identify which development/subjurisdiction:

	# of families	% of total families	Annual Turnover
Waiting list total	285		125
Extremely low income <=30% AMI	202	71%	
Very low income (>30% but <=50% AMI)	56	20%	
Low income (>50% but <80% AMI)	27	9%	
Families with children	160	56%	
Elderly families	115	40%	
Families with Disabilities	10	4%	
White	72	25%	
Black/African American	0	0%	
American Indian/Alaska Native	0	0%	
Asian	0	0%	
Native Hawaiian/Other Pacific Islander	0	0%	
Hispanic	213	75%	

Characteristics by Bedroom Size (Public Housing Only)			
1BR	148	52%	
2 BR	43	15%	
3 BR	76	27%	
4 BR	18	6%	
5 BR	0	0%	
5+ BR	0	0%	

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

If yes:

How long has it been closed (# of months)? *N/A*

Does the PHA expect to reopen the list in the PHA Plan year?  No  Yes *N/A*

Does the PHA permit specific categories of families onto the waiting list, even if generally closed?  No  Yes *N/A*

9.0

**Housing Needs of Families on the Waiting List**

Waiting list type: (select one)

- Section 8 tenant-based assistance
- Public Housing
- Combined Section 8 and Public Housing
- Public Housing Site-Based or sub-jurisdictional waiting list (optional)

If used, identify which development/subjurisdiction:

	# of families	% of total families	Annual Turnover
Waiting list total	331		
Extremely low income <=30% AMI	324	98%	
Very low income (>30% but <=50% AMI)	4	1%	
Low income (>50% but <80% AMI)	3	1%	
Families with children	307	93%	
Elderly families	21	6%	
Families with Disabilities	3	1%	
White	6	2%	
Black/African American	11	3%	
American Indian/Alaska Native	0	0%	
Asian	0	0%	
Native Hawaiian/Other Pacific Islander	0	0%	
Hispanic	314	95%	

Characteristics by  
Bedroom Size (Public  
Housing Only)

1BR	N/A	N/A	
2 BR	N/A	N/A	
3 BR	N/A	N/A	
4 BR	N/A	N/A	
5 BR	N/A	N/A	
5+ BR	N/A	N/A	

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

If yes:

How long has it been closed (# of months)? 2 months

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

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

**9.1 Strategy for Addressing Housing Needs.** Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.**

**Strategy for Addressing Housing Needs:**

**Need: Shortage of affordable housing for all eligible populations.**

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

- Employ effective maintenance and management policies to minimize the number of public housing units off-line
- Reduce turnover time for vacated public housing units
- Maintain or increase Section 8 lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction
- Maintain or increase Section 8 lease-up rates by marketing the program to owners, particularly those outside the areas of minority and poverty concentration.
- Maintain or increase Section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program
- Participate in the Consolidated Plan development process to ensure coordination with broader community strategies

Strategy 2: Increase the number of affordable housing units by:

- Apply for additional Section 8 units should they become available
- Apply for special-purpose vouchers target to the elderly, should they become available
- Leverage affordable housing resources in the community through the creation of mixed-finance housing
- Pursue housing resources other than Public Housing or Section 8 tenant-based assistance.

Reasons for Selecting Strategies:

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

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

- (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**). *CHANGES*

#### PHA GOAL #1: EXPAND THE SUPPLY OF ASSISTED HOUSING

The PHA established the following objectives to strive in meeting goal #1:

- Apply for additional rental vouchers if available: As needed when funding availability announced
- Reduce public housing vacancies

**Progress Statement:** MHA will consider in 2010-2011 applying to the Texas Department of Housing and Community Affairs for a Tax Credit Program. The development which will apply for a Tax Credit will be Queen City Retreat.

#### PHA GOAL #2: IMPROVE THE QUALITY OF ASSISTED HOUSING

The PHA established the following objectives to strive in meeting goal #2:

- Improve public housing management:
- Improve voucher management:
- Increase customer satisfaction
- Concentrate on efforts to improve specific management functions
- Renovate or modernize public housing units
- Demolish or dispose of obsolete public housing

**Progress Statement:** Standard score changes to 85 instead of 86. SEMAP score continues at 96%.

#### PHA GOAL #3: INCREASE ASSISTED HOUSING CHOICES

The PHA established the following objectives to strive in meeting goal #3:

- Provide voucher mobility counseling
- Conduct outreach efforts for potential voucher landlords: PHA will host a Section 8 Conference for the first time

**Progress Statement:** MHA has provided voucher counseling to all HCV participants. MHA's HCV Program has increased in the last year. During the FY2005-2009 the Section 8 Department was constantly looking for innovative ways to outreach potential

10.0

voucher landlords/owners on a daily basis through conferences and special events. The potential Section 8 landlord/owner is provided with a landlord packet via standard mail or email. Most of the time, the landlords prefer to come to our office and pick up the landlord packet. The landlord/owner packet includes information such as:

- How to become a Section 8 landlord
- Process after the Request for Tenancy Approval has been submitted to the Section 8 Inspector
- Q & A HAP Contract and HAP payment
- Landlord/owner contract information
- W-8 IRS Form

#### PHA GOAL #4: PROVIDE AN IMPROVED LIVING ENVIRONMENT

The PHA established the following objectives to strive in meeting goal #4:

- Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments
- Designate developments or buildings for particular resident groups

**Progress Statement:** MHA will continue to stay informed on new innovations that may benefit the improvement of quality of life and the economic vitality.

#### PHA GOAL #5: PROMOTE SELF-SUFFICIENCY AND ASSET DEVELOPMENT OF ASSISTED HOUSEHOLDS

The PHA established the following objectives to strive in meeting goal #5:

- Provide or attract supportive services to improve assistance recipients' employability

**Progress Statement:** MHA continues to make the item listed above on-going and will continue to make it possible for the residents to become self-sufficient.

#### PHA GOAL #6: ENSURE EQUAL OPPORTUNITY AND AFFIRMATIVELY FURTHER FAIR HOUSING

The PHA established the following objectives to strive in meeting goal #6:

- Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion, national origin, sex, familial status and disability:
- Undertake affirmative measures to provide a suitable living environment for families living in assisted housing regardless of race, color, religion, national origin, sex, familial status and disability:
- Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required

10.0

**Progress Statement:** All items above remained on-going activities. The MHA will work closely with Mercedes Police Department to improve the security in all developments. The MHA has provided the staff training on fair housing rules and regulations.

- (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.**) ***NO CHANGE***

**Substantial Deviations from the 5-Year Plan**

- Additions or deletions of Strategic Goals
- Any deviation that requires reviews and input by the Resident Advisory Board as well as approval by the Board of Commissioners.

**Significant Amendments or Modification to the Annual Plan**

- Any change to rent or admissions policies or organization of the waiting list;
- Additions of non-emergency\* work items over \$25,000 (items not included in the latest approved PHA Plan Capital Fund Annual Statement or 5-Year Action Plan) or change in use of replacement reserve funds (if applicable) under the Capital Fund Program; and
- Any change with regard to demolition or disposition, designation of housing, homeownership programs or conversion activities.

An exception to this definition will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements since such changes are not considered significant.

This criterion does not supersede the requirements of OMB Circular No. A-87 (Cost Principal for State, Local, and Indian Tribal Governments) and 25 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements), as well as federal, state, or local regulations or statutes.

Any future issuance of HUD guidelines or additional regulations shall take precedence over the above criterion.

\* Emergency – means physical work items of an emergency nature, posing an immediate threat to the health and safety of residents or staff, which must be completed within one year of capital grant funding. Management improvements are not eligible as emergency work.

- (c) PHA’s must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. ***N/A***

<b>11.0</b>	<p><b>Required Submission for HUD Field Office Review.</b> In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. <b>Note:</b> Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p style="text-align: center;">Provided as attachment tx029g01</p> <p>(g) Challenged Elements – NO 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 style="text-align: center;">Provided as attachments tx029a01, tx029c01 and tx029d01.</p> <p>(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p> <p style="text-align: center;">Provided as attachment tx029b01</p>
-------------	---

**Attachment: tx029a01**

Annual Statement /Performance and Evaluation Report  
 Capital Funds Program and Capital Fund Program Replacement Housing Factor and  
 Capital Funds Financing Program

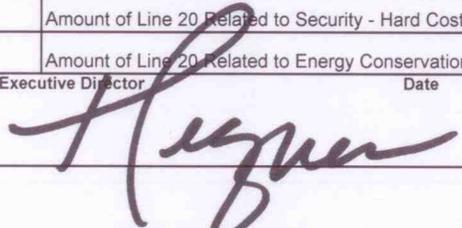
U. S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 4/30/2011

<b>Part I: Summary</b>					
PHA Name: <b>Mercedes Housing Authority</b>		Grant Type and Number: Capital Fund Program No: <b>TX59P029501-11</b> Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2011 FFY of Grant Approval: 2011	
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserved for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no: ) <input type="checkbox"/> Final Performance and Evaluation Report					
<input type="checkbox"/> Performance and Evaluation Report for Period Ending:					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost 1	
		Original	Revised 2	Obligated	Expended
1	Total Non-Capital Funds				
2	1406 Operating Expenses (may not exceed 20% of line 20) <sup>3</sup>	72,728.20			
3	1408 Management Improvements	30,000.00			
4	1410 Administration	36,364.10			
5	1411 Audit	0.00			
6	1415 Liquidated Damages	0.00			
7	1430 Fees and Costs	32,000.00			
8	1440 Site Acquisition	0.00			
9	1450 Site Improvement	33,000.00			
10	1460 Dwelling Structures	10,000.00			
11	1465.1 Dwelling Equipment-Nonexpendable	0.00			
12	1470 Nondwelling Structures	24,043.60			
13	1475 Nondwelling Equipment	0.00			
14	1485 Demolition	0.00			
15	1492 Moving to Work Demonstration	0.00			
16	1495.1 Relocation Costs	0.00			
17	1499 Development Activities <sup>4</sup>	125,505.10			

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

Annual Statement /Performance and Evaluation Report  
 Capital Funds Program and Capital Fund Program Replacement Housing Factor and  
 Capital Funds Financing Program

U. S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 4/30/2011

<b>Part I: Summary</b>					
PHA Name: <b>Mercedes Housing Authority</b>		Grant Type and Number: Capital Fund Program No: <b>TX59P029501-11</b> Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2011 FFY of Grant Approval: 2011	
<input checked="" type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserved for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no: )	
<input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost 1	
		Original	Revised 2	Obligated	Expended
18a	1501 Collateralization or Debt Service Paid by the PHA	0.00			
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment	0.00			
	Payment	-			
19	1502 Contingency (may not exceed 8% of Line 20)	0.00			
20	Amount of Annual Grant (sums of lines 2-19)	<b>\$363,641.00</b>			
21	Amount of Line 20 Related to LBP Activities	0.00			
22	Amount of Line 20 Related to Section 504 Compliance	0.00			
23	Amount of Line 20 Related to Security - Soft Costs	0.00			
24	Amount of Line 20 Related to Security - Hard Costs	0.00			
25	Amount of Line 20 Related to Energy Conservation Measures	0.00			
Signature of Executive Director 			Signature of Public Housing Director		
Date <b>7/14/11</b>			Date		

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

Annual Statement /Performance and Evaluation Report  
 Capital Funds Program and Capital Fund Program Replacement Housing Factor and  
 Capital Funds Financing Program

U. S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 4/30/2011

<b>Part II: Supporting Pages</b>								
PHA Name: <b>Mercedes Housing Authority</b>			Grant Type and Number: Capital Fund Program No: <b>TX59P029501-11</b> Replacement Housing Factor Grant No: _____ CFFP (Yes/No) <b>No</b> Date of CFFP: _____				Federal FFY of Grant: <b>2011</b>	
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
PIC #				Original	Revised 1	Funds Obligated 2	Funds Expended 2	
<b>PHA-Wide</b>	<b>1406 Operations</b>	<b>1406</b>		72,728.20				
	<b>Total 1406</b>			<b>\$72,728.20</b>				
<b>PHA-Wide</b>	<b>1408 Management Improvements</b>	<b>1408</b>						
	General Technical Assistance/New PHA plan			6,000.00				
	Staff and Commissioner Training			6,000.00				
	Utility Allowance Study/ Annual Update			3,000.00				
	Computer Software & Maintenance, Security Cameras			15,000.00				
	<b>Total 1408</b>			<b>\$30,000.00</b>				
<b>PHA-Wide</b>	<b>1410 Administration</b>	<b>1410</b>						
	Management fees			36,364.10				
	<b>Total 1410</b>			<b>\$36,364.10</b>				
<b>PHA-Wide</b>	<b>1430 Fees and Costs</b>	<b>1430</b>						
	Inspection costs			1,000.00				
	A & E Fees			22,500.00				
	Consultant fees			7,500.00				
	Printing Costs			1,000.00				
	<b>Total 1430</b>			<b>\$32,000.00</b>				
	<b>TOTAL PHA-WIDE</b>			<b>\$171,092.30</b>				

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

2 To be completed for the Performance and Evaluation Report



**Attachment: tx029b01**

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

U. S. Department of Housing and Urban Development

Office of Public and Indian Housing

Expires: 4/30/2011

<b>Part I: Summary</b>						
PHA Name/Number		Locality (City/County& State)			<input checked="" type="checkbox"/> Original	<input type="checkbox"/> Revision No. _____
<b>Mercedes Housing Authority TX029</b>		<b>Mercedes/Hidalgo County/Texas</b>				
A.	Development Number and Name	Work Statement for Year 1 FFY____ 2011____	Work Statement for Year 2 FFY____ 2012____	Work Statement for Year 3 FFY____ 2013____	Work Statement for Year 4 FFY____ 2014____	Work Statement for Year 5 FFY____ 2015____
B.	Physical Improvements Subtotal	<b>Annual Statement</b>	- 287,622.00	- 268,572.00	- 285,320.00	- 267,200.00
C.	Management Improvements		17,500.00	17,500.00	17,500.00	17,500.00
D.	PHA-Wide Non-dwelling Structures and Equipment		- 0.00	- 0.00	- 0.00	- 0.00
E.	Administration		30,000.00	32,000.00	28,000.00	28,000.00
F.	Other		25,000.00	25,000.00	25,000.00	25,000.00
G.	Operations		90,000.00	90,000.00	90,000.00	90,000.00
H.	Demolition		0.00	0.00	0.00	0.00
I.	Development		0.00	0.00	0.00	0.00
J.	Capital Fund Financing - Debt Service		0.00 -	0.00 0.00	0.00 0.00	0.00 0.00
K.	Total CFP Funds		<b>\$450,122.00</b>	<b>\$433,072.00</b>	<b>\$445,820.00</b>	<b>\$427,700.00</b>
L.	Total Non-CFP Funds		0.00	0.00	0.00	0.00
M.	Grand Total		<b>\$450,122.00</b>	<b>\$433,072.00</b>	<b>\$445,820.00</b>	<b>\$427,700.00</b>









**Attachment: tx029c01**

Annual Statement /Performance and Evaluation Report  
 Capital Funds Program and Capital Fund Program Replacement Housing Factor and  
 Capital Funds Financing Program

U. S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 4/30/2011

**Part I: Summary**

PHA Name: <p style="text-align: center;"><b>Mercedes Housing Authority</b></p>	Grant Type and Number: Capital Fund Program No: <b>TX59P029501-10</b> Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2010 FFY of Grant Approval: 2010
---	---	---

Original Annual Statement    
  Reserved for Disasters/Emergencies    
  Revised Annual Statement (revision no: )  
 Performance and Evaluation Report for Period Ending: 3/31/11    
  Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost 1	
		Original	Revised 2	Obligated	Expended
1	Total Non-Capital Funds				
2	1406 Operating Expenses (may not exceed 20% of line 20) 3	0.00		0.00	0.00
3	1408 Management Improvements	37,500.00		37,500.00	15,906.36
4	1410 Administration	42,714.10		42,714.10	7,529.03
5	1411 Audit	0.00		0.00	0.00
6	1415 Liquidated Damages	0.00		0.00	0.00
7	1430 Fees and Costs	27,000.00		27,000.00	37,122.55
8	1440 Site Acquisition	0.00		0.00	0.00
9	1450 Site Improvement	28,000.00		28,000.00	5,216.00
10	1460 Dwelling Structures	10,000.00		10,000.00	0.00
11	1465.1 Dwelling Equipment-Nonexpendable	0.00		0.00	0.00
12	1470 Nondwelling Structures	90,000.00		90,000.00	0.00
13	1475 Nondwelling Equipment	81,421.80		81,421.80	62,501.15
14	1485 Demolition	0.00		0.00	0.00
15	1492 Moving to Work Demonstration	0.00		0.00	0.00
16	1495.1 Relocation Costs	0.00		0.00	0.00
17	1499 Development Activities 4	110,505.10		110,505.10	0.00

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

Annual Statement /Performance and Evaluation Report  
 Capital Funds Program and Capital Fund Program Replacement Housing Factor and  
 Capital Funds Financing Program

U. S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 4/30/2011

**Part I: Summary**

PHA Name: <p style="text-align: center;"><b>Mercedes Housing Authority</b></p>	Grant Type and Number: Capital Fund Program No: <b>TX59P029501-10</b> Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2010 FFY of Grant Approval: 2010
---	---	---

Original Annual Statement     
  Reserved for Disasters/Emergencies     
  Revised Annual Statement (revision no: )  
 Performance and Evaluation Report for Period Ending: 3/31/11     
  Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost 1	
		Original	Revised 2	Obligated	Expended
18a	1501 Collateralization or Debt Service Paid by the PHA	0.00		0.00	0.00
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment	0.00		0.00	0.00
		-		-	-
19	1502 Contingency (may not exceed 8% of Line 20)	0.00		0.00	0.00
20	Amount of Annual Grant (sums of lines 2-19)	<b>\$427,141.00</b>		<b>\$427,141.00</b>	<b>\$128,275.09</b>
21	Amount of Line 20 Related to LBP Activities	0.00		0.00	0.00
22	Amount of Line 20 Related to Section 504 Compliance	0.00		0.00	0.00
23	Amount of Line 20 Related to Security - Soft Costs	0.00		0.00	0.00
24	Amount of Line 20 Related to Security - Hard Costs	0.00		0.00	0.00
25	Amount of Line 20 Related to Energy Conservation Measures	0.00		0.00	0.00

Signature of Executive Director Date: 7/11/11	Signature of Public Housing Director Date:
--	---

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

Annual Statement /Performance and Evaluation Report  
 Capital Funds Program and Capital Fund Program Replacement Housing Factor and  
 Capital Funds Financing Program

U. S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 4/30/2011

<b>Part II: Supporting Pages</b>								
PHA Name: <b>Mercedes Housing Authority</b>		Grant Type and Number: Capital Fund Program No: <b>TX59P029501-10</b> Replacement Housing Factor Grant No: _____ CFFP (Yes/No) <b>No</b> Date of CFFP: _____					Federal FFY of Grant: <b>2010</b>	
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
PIC #				Original	Revised 1	Funds Obligated 2	Funds Expended 2	
<b>TX029000001/002</b>								
<b>PHA-Wide</b>	<b>1406 Operations</b>	<b>1406</b>		0.00		0.00	0.00	
	<b>Total 1406</b>			<b>\$0.00</b>		<b>\$0.00</b>	<b>\$0.00</b>	
<b>PHA-Wide</b>	<b>1408 Management Improvements</b>	<b>1408</b>						
	General Technical Assistance/New PHA plan			6,000.00		6,000.00	0.00	
	Staff and Commissioner Training			6,000.00		6,000.00	0.00	
	Utility Allowance Study/ Annual Update			3,000.00		3,000.00	0.00	
	Computer Software & Maintenance, Security Cameras			22,500.00		22,500.00	15,906.36	
	<b>Total 1408</b>			<b>\$37,500.00</b>		<b>\$37,500.00</b>	<b>\$15,906.36</b>	
<b>COCC</b>	<b>1410 Administration</b>	<b>1410</b>						
	Management fees			42,714.10		42,714.10	7,529.03	
	<b>Total 1410</b>			<b>\$42,714.10</b>		<b>\$42,714.10</b>	<b>\$7,529.03</b>	
<b>PHA-Wide</b>	<b>1430 Fees and Costs</b>	<b>1430</b>						
	Inspection costs			1,000.00		1,000.00	0.00	
	A & E Fees			10,000.00		10,000.00	37,122.55	
	Consultant fees			15,000.00		15,000.00	0.00	
	Printing Costs			1,000.00		1,000.00	0.00	
	<b>Total 1430</b>			<b>\$27,000.00</b>		<b>\$27,000.00</b>	<b>\$37,122.55</b>	
	<b>TOTAL PHA-WIDE</b>			<b>\$107,214.10</b>		<b>\$107,214.10</b>	<b>\$60,557.94</b>	

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

Annual Statement /Performance and Evaluation Report  
 Capital Funds Program and Capital Fund Program Replacement Housing Factor and  
 Capital Funds Financing Program

U. S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 4/30/2011

<b>Part II: Supporting Pages</b>								
PHA Name: <b>Mercedes Housing Authority</b>		Grant Type and Number: Capital Fund Program No: <b>TX59P029501-10</b> Replacement Housing Factor Grant No: CFFP (Yes/No) <b>No</b> Date of CFFP:					Federal FFY of Grant: <b>2010</b>	
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised 1	Funds Obligated 2	Funds Expended 2	
<b>TX029000001</b>	<b>Development #1</b>							
	<b>1450 Site Improvements</b>	<b>1450</b>						
	Lawn Maintenance			28,000.00		28,000.00	5,216.00	pending
	<b>Total 1450</b>			<b>\$28,000.00</b>		<b>\$28,000.00</b>	<b>\$5,216.00</b>	
	<b>1460 Dwelling Structure</b>	<b>1460</b>						
	Pest Control/Fumigation Services		115 Units	10,000.00		10,000.00	0.00	
	<b>Total 1460</b>			<b>\$10,000.00</b>		<b>\$10,000.00</b>	<b>\$0.00</b>	
	<b>1465 Dwelling Equipment</b>	<b>1465</b>						
	<b>Total 1465.1</b>			<b>\$0.00</b>		<b>\$0.00</b>	<b>\$0.00</b>	
	<b>1470 Non-Dwelling Structures</b>	<b>1470</b>						
	Rehabilitation of New Admin Office			90,000.00		90,000.00	0.00	
	<b>Total 1470</b>			<b>\$90,000.00</b>		<b>\$90,000.00</b>	<b>\$0.00</b>	
	<b>1475 Non-Dwelling Equipment</b>	<b>1475</b>						
	Purchase three (3) MHA Company truck/vans		3	56,421.80		56,421.80	53,475.45	
	Office Furniture			25,000.00		25,000.00	9,025.70	
	<b>Total 1475</b>			<b>\$81,421.80</b>		<b>\$81,421.80</b>	<b>\$62,501.15</b>	
	<b>1499 Development Activities</b>	<b>1499</b>						
	New Maintenance Warehouse		1	110,505.10		110,505.10	0.00	
	<b>Total 1499</b>			<b>\$110,505.10</b>		<b>\$110,505.10</b>	<b>\$0.00</b>	
	<b>Total Cost for Development #1</b>			<b>\$319,926.90</b>		<b>\$319,926.90</b>	<b>\$67,717.15</b>	
	<b>TOTAL 2010 CAPITAL FUNDS GRANT</b>			<b>\$427,141.00</b>		<b>\$427,141.00</b>	<b>\$128,275.09</b>	

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

2 To be completed for the Performance and Evaluation Report

**Attachment: tx029d01**

Annual Statement /Performance and Evaluation Report  
 Capital Funds Program and Capital Fund Program Replacement Housing Factor and  
 Capital Funds Financing Program

U. S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 4/30/2011

<b>Part I: Summary</b>					
<b>PHA Name:</b> <p style="text-align: center;"><b>Mercedes Housing Authority</b></p>		<b>Grant Type and Number:</b> Capital Fund Program No: <b>TX59P029501-09</b> Replacement Housing Factor Grant No: Date of CFFP:			<b>FFY of Grant: 2009</b> <b>FFY of Grant Approval: 2009</b>
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserved for Disasters/Emergencies		<input checked="" type="checkbox"/> Revised Annual Statement (revision no: 1 )	
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 3/31/11			<input type="checkbox"/> Final Performance and Evaluation Report		
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost 1	
		Original	Revised 2	Obligated	Expended
1	Total Non-Capital Funds				
2	1406 Operating Expenses (may not exceed 20% of line 20) 3	0.00	0.00	0.00	0.00
3	1408 Management Improvements	27,000.00	23,940.00	23,940.00	21,842.05
4	1410 Administration	42,000.00	42,000.00	42,000.00	42,000.00
5	1411 Audit	0.00	0.00	0.00	0.00
6	1415 Liquidated Damages	0.00	0.00	0.00	0.00
7	1430 Fees and Costs	22,000.00	8,901.00	8,901.00	8,901.00
8	1440 Site Acquisition	0.00	0.00	0.00	0.00
9	1450 Site Improvement	9,672.00	9,373.00	9,373.00	9,373.00
10	1460 Dwelling Structures	9,000.00	0.00	0.00	0.00
11	1465.1 Dwelling Equipment-Nonexpendable	5,839.00	0.00	0.00	0.00
12	1470 Nondwelling Structures	312,500.00	343,797.00	343,797.00	325,301.92
13	1475 Nondwelling Equipment	0.00	0.00	0.00	0.00
14	1485 Demolition	0.00	0.00	0.00	0.00
15	1492 Moving to Work Demonstration	0.00	0.00	0.00	0.00
16	1495.1 Relocation Costs	0.00	0.00	0.00	0.00
17	1499 Development Activities 4	0.00	0.00	0.00	0.00

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

Annual Statement /Performance and Evaluation Report  
 Capital Funds Program and Capital Fund Program Replacement Housing Factor and  
 Capital Funds Financing Program

U. S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 4/30/2011

**Part I: Summary**

PHA Name: <p style="text-align: center;"><b>Mercedes Housing Authority</b></p>	Grant Type and Number: Capital Fund Program No: <b>TX59P029501-09</b> Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2009 FFY of Grant Approval: 2009
---	---	---

Original Annual Statement   
  Reserved for Disasters/Emergencies   
  Revised Annual Statement (revision no: 1 )  
 Performance and Evaluation Report for Period Ending: 3/31/11   
  Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised 2	Obligated	Expended
18a	1501 Collateralization or Debt Service Paid by the PHA	0.00	0.00	0.00	0.00
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment	0.00	0.00	0.00	0.00
	Payment	-	-	-	-
19	1502 Contingency (may not exceed 8% of Line 20)	0.00	0.00	0.00	0.00
20	Amount of Annual Grant (sums of lines 2-19)	<b>\$428,011.00</b>	<b>\$428,011.00</b>	<b>\$428,011.00</b>	<b>\$407,417.97</b>
21	Amount of Line 20 Related to LBP Activities	0.00	0.00	0.00	0.00
22	Amount of Line 20 Related to Section 504 Compliance	0.00	0.00	0.00	0.00
23	Amount of Line 20 Related to Security - Soft Costs	0.00	0.00	0.00	0.00
24	Amount of Line 20 Related to Security - Hard Costs	0.00	0.00	0.00	0.00
25	Amount of Line 20 Related to Energy Conservation Measures	0.00	0.00	0.00	0.00

Signature of Executive Director Date 7/11/11	Signature of Public Housing Director Date
--	--

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

Annual Statement /Performance and Evaluation Report  
 Capital Funds Program and Capital Fund Program Replacement Housing Factor and  
 Capital Funds Financing Program

U. S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 4/30/2011

<b>Part II: Supporting Pages</b>									
PHA Name: <b>Mercedes Housing Authority</b>			Grant Type and Number: Capital Fund Program No: <b>TX59P029501-09</b> Replacement Housing Factor Grant No: Date of CFFP:					CFFP (Yes/No) <b>No</b> Federal FFY of Grant: <b>2009</b>	
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work	
				Original	Revised 1	Funds Obligated 2	Funds Expended 2		
PHA-Wide	<b>Operations:</b>	1406		0.00	0.00	0.00	0.00		
	<b>Total 1406</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>		
PHA-Wide	<b>Management Improvements:</b> (limited to 20%)								
	General Technical Assistance/New PHA plan	1408		6,000.00	6,000.00	6,000.00	4,990.05	pending	
	Staff and Commissioners Training	1408		6,000.00	6,000.00	6,000.00	4,912.00	pending	
	Computer Software & Maintenance	1408		15,000.00	11,940.00	11,940.00	11,940.00	complete	
	<b>Total 1408</b>			<b>\$27,000.00</b>	<b>\$23,940.00</b>	<b>\$23,940.00</b>	<b>\$21,842.05</b>	complete	
COCC	<b>Administration:</b> (limited to 10%)								
	Management Fee	1410		42,000.00	42,000.00	42,000.00	42,000.00	complete	
	<b>Total 1410</b>			<b>\$42,000.00</b>	<b>\$42,000.00</b>	<b>\$42,000.00</b>	<b>\$42,000.00</b>		
PHA-Wide	<b>Fees and Costs:</b>								
	Inspection costs	1430		1,000.00	830.10	830.10	830.10	complete	
	A & E Fees	1430		5,000.00	6,629.38	6,629.38	6,629.38	complete	
	Consultant fees	1430		15,000.00	400.00	400.00	400.00	complete	
	Printing Costs	1430		1,000.00	1,041.52	1,041.52	1,041.52	complete	
	<b>Total 1430</b>			<b>\$22,000.00</b>	<b>\$8,901.00</b>	<b>\$8,901.00</b>	<b>\$8,901.00</b>		
	<b>TOTAL PHA-WIDE</b>			<b>\$91,000.00</b>	<b>\$74,841.00</b>	<b>\$74,841.00</b>	<b>\$72,743.05</b>		

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

**Part II: Supporting Pages**

PHA Name: <b>Mercedes Housing Authority</b>		Grant Type and Number: Capital Fund Program No: <b>TX59P029501-09</b> Replacement Housing Factor Grant No: CFFP (Yes/No) <b>No</b> Date of CFFP:						Federal FFY of Grant: <b>2009</b>	
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work	
				Original	Revised 1	Funds Obligated 2	Funds Expended 2		
Development 1	<b>SITE IMPROVEMENTS</b>								
TX029000001	Repair sidewalks	1450		5,000.00	9,373.00	9,373.00	9,373.00	complete	
	<b>Subtotal 1450</b>			<b>\$5,000.00</b>	<b>\$9,373.00</b>	<b>\$9,373.00</b>	<b>\$9,373.00</b>		
	<b>DWELLING STRUCTURES</b>								
	Pest control/fumigation services	1460	115 units	9,000.00	0.00	0.00	0.00		
	<b>Subtotal 1460</b>			<b>\$9,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>		
	<b>DWELLING EQUIPMENT</b>								
	Natural gas/electric stoves	1465	10	2,639.00	0.00	0.00	0.00		
	Refrigerators	1465	10	3,200.00	0.00	0.00	0.00		
	<b>Total 1465.1</b>			<b>\$5,839.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>		
	<b>NON-DWELLING STRUCTURES</b>								
	Rehabilitation of new Administrative Office	1470		312,500.00	343,797.00	343,797.00	325,301.92	complete	
	<b>Total 1470</b>			<b>\$312,500.00</b>	<b>\$343,797.00</b>	<b>\$343,797.00</b>	<b>\$325,301.92</b>		
Development 2	<b>SITE IMPROVEMENTS</b>								
TX029000002	Repair/replace water pipes and valves	1450		4,672.00	0.00	0.00	0.00		
	<b>Subtotal 1450</b>			<b>\$4,672.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>		
	<b>Subtotal</b>			<b>\$337,011.00</b>	<b>\$353,170.00</b>	<b>\$353,170.00</b>	<b>\$334,674.92</b>		
	<b>TOTAL 2009 CAPITAL FUNDS GRANT</b>			<b>\$428,011.00</b>	<b>\$428,011.00</b>	<b>\$428,011.00</b>	<b>\$407,417.97</b>		

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

2 To be completed for the Performance and Evaluation Report

Attachment: tx029e01  
Mercedes Housing Authority  
Addendum Adopted November 19, 2009 by Board of Commissioners

HOUSING AUTHORITY OF THE CITY OF MERCEDES

BOARD RESOLUTION #09-15

Resolution to approve Amendment of revisions and modifications to PHA Plan and Section 8 HCV Administrative Plan, Waiting List Organization, Local Preferences, Project Base Voucher Program, and MHA Plan to Cancel HAP Contracts Due To insufficient Funding

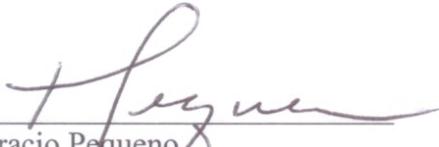
WHEREAS: be it resolved by the Board of Commissioners of the Housing Authority of the City of Mercedes under auspices of the United States Department of Housing and Urban Development (HUD) ; and

WHEREAS: The Board of Commissioners of the City of Mercedes approves the revisions and or substantial modifications under a significant amendment, the Waiting List Organization, Local Preferences, Project Base Voucher Program, MHA Plan to Cancel HAP Contracts Due To insufficient Funding

BE IT RESOLVED BY the Commissioners of the City of Mercedes Texas

Approve revisions under revisions and or substantial modifications under a significant amendment, the Waiting List Organization, Local Preferences, Project Base Voucher Program, MHA Plan to Cancel HAP Contracts Due To insufficient Funding

Passed and approved this 19<sup>th</sup> day of November 2009.

  
\_\_\_\_\_  
Horacio Pequeno  
Executive Director  
Mercedes Housing Authority

  
\_\_\_\_\_  
Edward Martinez  
Vice Chairperson of the Board  
Mercedes Housing Authority

I, Horacio Pequeno, Secretary of the Board of the Housing Authority do hereby certify that the above is true and correct copy of the Resolution passed by the Board of Commissioners in a Special Board Meeting held on November 19<sup>th</sup> 2009.

There being a quorum present the vote was:

AYES: 3

NEYS: 0

# Mercedes Housing Authority

## AMENDMENT: HCV ADMINISTRATIVE PLAN

### WAIT LIST ORDER OF SELECTION

[24 CFR 982.207(e)]

Applicants will be selected from the waiting list based on the following;

1. Applicants that have recently left or been displaced from a FEMA Cottages as of June 24<sup>th</sup> 2009, due to Hurricanes Katrina and or Rita.

2. Applicants displaced due to Hurricanes Katrina and or Rita

*Applicants that have the same preference will be selected by date and time and order of application.*

4. Applicants date and time order of application

*Note: Special Allocation provided for Priority 2. Vouchers will be open for the period not to exceed one year from the date of the special funded allocation. While the waiting list must remain open for a maximum period of one year for applicants who qualify under the preference criteria. The PHA may elect to close the waiting list for applicants that do not qualify or meet the preference allowing only applicants that qualify under the preference to submit applications through the respective deadline.*

A local preference has been established adopted and approved by the Governing Board of Commissioners as follows;

Applicants that have recently left or been displaced from a FEMA Cottages as of June 24<sup>th</sup> 2009, due to Hurricanes Katrina and or Rita will maintain preference on the waiting list for the time prescribed under the allocation.

Preference information on applications will be verified as applicants are selected from the waiting list. The MHA will obtain necessary verifications of the claimed preferences at the interview by third party verification or other alternate methods i.e. list of households provided on the FEMA database and a letter from FEMA confirming a FEMA ID number.

When applicant is placed on the waiting list for the MHA's public housing program, project-based voucher program, the MHA must offer to place the applicant on its waiting list for tenant-based assistance. If the MHA's waiting list for its public housing program, project-based voucher program is open when an applicant is placed on the waiting list for its tenant-based program, the MHA must offer to place the applicant on its waiting list for the other program.

(b) *Other housing assistance: Effect of application for, receipt or refusal.* (1) For purposes of this section, "other housing subsidy" means a housing subsidy other than assistance under the voucher program. Housing subsidy includes subsidy assistance under a federal housing program (including public housing), a State housing program, or a local housing program.

(2) The PHA may not take any of the following actions because an applicant has applied for, received, or refused other housing assistance:

(i) Refuse to list the applicant on the PHA waiting list for tenant-based assistance;

(ii) Deny any admission preference for which the applicant is currently qualified;

(iii) Change the applicant's place on the waiting list based on preference, date and time of application, or other factors affecting selection under the PHA selection policy; or

(iv) Remove the applicant from the waiting list.

## **HUD KDHAP PROGRAM**

### **On October 1, 2005 HUD initiated the Katrina Disaster Housing Assistance Program**

**(KDHAP)** Program was a HUD-FEMA initiative intended to assist certain displaced families to obtain temporary housing. Under KDHAP, Housing Authorities coordinated temporary shelter and assisted the displaced family to locate a suitable unit.

### **Eligibility**

In a similar manner HUD'S priority under the (Priority 2) funding Allocation is to assist households who recently left a FEMA Cottage as of June 24, 2009 and who were directly affected by hurricanes Katrina and Rita. No other homeless families are eligible for assistance under this preference unless they were displaced due to hurricanes Katrina and or Rita.

### **Administrative Procedures**

The Admission and Occupancy policies established in its Administrative Plan to administer the vouchers will continue to remain consistent with regulatory requirements since no requirements for the disaster vouchers have been waived by HUD under this funding allocation. All other program policies delineated under the HCV Administrative Plan will continue with an exception of an additional verification process as described under items (A. and B.) below.

A.) In order to receive rental assistance under the disaster allocation, the family must present a FEMA identification number and must be listed on the list provided to HUD by FEMA. The households may show their interest by calling in to request an application and or applying online. The MHA will utilize the database provided by HUD on **September 11, 2009** to confirm the family's name on the list. The MHA may elect to conduct outreach by mailing out notices and posting a notice in the local newspaper of general circulation.

B.) Verification requests for persons not listed in the database or; that do not present a FEMA ID number will not qualify under the priority preference. Only income eligible and applicants meeting the criteria under the special preference will be served.

The MHA will utilize any documents provided by the applicant to verify the family's income followed by subsequent income verifications as prescribed. Verification of any Social Security benefits will be done through HUD's Earned Income Verification System when available. The MHA will also use documentation provided by the applicant (i.e. their award letter) to document eligibility for Social Security.

The MHA will continue to adhere to the requirements to publish a notice of the opening and closing of waiting list in a newspaper of general circulation and by minority media.

The MHA *may* provide wait list information on its website and at its office in a voice mail message for any callers inquiring whether the list is opened. The MHA *may* also include: the established time line the wait list will be open to accept applications, number of applications that will be accepted during the timeline and the number of vouchers allocated under the funding increment. (*Example: wait list open for the first 100 applicants under a preference category.*)

## **MHA PLAN TO CANCEL CONTRACTS**

Pursuant to 982.454 of the CFR, “a 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 under the program.”

Although there is no particular guidance established in the CFR regarding which contracts to consider cancelling first, the MHA has developed a plan to cancel contracts in the event the MHA has insufficient budget authority to continue providing assistance and or to lease additional vouchers (Refer to: APPENDIX MHA PLAN TO CANCEL CONTRACTS).

In addition to the information described in the APPENDIX A. delineated above. A proactive approach to deter fraud and ensure program integrity will be exercised to the highest extent possible. As in regular instances, the MHA will continue to maintain diligent efforts to monitor household's actions and or failures to act that may lead to or result in program termination for reasons described below.

### **PROGRAM TERMINATION**

The MHA may at any time terminate program assistance for a participant family, for any of the following grounds:

- If the family violates any family obligations under the program.
- If any member of the family has ever been evicted from public housing.
- If a MHA has ever terminated assistance under the certificate or voucher program for any member of the family.
- If any member of the family commits drug-related criminal activity, or violent criminal activity.
- If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- If the HA determines that any family member is illegally using a controlled substance.
- If the HA determines that any family member's abuse of alcohol interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- If the family currently owes rent or other amounts to the MHA or to another HA in connection with Section 8 or another public housing assistance program and the family has refused to enter into a repayment agreement.
- If the family has not reimbursed any HA for amounts paid to a property owner under a HAP Contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- If the family breaches an agreement with the MHA to pay amounts owed to the MHA, or amounts paid to a property owner by MHA. (The MHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to the MHA provided it does not exceed the time limitations to repay the amount. The MHA may prescribe the terms of the agreement.)
- If the family has engaged in or threatened abusive or violent behavior toward MHA personnel.
- If any member of the family fails to sign and submit consent forms for obtaining information, such as income verifications and other release of information forms.
- If a family member demonstrates a pattern of disturbing the peaceful enjoyment of the community.

Proposed Intent to Terminate Notice will be sent to the participant offering him/her an opportunity for an informal hearing within the 10 day timeline prescribed.

## **Informal Reviews**

Whenever the MHA makes a decision denying assistance to an applicant, the MHA will provide the applicant prompt written notice of the intent to deny. The notice shall contain a brief statement of the reasons for the decision, advise applicant of the applicant's rights to request an informal review of the decision and shall describe how to obtain the informal review. Notice of a decision shall be deemed to have been received when the notice is deposited in the U.S. Mail, postage prepaid, addressed to the applicant at the applicant's unit or when hand-delivered to the applicant's unit.

### **An informal review is not required for any of the following:**

- \* Discretionary administrative determinations by the MHA
- \* General policy issues or class grievances
- \* Determinations of the family unit size under the MHA subsidy standards
- \* Determinations not to approve an extension or suspension of a voucher term
- \* Determinations not to grant approval to lease a unit under the program or to approve a proposed lease
- \* Determinations that a unit selected by the applicant are not in compliance with Housing Quality Standards
- \* Determinations that the unit is not in accordance with housing quality standards because of family size or composition

## APPENDIX: A

### MHA PLAN TO CANCEL HAP CONTRACTS DUE TO INSUFFICIENT BUDGET

Prior to implementing any action and at the discretion of the Executive Director, the Executive Director or designated designee (MHA HCV Coordinator) will complete an analysis to consider available options towards cancelation of HAP Contracts should actions become necessary to remain within the budget appropriation, the following will be considered

Total number of baseline units,  
Number of households receiving assistance,  
HAP Contract amounts paid for each household,  
Length of Time household has been assisted under the program

Effective: January 01, 2010, the MHA will no longer enter into repayment agreements with households that owe money due to program fraud or enter into repayment agreements **for amounts** that exceed a period of more than 12 months. If canceling participants who have committed program fraud does not provide enough savings to stay within the budgeted amount of HAP, the MHA may need to follow up with other options available in the order described below to cancel participant assistance.

1. Adopt an administrative policy of canceling those that have received assistance the longest; excluding disabled and Homeownership participants from the cancellation process.

On November 19, 2009, the MHA Board of Commissioners, in Resolution approved and adopted the MHA Plan to Cancel HAP Contracts Due to Insufficient Funding, should this action become necessary. The order will consist of the following and in the following order:

- 1) Cancel contracts with all participants who have committed program fraud, including those under repayment agreements that have failed to comply;
- 2) Cancel participants that have been on the Section 8 Program the longest, with at least 60 day notice
- 3) Disabled participants would be excluded from the cancellation process
- 4) Participants of the Section 8 Homeownership Program would be excluded from the cancellation process.

Under these policies, the MHA would determine how many families could be served based on anticipated budget allocations. If the lease up is beyond the ability to pay HAP'S, the MHA will consider implementation of the action to cancel HAP Contracts for participants who commit program fraud.

Secondly, households who have been on the Section 8 Program the longest would be canceled to the point that the budget is balanced.

Participants excluded from the process would include disabled participants and Homeownership participants that are part of the Homeownership Program.

The Board of Commissioners and **HUD (FMC) Financial Management Center** will be notified of the process prior to these cancellations occurring. Property owners and participants must be provided with at least 60 days notice prior to a cancellation.

## **MHA PLAN TO OPERATE PROJECT-BASED ASSISTANCE PROGRAM**

# **Mercedes Housing Authority**

## **ADDENDUM TO THE PHA'S CURRENT SECTION 8 ADMINISTRATIVE PLAN.**

### **INTRODUCTION**

On October 27, 2000, the President signed into law the Fiscal Year 2001 Department of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act (Pub. Law 106-377, 114 Stat. 1441) ("Appropriations Act") Sections 232 of the Appropriations Act substantially revises the provisions of the U.S. Housing Act of 1937 that govern the authority of a PHA to designate a portion of its available tenant-based voucher funds for project-based assistance (see U.S.C. 1473F(O)(13) (as amended by "Section 232" of the Appropriation Act). The Conference Report on the Appropriations Act stated that the statutory changes to the project-based voucher program are intended to make project-basing of voucher assistance more flexible. HUD's initial guidance published in the January 16, 2001, Federal Register shows that consistent with legislative intent, it is also HUD's objective to make the project based voucher program more flexible and more workable, and to help PHAs, owners, and eligible families in need of housing take immediate advantage of the new statutory features.

The Addendum to the Mercedes Housing Authority's (PHA's) Section 8 Housing Choice Voucher administrative plan is its statement to operate a Project-Based Assistance Program (PBA) and to provide information on how it intends to operate the PBA under the requirements of the new law and regulations at 24 CFR part 983. This Addendum also provides information to eligible families, owners, and other interested members of the public.

This Addendum is based on regulations at 24 CFR part 983 and Section 232 and HUD's initial Guidance Notice, dated January 8, 2001, identifying which elements of the new project-basing law are effective immediately and states how the PHA is implementing the law pending issuance of revised program regulations. In the event of changes required to this addendum because of future rule making concerning the project-based voucher program, the PHA will take all reasonable steps to comply with new rules without jeopardizing actions previously taken that are consistent with HUD'S Initial Guidance and Section 232.

### **PROVISIONS OF THE PHA'S PBA PROGRAM.**

Except where this section specifies otherwise, the present project-based regulations at 24 CFR part 983 continue to apply to newly constructed and substantially rehabilitated housing and now also apply to existing housing. Upon determination of good cause and subject to statutory limitations, the PHA may seek a waiver from HUD for any provisions of the applicable project-based regulations in accordance with 5 CFR 5.110.

### **A. Authorization to Provide Project-Based Vouchers**

Consistent with regulations in 24 CFR part 983 and Section 232 and HUD Guidance, the PHA from time to time may enter into HAP contracts that attach project-based voucher assistance to newly constructed units, rehabilitated units, and existing housing units that fully meet the Housing Choice Voucher Program HQS (see 24 CFR 982.401).

A housing unit will be considered an “existing unit” for purposes of the project-based voucher program if, at the time of the PHA’s written notice of selection of the project for project-based assistance, the units required a maximum expenditure of less than \$1,000 per assisted unit (including the unit’s prorated share of any work to be accomplished on common areas or systems) to comply with the HQS.

### **B. Unit Selection Policy, Advertising, and Owner Application Requirements**

The PHA shall advertise the availability of the project-based assistance with such advertisements must meet standards comparable to those in 24 CFR 983.51(b) and HUD’s initial guidance notice. The PHA will advertise in a newspaper of general circulation that the PHA will accept applications for project based assistance. The advertisement will be published once a week for three consecutive weeks; specify an application deadline of at least 30 days after the date the advertisement is last published. The advertisement will reference the availability of a Request for Proposals (RFP) and the source from whom the RFP can be obtained. The RFP will specify the number of units the PHA estimates that it will be able to assist under the funding the PHA is making available for this purpose; and state that only applications submitted in response to the advertisement will be considered. The RFP will also state the PHA’s selection policies. In all cases, the PHA will maintain documentation of responses to advertisements or competitive proposals received in response to the PHA notice.

### **C. 20 Percent Limit**

The total cumulative number of project-based units, including units previously placed under HAP in the PHA’s project-based certificate program, will not exceed 20 percent of the baseline number of units in the PHA’s voucher program.

### **D. Consistency With PHA Plan**

The PHA will submit an attachment to the PHA Plan template, or as an amendment to the PHA Plan, depending on the circumstances, a statement of the projected number of project-based units and general locations and how project basing would be consistent with their PHA Plans.

As with all programs that are covered by the PHA Plan, the PBA will be carried out in conformity with the nondiscrimination requirements specified in the PHA Plan regulations, and will affirmatively further fair housing as required by the PHA Plan regulations.

### **E. Consistency With the Goals of Deconcentrating Poverty and Expanding Housing and Economic Opportunities.**

The PHA's PBA Program will be consistent with the goals of deconcentrating poverty and expanding housing opportunities. The PHA recognizes the HUD deconcentration of poverty requirements that project-based assistance agreements or HAP contracts be for units in census tracts with poverty rates of less than 20 percent, unless HUD specifically approves an exception. In recognition that Alamo is a small city, the PHA expects to request exceptions from HUD.

### **F. Partially Assisted Building Requirement**

The PHA will not enter into an agreement or HAP contract to provide project-based voucher assistance for more than 25 percent of the units in any one building, except for single-family dwellings and projects for elderly families and disabled families. In accordance with existing program usage, single family dwellings refer to 1-4 family dwellings.

### **G. Family Choice to Move With Continued Assistance**

The new law provides that assisted families may move from the assisted building, and retain federal housing assistance. For the continued assistance option, Section 232, similar to existing 24 CFR 983.206(d)(2), required for new HAP contracts that the owner permit the assisted tenants to move from the housing at any time after the family has occupied the dwelling unit with project-based voucher assistance for 12 months

Consistent with the law, the PHA will provide the family with housing choice voucher assistance or such other tenant-based rental assistance that is subject to comparable income, assistance, rent contribution, affordability and other requirements. HUD will set the standards as to what may qualify as comparable assistance by regulation, but, for new HAP contracts incorporating this requirement, the PHA will use voucher assistance available under the ACC to provide tenant-based Assistance for the family. If no such assistance is available at the time the family moves, the PHA will give the family priority to receive the next available tenant-based voucher.

HUD published a Proposed Rule for the PBV Program in the March 18, 2004, Federal Register. HUD proposed comprehensive regulations for the new PBV Program, but has not issued a Final Rule. Upon HUD issuance of a Final Rule, the Housing Authority will revise the Agency Plan and Section 8 Administrative Plan to implement the new rule, and these revisions shall not be considered a significant amendment or modification

Vouchers under funding allocations targeted by HUD for special purposes (e.g. family unification, mainstream disabled) are not available for this purpose, since they are required to be used only for the targeted purpose.

### **H. HAP Contract Term**

Consistent with the law, a HAP contract between the PHA and an owner of housing under this program may have a duration of up to 10 years (as determined by the PHA), subject to the future availability of sufficient appropriated funds under the PHA's consolidated ACC with HUD. Upon expiration of the HAP contract term and consistent

with the law, the PHA may agree with the project-based housing owner to extend the HAP contract for such period as the PHA determines appropriate to expand housing opportunities (as well as an extension to assure long-term affordability of the housing, as provided under prior law). All HAP contract extensions must be contingent upon the future availability of appropriated funds.

#### **I. Rent Limits**

The new law provides that the HAP contract shall establish gross rents (rent to owner plus the allowance for tenant-paid utilities) that do not exceed 110 percent of the established Fair Market Rent (“FMR”) or any HUD-approved “exception payment standard”(i.e., a payment standard amount that exceeds 110 percent of the published FMR) for the area where the housing is located.

If a unit has been allocated a low-income housing tax credit under the Internal Revenue Code of 1986 at 26 U.S.C. 42, but is not located in a “qualified census tract” as defined in the law, the rent to owner may be established at any level that does not exceed the rent charged for comparable units in the same building that receive the tax credit but do not have additional rental assistance.

Within the limitations mentioned above, the initial rent to the owner may differ from payment standard amounts in the payment standard schedule adopted for the PHA’S tenant-based voucher program. However, just as in the regular tenant-based program and the project-based program under prior law, the initial and adjusted rent to owner must be reasonable in relation to rents charged in the private market for comparable unassisted units (see 42 U.S.C. 1437((f) (o)(19)(A).

#### **J. Rent Adjustments During the Term of the HAP Contract**

Section 232 provides that a housing assistance payments contract for project-based voucher assistance shall provide for rent adjustments and that the adjusted rent for any assisted unit shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted local market and may not exceed the maximum rent limits permitted under the statutory limitations summarized above, Determination of whether rent is reasonable in relation to comparable units shall be governed by 24 CFR 983.256.

#### **K. Family Share of Rent and Housing Assistance Payment**

The housing assistance payment is calculated in accordance with 24 CFR 983.260 as the gross rent minus the total tenant payment. The family share is calculated in accordance with 24 CFR 983.261 by subtracting the amount of the HAP from the gross rent.

#### **L. Tenant Selection**

The PHA selection system for project-based units will comply with the requirements specified below, which in most respects (except for the income targeting provision) are a codification of present regulatory and contractual requirements.

Income Targeting: The requirements of 42 U.S.C. 1437n(b) and CFR 982.201(b) (2) govern the selection of eligible families for this program, and generally provide that not less than 75 percent of families admitted annually to the PHA's combined tenant-based and project-based voucher program shall be families whose incomes do not exceed 30 percent of the area median, as determined by HUD.

Applicants may be selected from the PHA waiting list. The PHA will only maintain a separate project-based waiting list if all PHA tenant-based assistance applicants who seek project-based housing can be placed on this list upon request and without penalty to any other application for assisted housing they may have pending. Subject to its waiting list policies and selection preferences specified in the PHA administrative plan, the PHA may place a family referred by an owner of project-based voucher units on its waiting list.

In cases where the owner presents a plan to administer the waiting list on their own, the PHA may approve the owner to maintain the waiting list. In the case of a group home where supportive services are offered, the PHA will allow the service provider to manage their own waiting list subject to review by the PHA. Any waiting list maintained by an owner is subject to the income targeting requirements as prescribed by HUD.

As in the current project-based program, the PHA will refer families to housing units from the waiting list according to its regular applicant selection policies. If an applicant does not rent a unit with project-based assistance, or the owner turns an application down for admission to a project-based unit. The applicant will not be removed from the PHA's tenant-based assistance waiting list for that reason but must maintain its position on the list as though no offer of housing had been made.

Vacant units: The HAP contract will be in a form prescribed by HUD. The PHA may enter into such a contract that agrees to provide vacancy payments up to 60 days after a unit becomes vacant, in an amount not to exceed the rent to the owner as provided by the HAP contract on the day the family vacated. (Page 3610).

**The PHA may only make such payments for a vacant unit if:**

1. The vacancy was not the owner's fault, and
2. The PHA and owner take action to minimize the likelihood and length of any vacancy.

Reduction of Contract Units After Vacancy: Except for units for which an HAP was executed before the effective date of this notice. The new law supersedes 24 CFR 983.152(B) and (C). Instead, the following provisions apply:

If no eligible family rents a vacant unit within 120 days (commencing on the first day on the month when the vacancy occurs, the PHA may terminate its commitment to make any additional housing assistance payments for the unit for the balance of the HAP contract term. The PHA may use the amounts so saved to provide other voucher assistance.

**M. Future Modifications to this Addendum**

The PHA's PBA Addendum will remain in effect until the new project-based voucher changes in law have been fully implemented through a new regulation.

In the event of changes required to this addendum because of future rulemaking concerning the project-based voucher program, the PHA will take all reasonable steps to comply with new rules without jeopardizing actions previously taken that are consistent with HUD's Initial Guidance and Section 232.

Attachment: tx029f01  
Mercedes Housing Authority  
Authorization for Mercedes Housing Authority to Exercise its Powers

Below is the Resolution from City of Alamo declaring a need for and authorizing the Mercedes Housing Authority to exercise its powers in the territorial boundaries of the City of Alamo to provide project based assistance that is affordable to senior citizens.

HOUSING AUTHORITY OF THE CITY OF ALAMO  
**RESOLUTION NO. 2067**  
AUTHORIZING THE HOUSING AUTHORITY OF THE CITY OF MERCEDES, TEXAS  
TO EXERCISE ITS POWERS  
WITHIN THE TERRITORIAL BOUNDARIES OF THE CITY OF ALAMO, TEXAS  
FOR PROJECT BASED VOUCHERS FOR SENIOR CITIZENS  
AND AUTHORIZING A COOPERATION AGREEMENT

Whereas, there exists in the City of Alamo, Texas, a shortage of safe and sanitary housing available to low income senior citizens at rents they can afford, and

WHEREAS, the Housing Authority of the City of Alamo, Texas, is authorized to exercise its powers exclusively in the territorial boundaries in the City of Alamo, and

WHEREAS, Texas Local Government Code, Section 392.017(b) requires the governing body of a municipality to adopt a resolution declaring a need for a Housing Authority to exercise its powers in the municipality, and authorizing a Cooperative Agreement under Section 392.059 of the Texas Local Government Code, and

WHEREAS, the Housing Authority of the City of Alamo has developed proposing a new affordable housing project for senior citizens of 36 apartments located on approximately 1.4 acres at 1201 West Austin Lane in the City of Alamo, that is now an asset to the City of Alamo, and

WHEREAS, the City Commission of the City of Alamo will be asked by the Housing Authority of the City of Alamo to adopt a resolution declaring a need for the Housing Authority of the City of Mercedes to exercise its powers in the City of Alamo to provide project based vouchers to senior citizens who will occupy a new affordable housing project of 36 apartments for low income senior citizens (the "Project") developed by the Alamo Housing Authority, and authorize a Cooperation Agreement with the Housing Authority of the City of Mercedes for project based vouchers for the Project.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ALAMO:

Section 1. Pursuant to Texas Local Government Code Section 392.017(b), subject to the City Commission of the City of Alamo adopting a resolution declaring that there is a need for the Housing Authority of the City of Mercedes to exercise its powers in the territorial boundaries of the City of Alamo to provide project based vouchers for safe, decent, and sanitary housing that is affordable for low income senior citizens, the Mercedes Housing Authority shall be authorized to exercise its powers in the territorial boundaries of the City of Alamo to provide up to 20 project based vouchers.

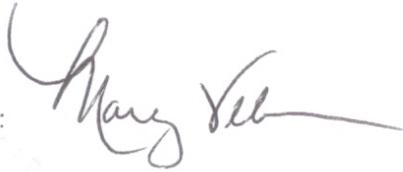
Section 2. Pursuant to Texas Local Government Code Section 392.017(b), a Cooperation Agreement attached hereto and incorporated herein in substantial draft form, between the Housing Authority of the City of Alamo and the Housing Authority of the City of Mercedes is hereby authorized under Texas Local Government Code Section 392.059. The Housing Authority of the City of Alamo will develop a new housing project for senior citizens in the City of Alamo and agrees to cooperate with the Housing Authority of the City of Mercedes to provide project based vouchers for the senior citizens that will occupy the development. The Housing Authority of the City of Mercedes shall be authorized to exercise its powers under the Texas Housing Authorities Law, Texas Local Government Code Chapter 392, to provide project based vouchers for the senior citizens that will occupy the new apartment complex of 36 apartments for senior citizens developed by the Alamo Housing Authority on approximately 1.4 acres at 1201 West Austin Lane in the City of Alamo. The Chairman and Secretary are authorized to exercise the Cooperation Agreement.

Section 3. The new housing project developed and operated pursuant to all laws, regulations, and requirements of the State of Texas and the City of Alamo.

Section 4. The Executive Director is authorized to negotiate with the Housing Authority of the City of Mercedes the specific terms of the Cooperation Agreement in the best interests of the Housing Authority and to take any reasonable and necessary action to effectuate and implement the decision and intention of this resolution and Cooperation Agreement.

PASSED AND APPROVED this 15<sup>th</sup> day of September 2009.

Attest:

  
CHAIRPERSON

Attachment: tx029g01  
Mercedes Housing Authority  
Resident Advisory Board Consultation Process and Comments – FYB 2011

1. Resident notification of appointment to the Advisory Board

At beginning of PHA Plan process, sent out letter to all residents/participants of opportunity to serve on Resident Advisory Board  
**May 1, 2011**

2. Resident Advisory Board Selection

Selection made from resident/participant response - **PHA kept the same members due to limited resident response**

3. Meeting Organization

Schedule date to meet with Resident Advisory Board for input to PHA Plan  
**June 29, 2011**

Notify Resident Advisory Board of scheduled meeting - **June 1, 2011**

Hold Resident Advisory Board meeting - **June 29, 2011**

4. Notification of Public Hearing

Schedule date for Public Hearing and place ad - **April 8, 2011**

Notify Resident Advisory Board - **June 1, 2011**

Hold Public Hearing meeting - **June 14, 2011**

5. Documentation of resident recommendations and PHA's response to recommendations

**Comment:** Asking about new public housing units

**PHA Response:** Construction of new public housing units at Ebony Development will begin in December 2011.