

# PHA 5-Year and Annual Plan

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

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

|     |   |          |                                      |                               |                              |
|-----|---|----------|--------------------------------------|-------------------------------|------------------------------|
| 1.0 | <b>PHA Information</b><br>PHA Name: <u>City of Douglas PHA</u> PHA Code: <u>AZ037v4</u><br>PHA Type: <input type="checkbox"/> Small <input type="checkbox"/> High Performing <input type="checkbox"/> Standard <input checked="" type="checkbox"/> HCV (Section 8)<br>PHA Fiscal Year Beginning: (MM/YYYY): <u>07/2012</u>  |          |                                      |                               |                              |
| 2.0 | <b>Inventory</b> (based on ACC units at time of FY beginning in 1.0 above)<br>Number of PH units: <u>0</u> Number of HCV units: <u>193</u>  |          |                                      |                               |                              |
| 3.0 | <b>Submission Type</b><br><input type="checkbox"/> 5-Year and Annual Plan <input checked="" type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only  |          |                                      |                               |                              |
| 4.0 | <b>PHA Consortia</b> <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)   |          |                                      |                               |                              |
|     | Participating PHAs  | PHA Code | Program(s) Included in the Consortia | Programs Not in the Consortia | No. of Units in Each Program |
|     | PHA 1:  |          |                                      |                               | PH HCV                       |
|     | PHA 2:  |          |                                      |                               |                              |
|     | PHA 3:  |          |                                      |                               |                              |
| 5.0 | <b>5-Year Plan.</b> Complete items 5.1 and 5.2 only at 5-Year Plan update.  |          |                                      |                               |                              |
| 5.1 | <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:  |          |                                      |                               |                              |
| 5.2 | <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.  |          |                                      |                               |                              |
| 6.0 | <b>PHA Plan Update</b><br>(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:<br><p style="margin-left: 40px;"><b>Minor policy changes to Admin Plan – please see ATTACHMENT 1</b></p> <p style="margin-left: 40px;"><b>Single Act Audit FYE 6/30/11 – please see ATTACHMENT 2</b></p> <p style="margin-left: 40px;"><b>Financial Resources – HCV funding (HAP &amp; Admin) - please see ATTACHMENT 3</b></p> <p style="margin-left: 40px;"><b>VAWA in PHA Admin Plan – please see ADDENDUM 1</b></p> (b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.<br><p style="margin-left: 40px;"><b>City of Douglas PHA</b><br/>                     425 10<sup>th</sup> Street<br/>                     Douglas, AZ 85607</p> |          |                                      |                               |                              |
| 7.0 | <b>Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers.</b> <i>Include statements related to these programs as applicable.</i>   |          |                                      |                               |                              |
| 8.0 | <b>Capital Improvements.</b> Please complete Parts 8.1 through 8.3, as applicable.  |          |                                      |                               |                              |
| 8.1 | <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.  |          |                                      |                               |                              |
| 8.2 | <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.  |          |                                      |                               |                              |

|      |  |
|------|--|
| 8.3  | <p><b>Capital Fund Financing Program (CFFP).</b><br/> <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>   |
| 9.0  | <p><b>Housing Needs.</b> Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.</p> <p><b>There are 403 families on the waiting list for the HCV program, of which 89% are ELI, 11% are VLI and .3% are LI. Approximately 10% are elderly and 6% are disabled. 86% of families on the waiting list are Hispanic. 49 require a 1 BR unit, 148 require 2 BR, 121 require 3 BR and 21 require 4 BR units. There continues to be a shortage of rental stock in Douglas.</b></p>  |
| 9.1  | <p><b>Strategy for Addressing Housing Needs.</b> Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. <b>Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.</b></p> <p>N/A</p>   |
| 10.0 | <p><b>Additional Information.</b> Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan.</p> <p><b>The PHA has maximized HUD funding by meeting required lease up rates as per SEMAP standards, ensuring that vouchers are issued as they become available and keeping payment standards low in order to assist as many families as possible. The PHA continues to work with families in assisting them towards establishing self-sufficiency. Twenty five families are enrolled in the FSS Program. The PHA continues to work with other partners such as the State of Arizona in providing housing rehabilitation services for low-income elderly homeowners.</b></p> <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification"</p> <p><b>Substantial Deviations and Significant Amendments or Modifications are defined as discretionary changes in the plans or policies of the City of Douglas Housing Authority which fundamentally change the mission, goals, objectives, or plans of the agency, and which require the formal approval of the City of Douglas Mayor and Council.</b></p>  |
| 11.0 | <p><b>Required Submission for HUD Field Office Review.</b> In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. <b>Note:</b> Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p><b>The RAB had no comments.</b></p> <p>(g) Challenged Elements</p> <p><b>NOT APPLICABLE</b></p> <p>(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)</p> <p>(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p> |

**CITY OF DOUGLAS HOUSING AUTHORITY  
SECTION 8 ADMINISTRATIVE PLAN**

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**1.0 EQUAL OPPORTUNITY**

**1.1 FAIR HOUSING**

It is the policy of the Douglas Housing Authority to comply fully with all Federal, State, and local nondiscrimination laws; the Americans With Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

The PHA shall not deny any family or individual the equal opportunity to apply for or receive assistance under the Section 8 Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, handicap or disability.

To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to Voucher holders regarding unlawful discrimination and any recourse available to families who believe they are victims of a discriminatory act. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder's briefing packet and available upon request at the front desk.

All Housing Authority staff will be required to attend fair housing training and informed of the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations to persons with disabilities, as a part of the overall commitment to quality customer service. Fair Housing posters are posted throughout the Housing Authority office/s, including in the lobby and interview rooms and the equal opportunity logo will be used on all outreach materials. Staff will attend local fair housing update training sponsored by HUD and other local organization to keep current with new developments.

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the PHA's facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair.

The City of Douglas PHA office is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the **TTD/TDY telephone service at (520) 364-1582.**

## **1.2 REASONABLE ACCOMMODATION**

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

## **1.3 COMMUNICATION**

Anyone requesting an application will also receive a Request for Reasonable Accommodation Form.

Notifications of reexamination, inspection, appointment, or eviction will include information about requesting a reasonable accommodation. Any notification requesting action by the participant will include information about requesting a reasonable accommodation.

All decisions granting or denying requests will be in writing. The PHA will respond to written requests for accommodation in writing, within 10 days.

## **1.4 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION**

A. Is the requestor a person with disabilities? For this purpose, the definition of disabilities is different than the definition used for admission. The Fair Housing definition used for this purpose is:

A person with a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such impairment. (The disability may not be apparent to others, i.e., a heart condition).

If the disability is apparent or already documented, the answer to this question is yes. It is possible that the disability for which the accommodation is being requested is a disability other than the apparent disability. If the disability is not apparent or documented, the Douglas Housing Authority will obtain verification that the person is a person with a disability.

B. Is the requested accommodation related to the disability? If it is apparent that the request is related to the apparent or documented disability, the answer to this question is yes. If it is not apparent, the Douglas Housing Authority will obtain

9. Engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises.

### **3.0 ELIGIBILITY FOR ADMISSION**

#### **3.1 INTRODUCTION**

The PHA accepts applications only from families whose head or spouse is at least 18 years of age. To be eligible for participation, an applicant must meet HUD's criteria, as well any permissible additional criteria established by the PHA. HUD's eligibility criteria are:

- A. An applicant must be a "family"
- B. An applicant must be within the appropriate Income Limits
- C. An applicant must provide Social Security Numbers for all family members or certify that they don't have one.
- D. An applicant must furnish declaration of Citizenship or Eligible Immigrant Status and verification where required.

At least one member of the applicant family must either be a U.S. Citizen or have eligible immigration status before the PHA may provide any financial assistance.

#### **3.2 FAMILY AND HOUSEHOLD**

##### **A. Family status.**

1. A **family with or without children**. Such a family is defined as a group of people related by blood, marriage, adoption or affinity that lives together in a stable family relationship.

A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law, but who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family. Each family must identify the individuals to be included in the family at the time of application, and must update this information if the family's composition changes.

- a. Children temporarily absent from the home due to placement in foster care are considered family members. This provision only pertains to the foster child's temporary absence from the home, and is not

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may make a new application with a new application date if the waiting list is open.

If a family breaks up into two otherwise eligible families while receiving assistance, only one of the new families will continue to be assisted.

The PHA has discretion to determine which members of an assisted family continue to receive assistance in the program if the family breaks up. The factors to be considered in making this decision include:

- Whether the assistance should remain with family members remaining in the original assisted unit.
- The interest of minor children or of ill, elderly or disabled family members.
- Whether family members are forced to leave the unit as a result of actual or threatened physical violence against family members by a spouse or other member of the household.
- Other factors specified by the PHA.
- If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the PHA is bound by the court's determination of which family members continue to receive assistance in the program.

5. A **single person** who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

### **Head of Household**

The head of household is the **adult** member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law. Emancipated minors who qualify under State law will be recognized as head of household.

### **Spouse of Head**

Spouse means the husband or wife of the head.

For proper application of the Non-citizens Rule, the definition of spouse is: the marriage partner who, in order to dissolve the relationship, would have to be divorced. It includes the partner in a common law marriage. The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads.

- Q. Douglas Housing Authority informal hearing procedures, including when the Housing Authority is required to provide the opportunity for an informal hearing, and information on how to request a hearing; and
- R. The Douglas Housing Authority owner information brochure. This brochure can be given by the applicant to a prospective owner to help explain the program.
- S. “Is Fraud Worth It?” (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse
- T. “What You Should Know about EIV,” a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19
- U. Notice to HCV participants of their rights under the Violence against Women Act of 2005 (VAWA) and 24 CFR Part 5, Subpart L [24 CFR 5.2005(a)].

**6.3 ISSUANCE OF VOUCHER; REQUEST FOR APPROVAL OF TENANCY [24CFR 982.301, 982.302]**

Beginning October 1, 1999, the Douglas Housing Authority will issue only vouchers. Treatment of previously issued certificates and vouchers will be dealt with as outlined in Section 21.0 Transition to the New Housing Choice Voucher Program.

When funding is available, and once all family information has been verified, their eligibility determined, their subsidy calculated, and they have attended the family briefing, the Douglas Housing Authority will issue the voucher. At this point, the family begins their search for a unit. When the family finds a unit that the owner is willing to lease under the program, the family and the owner will complete and sign a proposed lease; the HUD required *Tenancy Addendum* and the *Request for Tenancy Approval* form. The family will submit the proposed lease and the request form to the Housing Authority during the term of the voucher. The Housing Authority will review the request, the lease, and the HUD required *Tenancy Addendum* and make an initial determination of approval of tenancy. The Housing Authority may assist the family in negotiating changes that may be required for the tenancy to be approvable. Once it appears the tenancy may be approvable, the Housing Authority will schedule an appointment to inspect the unit within 15 business days after the receipt of inspection request from the family and owner. The 15 business day period is suspended during any period the unit is unavailable for inspection. The Housing Authority will promptly notify the owner and the family whether the unit and tenancy are approvable.

## **6.8 SECURITY DEPOSIT [24 CFR 982.313]**

The owner is not required, but may collect a security deposit from the tenant in an amount not in excess of amounts charged in private market practice and not in excess of amounts charged by the owner to unassisted tenants.

When the tenant moves out of the dwelling unit, the owner, subject to State or local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit or for other amounts the tenant owes under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the tenant.

If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant.

## **7.0 MOVES WITH CONTINUED ASSISTANCE [24 CFR 982.314, 982.353, 982.355(A)]**

In the tenant and/or project based program, participating families are not allowed to move to another unit or change programs until the initial 12 month lease has expired and proper notice has been given to the landlord and the PHA, or if the Housing Authority has terminated the HAP contract with an owner.

The Douglas HA may issue a new voucher if the family does not owe the Douglas HA-or any other Housing Authority or landlord money in connection with a Section 8 program, has not violated a Family Obligation, has not moved and/or been issued a voucher within the last 12 months, **and** only if the Douglas HA has sufficient funding for continued assistance. If the move is necessitated for a reason other than family choice, the 12-month requirement may be waived. Mutual termination of an existing lease will not be accepted except for ADA accommodation or other mitigating circumstances. ~~In the case of Mod-Rehab project based assistance, continued assistance is only applicable for transfers because of Over/Under housed families.~~

## **7.1 WHEN A FAMILY MAY MOVE**

For families already participating in the Section 8 Program, the Douglas Housing Authority will allow the family to move to a new unit if:

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

### **7.1-A RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552(a)]**

- \* Families will not be permitted to move within the PHA's jurisdiction during the initial year of assisted occupancy.
- \* Families will not be permitted to move outside the PHA's jurisdiction under portability procedures during the initial year of assisted occupancy.
- \* Families will not be permitted to move more than once in a 12-month period.
- \* The PHA will deny permission to move if there is insufficient funding for continued assistance.

The PHA will deny a family permission to move on grounds that the PHA does not have sufficient funding for continued assistance if (a) the move is initiated by the family, not the owner or the PHA; (b) the PHA can demonstrate that the move will, in fact, result in higher subsidy costs; and (c) the PHA can demonstrate that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs.

- \* The PHA may deny permission to move if:
  - The family has violated a family obligation.
  - The family owes the PHA money.
  - The family has moved or been issued a voucher within the last twelve months.
- \* The City of Douglas PHA may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.

Authority will not issue a voucher, and will terminate assistance in compliance with Section 17.0, Grounds for Termination of the Lease and Contract.

## **8.2 INCOME ELIGIBILITY**

- A. Admission  
A family must be income-eligible in the area where the family first leases a unit with assistance in the Tenant Based Assistance Program.
- B. If a portable family is already a participant in the Initial Housing Authority's Tenant Based Assistance Program, income eligibility is not re-determined.

## **8.3 PORTABILITY: ADMINISTRATION BY RECEIVING HOUSING AUTHORITY**

- A. When a family utilizes portability to move to an area outside the Initial Housing Authority jurisdiction, another Housing Authority (the Receiving Housing Authority) must administer assistance for the family if that Housing Authority has a tenant-based program covering the area where the unit is located.
- B. A Housing Authority with jurisdiction in the area where the family wants to lease a unit must issue the family a voucher. If there is more than one such housing authority, the Initial Housing Authority may choose which housing authority shall become the Receiving Housing Authority.

## **8.4 PORTABILITY PROCEDURES**

- A. **When the Douglas Housing Authority is the Initial Housing Authority:**
  - 1. The Douglas Housing Authority will brief the family on the process that must take place to exercise portability. The family will be required to attend an applicant or mover's briefing.
  - 2. The Douglas Housing Authority will determine whether the family is income-eligible in the area where the family wants to lease a unit (if applicable).
  - 3. The Douglas Housing Authority will advise the family how to contact and request assistance from the Receiving Housing Authority.
  - 4. **The PHA will use e-mail, when possible, to contact the receiving PHA;** however, the Douglas Housing Authority will, within ten (10) business days, notify the Receiving Housing Authority to expect the family.

The PHA may approve a higher payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities.

Changes to payment standard amounts will be effective on ~~January 1<sup>st</sup>~~ **December 1<sup>st</sup>** of every year, unless based on the proposed FMRs, it appears that one or more of the PHA's current payment standard amounts will be outside the basic range when the final FMRs are published. In that case, the PHAs payment standards will be effective October 1<sup>st</sup> instead of ~~January 1<sup>st</sup>~~ **December 1<sup>st</sup>**.

### **ANNUAL RENT ADJUSTMENTS**

- Owners may request Contract Rent increases annually to be effective on or after the anniversary date of the HAP Contract.
- The Douglas Housing Authority will not process Contract Rent increases unless the owner requests one.
- Before a Contract Rent adjustment is approved, the Douglas Housing Authority will determine & document the following:
  - The unit is in decent, safe and sanitary condition, and
  - The owner is in compliance with the terms of the HAP Contract and lease.
  - Rent adjustments are not subject to the FMR limitation, but are subject to: The limitation of the published Annual adjustment factors, and the rent reasonableness test.
  - Use the checklist form to document the rent increase is rent reasonable or not.
- The Annual Adjustment Factor is the figure published in the Federal Register which impacts the maximum amount of rent the owner can receive.
- The Federal Register publishes two separate adjustment factors for each market areas:
  - A factor which is used when the Contract Rent includes the highest cost utility, and
  - A factor which is used when the Contract Rent does not include the highest Cost utility.
- To compute the maximum annual rent adjustment, The Douglas Housing Authority will multiply the Contract Rent in effect by the applicable Section 8 Annual Adjustment Factor. The result must be rounded to the next higher whole dollar amount.

### **SPECIAL RENT ADJUSTMENT**

- Owners may submit a request for a special rent adjustment (over and above the annual adjustment) but must document the following:
  - The costs of owning and maintaining a unit have increased.
  - The increase is a result of substantial general increases in real property taxes, utility rates or similar costs such as:
    1. Assessments
    2. Utilities not covered by regulated rates

**CITY OF DOUGLAS, ARIZONA  
SINGLE AUDIT ACT REPORTS  
YEAR ENDED JUNE 30, 2011**

**CITY OF DOUGLAS, ARIZONA  
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Council  
City of Douglas, Arizona  
Douglas, Arizona

We have audited the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Douglas, Arizona (City) as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 18, 2011. Our report was modified to include references to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Douglas Housing Corporation I (Casa de Esperanza), Douglas Housing Corporation II (Pioneer Village) and the Douglas Community Housing Corporation (Rancho La Parilla Apartments), as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City of Douglas, Arizona's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

Honorable Mayor and City Council  
City of Douglas, Arizona

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described as items 2011-1, 2011-3, 2011-4, 2011-5 and 2011-6 in the accompanying schedule of findings and questioned costs to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described as items 2011-2 and 2011-7 in the accompany schedule of findings and questioned costs to be significant deficiencies.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain other matters that we reported to management of the City in separate letter dated November 18, 2011.

The City of Douglas, Arizona's responses to the findings identified in our audit are described in the accompanying scheduling of findings and questioned costs. We did not audit the City's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the City Council, Management of the City, federal awarding agencies, state funding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*LarsonAllen LLP*

**LarsonAllen LLP**

Mesa, Arizona  
November 18, 2011



CPAs, Consultants & Advisors  
www.larsonallen.com

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable Mayor and City Council  
City of Douglas, Arizona  
Douglas, Arizona

**Compliance**

We have audited the City of Douglas, Arizona (City)'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Douglas, Arizona's major federal programs for the year ended June 30, 2011. The City of Douglas, Arizona's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Douglas, Arizona's management. Our responsibility is to express an opinion on the City of Douglas, Arizona's compliance based on our audit.

The City's basic financial statements include the operations of the Douglas Housing Corporation I (Casa de Esperanza) and Douglas Housing Corporation II (Pioneer Village), which received \$1,960,790 and \$1,063,318, respectively, in federal awards which are not included in the accompanying schedule of expenditures of federal awards for the year ended June 30, 2011. Our audit, described below did not include the operations of the Casa de Esperanza and Pioneer Village because the component units engaged for its own separate audits in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Douglas, Arizona's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Douglas, Arizona's compliance with those requirements.

**CITY OF DOUGLAS, ARIZONA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2011**

**SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**2011-6: Segregation of Duties**

**Condition:** The City does not have adequate segregation of the accounting functions which is necessary to ensure adequate internal controls. One person is responsible for virtually all of the accounting and financial duties.

**Criteria:** City management should constantly be aware of the need to have adequate segregation of duties regarding the processing of transactions for the City. In addition, City management should be aware that the concentration of duties and responsibilities in one or very few individuals is not desirable from an internal control perspective.

**Effect:** The design of the internal controls over financial reporting could affect the ability of the City to record, process, summarize and report financial data consistently with the assertions of management in the financial statements. In addition, this lack of segregation of duties may result in the City's inability to prevent or detect material misappropriation of City assets.

**Cause:** The City has a limited number of accounting personnel.

**Recommendation:** We recommend City management be aware of the lack of segregation of duties within the accounting functions and assess whether additional segregation of duties is cost beneficial. If additional segregation is not feasible, we recommend City management implement oversight procedures to ensure the internal control policies and procedures are being followed by City staff.

**Response:** The City recognizes the need to segregate the duties of cash handling, record keeping and reconciling accounts. The City had turnover in key management positions and has since reassigned duties within the finance department to address the issue of segregation of duties. In addition, the City will be contracting with an outside consultant to review key accounting functions to determine the appropriateness of current policies and procedures.

**Contact Person:** Curtis Shook, City Manager.

CITY OF DOUGLAS, ARIZONA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2011

**SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**2011-7: Written Financial Policies and Procedures**

**Condition:** The City does not have written documentation of their accounting policies and procedures.

**Criteria:** All local units of government should have written documentation of their accounting policies and procedures. The policy manual should spell out the accounting policies and procedures that make up the City's internal control system.

**Effect:** Without clear concise accounting policies, management's ability to assess risk and determine operational needs is limited. Turnover in the accounting department would have a significant impact on the financial reporting capabilities of the City.

**Cause:** Unknown.

**Recommendation:** We recommend City management prepare an accounting policy and procedures manual to establish responsibilities, provide employees with a systematic approach for implementation of work routines, prevent deterioration of internal control structure and maintain consistency in procedures from year to year and during employee transition. The final policy should be presented to City council for approval.

**Response:** The City concurs with this recommendation and will take the necessary action to develop written accounting policies and procedures.

**Contact Person:** Curtis Shook, City Manager.

**CITY OF DOUGLAS, ARIZONA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2011**

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**2011-8**

U.S. Department of Housing and Urban Development  
Section 8 Housing Choice Vouchers  
CFDA Number: 14.871  
Direct Grant  
Award Period: July 1, 2010 through June 30, 2011

**Condition:** Monthly Voucher for Payment of Annual Contributions and Operating Statements did not always agree to financial records and were not always reviewed by supervisory personnel prior to submission to the grantor agency.

**Context:** One of three Voucher for Payment of Annual Contributions and Operating Statements tested.

**Criteria:** OMB Circular A-133 – Reporting. Entities receiving federal awards are required to establish and maintain internal controls designed to ensure compliance with federal laws, regulations and program compliance.

**Questioned Costs:** None.

**Effect:** As a result of a lack of review of financial reports, there is an increased risk that financial reports with be submitted to the grantor agency with errors.

**Cause:** Department oversight.

**Recommendation:** We recommend the City establish and maintain internal controls over financial reports. Reports submitted to the grantor agency should be supported by accounting records and reviewed by supervisory personnel with knowledge of grant operations prior to submission to the grantor agency.

**Corrective Action Plan:** The City concurs with this recommendation and will implement internal controls over grant reporting. The City expects to be in compliance for the fiscal year ended June 30, 2011 by implementing controls by December 31, 2011.

**Contact Person:** Curtis Shook, City Manager.



OFFICE OF PUBLIC AND INDIAN HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

**JUN 28 2012**

Dear Executive Director:

Subject: **Housing Choice Voucher Program (HCVP)  
Cash Management – July to September 2012 Renewal Disbursements**

This letter concerns the disbursement of HCVP funds to your public housing agency (PHA) under the cash management procedures in the program. It is important that you review this letter and the enclosed spreadsheet, regarding the process by which HUD will determine disbursements of housing assistance payments (HAP) funds to your PHA and the amount of renewal funding that will be disbursed to your agency for the months of July through September, 2012. You are also encouraged to carefully review PIH Notice 2011-67, which sets out the cash management procedures in detail.

In accordance with HUD Notice PIH 2011-67, HUD will again disburse HCVP HAP funds on the basis of need each month, as opposed to 1/12 of its annual renewal allocation as was done in prior years. HUD will determine the funds needed each month on the basis of PHA-reported HAP expenses in the Voucher Management System (VMS). HUD will disburse each month an amount equal to the average for the prior validated quarter, plus a margin of 3 percent based on the PHA's annual renewal eligibility.

For CY 2012, Congress mandated an offset of \$650 million from PHA Net Restricted Assets (NRA) accounts. As a result, each affected PHA's disbursements for January through September are being reduced by one-ninth of the NRA offset determined for that PHA. PHAs who find that the disbursement plus the offset amount from the NRA account will not meet their HAP needs for the month may request an additional amount as a frontload from the Financial Management Center (FMC). Funds may be requested up to the total obligated and available.

Enclosed is the calculation and data used to establish the July through September monthly renewal disbursements for your PHA, based on validated VMS data for January through March, 2012. The offset shown is the final offset amount for CY 2012, based on the December 31, 2011 calculated NRA balance and the 2012 funding allocation. Total allocation for the year will equal pro-rated funding eligibility minus the total required offset. Total disbursements for the year will equal total HAP requirements of the PHA, up to the total funds available.

**Please pay particular attention to lines 21, 23, and 25 on the enclosed spreadsheet – these are the HAP renewal disbursements that are currently set to be provided to your agency for the months of July through September respectively.** These disbursements are net of any reduction required to recoup excess funds disbursed to your PHA for the months of January through March, 2012. The need to recoup excess funds was documented on the reconciliation recently sent to your PHA for the first quarter of 2012. **If the disbursement amounts, plus NRA funds on hand, are not sufficient to meet your known HAP needs, please contact your financial analyst immediately.** HUD's first priority will be to adjust the disbursement by front-loading additional funding if necessary to ensure coverage if your agency

has insufficient resources to cover July through September HAP expenses. HUD will then work with your agency to resolve any issues affecting your ability to meet your HAP obligations. Please keep in mind that the disbursement amounts identified on the enclosure do not include disbursements for incremental vouchers effective for any month(s) during the quarter. Those funds are disbursed based on contract effective and expiration dates.

HAP disbursements will be reconciled to actual needs at the end of each quarter. A final reconciliation will be completed at the end of the CY, which will include any data changes the PHA has made during the year. Funds not needed to support eligible HAP costs during the year will be held by HUD in a program reserves account for the PHA.

These cash management procedures **do not** affect any PHA's renewal funding eligibility; they only affect disbursements and the location of the excess funds. PHAs will still have their full allocation of funds available.

As noted above, if the funds to be disbursed (including a reduction of the portion of NRA offset if applicable) for the month, plus other NRA funds, are less than your actual known needs, you may contact your assigned financial analyst at the FMC to request a frontload. You should be prepared to provide your actual needs for intervening months not yet reported in VMS, your needs for the upcoming month or quarter, and your available NRA balance. Moving forward, HUD will continue to provide you with monthly disbursement amounts before the start of each quarter.

In closing, it is critical that participants are not placed at risk or payments delayed as a result of your PHA having insufficient funds to support HAP payments due to the transition to the cash management methodology. HUD will make the needed funds available via a frontload, to the extent funds are available, but you must, as stated above, contact your financial analyst at the FMC immediately if this is necessary.

Thank you for your attention to this matter. If you have any questions concerning this letter, please contact your financial analyst at the FMC.

Sincerely,



Miguel A. Fontánez  
Director  
Housing Voucher Financial  
Management Division

**HOUSING CHOICE VOUCHER PROGRAM -- HAP DISBURSEMENTS -- JULY TO SEPTEMBER, 2012**

|   |  |                          |          |
|---|--|--------------------------|----------|
| 1   | PHA Name   | CITY OF DOUGLAS HSG AUTH |          |
| 2   | PHA Number   | AZ037                    |          |
| <b>Total VMS HAP Costs Reported:</b>                              |  |                          |          |
| 3   | January 2012   | \$67,354                 |          |
| 4   | February 2012  | \$65,105                 |          |
| 5   | March 2012   | \$67,241                 |          |
| 6   | Total January thru March 2012 (sum of Line 3, 4, and 5)  | \$199,700                |          |
| 7   | Average January thru March 2012 Cost (Line 6 / 3)<br>(Basic July to September 2012 Monthly Disbursement) |                          | \$66,567 |
| <b>2012 Renewal Funding Allocation and 3rd Qtr Disbursements:</b> |  |                          |          |
| 8   | CY 2012 Pro-Rated Renewal Funding Eligibility  | \$832,900                |          |
| 9   | CY 2012 NRA Offset (per funding allocation calculations)   | \$52,500                 |          |
| 10  | 2012 Allocation (Line 8 - Line 9)  | \$780,400                |          |
| 11  | 2012 Monthly Obligation (Line 10 / 12)   | \$65,033                 |          |
| 12  | 3% Margin (Line 8 / 12 x .03)  |                          | \$2,082  |
| 13  | Total Calculated Monthly Disbursement (Line 7 + Line 12)   |                          | \$68,649 |
| <b>NRA Available in 2012:</b>                                     |  |                          |          |
| 14  | NRA Balance (as of December 31, 2011)  | \$110,870                |          |
| 15  | NRA Mandated for Offset FY 2012  | \$52,500                 |          |
| 16  | Monthly Offset (1/9 of Line 15)  |                          | \$5,833  |
| 17  | Total Calculated Monthly Disbursement After Offset<br>(Line 13 - Line 16)                                |                          | \$62,816 |
| 18  | Net Monthly HAP Disbursement, July to September, 2012<br>(Lesser of Line 17 or Line 11)                  |                          | \$62,816 |
| 19  | Total Reduction to Collect 1st Quarter Excess Disbursements  | \$27,573                 |          |
| 20  | Reduction from July Disbursement for 1st Quarter Excess  | \$27,573                 |          |
| 21  | Remaining July Disbursement  |                          | \$35,243 |
| 22  | Reduction from August Disbursement for 1st Quarter Excess  | \$0                      |          |
| 23  | Remaining August Disbursement  |                          | \$62,816 |
| 24  | Reduction from Sept. Disbursement for 1st Quarter Excess   | \$0                      |          |
| 25  | Remaining September Disbursement   |                          | \$62,816 |

|    |  |           |
|----|--|-----------|
| 26 | CY 2012 Total Renewal Budget Authority (Allocation)  | \$780,400 |
| 27 | CY 2012 Total Non-Renewal Budget Authority   | \$0       |
| 28 | CY 2012 Total Budget Authority Disbursed or Scheduled to be<br>Disbursed thru September  | \$561,720 |
| 29 | CY 2012 Total Budget Authority Not Disbursed or Scheduled to be<br>Disbursed thru September (Line 26 + Line 27 - Line 28)<br>Incremental Funding is included and is disbursed monthly based on contact term. | \$218,680 |
| 30 | <div style="border: 1px solid black; height: 40px; width: 100%;"></div>  |           |



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Financial Management Center  
2380 McGee Street, Suite 400  
Kansas City, MO 64108-2605

OFFICE OF PUBLIC AND INDIAN HOUSING

June 28, 2012

AZ037  
CITY OF DOUGLAS HSG AUTH  
425 TENTH STREET  
DOUGLAS, AZ 85607

Dear Executive Director:

Subject: Notification of Disbursement Schedule for Family Self-Sufficiency (FSS) and Homeownership (HOC) Coordinator Program.

This email serves as HUD's notification of a revised disbursement schedule for your agency's FSS and/or HOC program as requested. Your agency is reminded to report expenses in the Voucher Management System (VMS) for each reporting cycle the award is effective or disbursements under this program may be suspended.

If you have any questions regarding the disbursements for your FSS/HOC program, please contact your Financial Analyst at the FMC.

Sincerely,



Barbara A. Lamb

Digitally signed by Barbara A. Lamb  
DN: c=US, o=Barbara A. Lamb, ou=HUD  
Dept. of HUD, P=US, email=Barbara.Lamb@HUD.gov

Division Director

Attachment

Memo Reference: 12-085



**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

Financial Management Center  
2380 McGee Street, Suite 400  
Kansas City, MO 64108-2605

OFFICE OF PUBLIC AND INDIAN HOUSING

June 22, 2012

AZ037  
CITY OF DOUGLAS HSG AUTH  
425 TENTH STREET  
DOUGLAS, AZ 85607

Dear Executive Director:

**SUBJECT: Housing Choice Voucher Program  
July through September 2012 Administrative Fees**

This letter is to notify you that funds have been obligated for your July, August, and September 2012 Housing Choice Voucher Program administrative fees.

The administrative fees provided for July through September 2012 are an estimated amount based on the leasing data reported in the Voucher Management System (VMS) for March 2012. The amount was capped to the number of available units; prorated to 80% of eligibility; and calculated using the 2012 administrative fee rate. Excess administrative fees disbursed for calendar year 2011 have been offset from the July - September administrative fees.

The Department will continue to use VMS to calculate administrative fees based on first of the month leasing and to reconcile the estimated fees advanced with the actual earnings for each month.

Moving to Work (MTW) Agencies administrative fee funding will be based on their MTW agreement.

Specific information about the renewal(s) for your public housing agency (PHA) is identified in the table below.

| Admin Fee Funding Increment Number | Admin Fee BA Assigned | Effective Date | Term (in months) |
|------------------------------------|-----------------------|----------------|------------------|
| AZ037AF0067                        | \$21,378              | 7/1/2012       | 3                |

Attached is your Notice to Amend the Consolidated Annual Contributions Contract (CACC) with revised funding exhibits reflecting the change(s) described above. The amendment notice and revised funding exhibits should be filed with your most recent CACC. No execution by HUD or your PHA is required.

Public housing agencies receiving an increment in excess of \$100,000 in Budget Authority (BA) are required to submit Form HUD-50071, Certification of Payments to Influence Federal Transactions, and if applicable, Form SF-LLL, Disclosure of Lobbying Activities. If this letter notifies you of a renewal in excess of \$100,000, and your PHA has not submitted the Form(s) HUD-50071 (and SF-LLL where applicable) for your current fiscal year; the documents must be submitted to your Financial Analyst at the Financial Management Center (FMC) within 30 days of the date of this letter. These forms are located on the Internet at the following addresses.

Form HUD-50071

<http://www.hud.gov/utilities/intercept.cfm?offices/adm/hudclips/forms/files/50071.pdf>

Form SF-LLL

<http://www.hud.gov/offices/adm/hudclips/forms/files/sflll.pdf>

Please contact your Financial Analyst at the FMC if you have any questions.

Sincerely,

 **Barbara A. Lamb**  
Digitally signed by Barbara A. Lamb  
DN: cn=Barbara A. Lamb, o=US  
Dept. of HUD, postalCode  
Director, West Team, c=US  
Signature Valid

Division Director

Attachments

Memo Reference: 12-080

**Consolidated  
Annual Contributions Contract**

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

Housing Choice Voucher Program

Section 8

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**HUD NOTICE TO HOUSING AGENCY AMENDING  
CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT**

**Housing Agency: AZ037  
CITY OF DOUGLAS HSG AUTH**

In accordance with Paragraph 2.c. of the Consolidated Annual Contributions Contract between HUD and the HA, you are notified that the funding exhibits of the Consolidated Annual Contributions Contract is hereby revised to add a new funding increment as provided in the attached revised funding exhibit. (This notice adds one or more funding increments listed on the attached funding exhibit.)

The revised funding exhibit is attached to this HUD notice. This revised funding exhibit replaces and revises the prior funding exhibit.

In accordance with Paragraph 2.d. of the Consolidated Annual Contributions Contract, this HUD notice and the attached funding exhibit constitutes an amendment to the Consolidated Annual Contributions Contract.

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**United States of America** Secretary of Housing and Urban Development  
Authorized Representative

Carissa Riddle, Director  
Financial Management Center

Date of Document:

6/22/2012



## *ADDEMDUM 1*

### **The Douglas Housing Authority VAWA Addendum**

This addendum is submitted as required pursuant to Section 603 of the law amending Section 5A of the U.S. Housing Act to require PHAs five-year and annual PHA Plans to contain information regarding any goals, activities, objectives, policies, or programs of the PHA that are intended to support or assist victims of domestic violence, dating violence, sexual assault, or stalking. Sections 606 and Section 607 amend the Section 8 and public housing sections of the U.S. Housing Act to protect certain victims of criminal domestic violence, dating violence, sexual assault, or stalking as well as members of the victims and immediate families from losing their HUD-assisted housing as a consequence of the abuse of which they were the victim.

The **Douglas Housing Authority (PHA)** has revised its Administrative Plan and grievance procedures to comply with and support the Violence Against Women Act (VAWA) that President Bush signed into law as Public Law 109-162 on January 5, 2006. The **PHA** has established policies to support and assist victims of domestic violence and protect tenants and family members of tenants who are victims of domestic violence, dating violence or stalking from being evicted or terminated from housing assistance based on acts of such violence against them.

The Violence Against Women Act (VAWA) protects tenants and family members of tenants who are victims of domestic violence, dating violence, or stalking from being evicted or terminated from housing assistance based on acts of such violence against them. These provisions apply to our agency administering the Section 8 programs and to owners renting to families under Section 8 rental assistance programs.

The law provides in part that criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenants household or any guest or other person under the tenants control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenants family is the victim or threatened victim of that abuse. The law also provides that an incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease by the victim or threatened victim of that violence and will not be good cause for termination of the assistance, tenancy, or occupancy rights of a victim of such violence.

The PHA is utilizing the revised form HUD 52641 Housing Assistance Payments (HAP) Contract and revised form HUD 52641A Tenancy Addendum. These forms have been revised to reflect the statutory requirements of the Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA

2005) that are related to housing choice voucher program HAP contracts and leases.

In addition, Douglas Housing Authority has implemented and is utilizing the form HUD 50066 Certification of Domestic Violence, Dating Violence, or Stalking for use in its Public Housing program and Housing Choice Voucher (HCV) program. PHAs, owners or managers responding to an incident or incidents of actual or threatened domestic violence, dating violence or stalking that may affect a tenants participation in the housing program to request in writing that an individual complete, sign and submit, within 14 business days of the request, form HUD 50066 Certification of Domestic Violence, Dating Violence, or Stalking. On the form, the individual certifies that he/she is a victim of domestic violence, dating violence, or stalking, and that the incident or incidences in question are bona fide incidences of such actual or threatened abuse. On the certification form, the individual shall provide the name of the perpetrator. In lieu of a certification form, or in addition to the certification form, a tenant may provide to PHAs, managers or owners, (1) a Federal, State, tribal, territorial, or local police record or court record; (2) documentation signed and attested to by an employee, agent or volunteer of a victim service provider, an attorney or a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence or stalking, or the effects of abuse, in which the professional attests under penalty of perjury to the professionals belief that the incident or incidents in question are bona fide incidents of abuse, and the victim of domestic violence, or stalking has signed or attested to the documentation.

**DEFINITIONS:** The following definitions were incorporated into the United States Housing Act and apply to this notice.

**Domestic Violence:** Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim share a child in common, by a person who is cohabitated with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that persons acts under the domestic or family violence laws of the jurisdiction.

**Dating Violence:** Violence committed by a person:

(A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship.

Stalking: to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person.

Immediate Family Member: a spouse, parent, brother or sister, or child of the person, or an individual to whom that person stands in loco parentis (in place of a parent); or any other person living in the household of that person and related to that person by blood or marriage.

Protections for Victims of Abuse in the Housing Choice Voucher Program.

The new requirements of VAWA 2005 that are incorporated into the Housing Choice Voucher HAP Contract and Tenancy Addendum are as follows:

\* An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease or other good cause for termination of the assistance, tenancy, or occupancy rights of a victim of abuse. (Section 8(o)(7)(C) of the U.S. Housing Act of 1937.)

\* Criminal activity directly relating to abuse, engaged in by a member of a tenants household or any guest or other person under the tenants control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenants family is the victim or threatened victim of that abuse. (Section 8(o)(7)(D)(i) of the U.S. Housing Act of 1937.)

\* Notwithstanding the VAWA restrictions on admission, occupancy, or terminations of occupancy or assistance, or any Federal, State or local law to the contrary, a PHA may terminate assistance to or an owner or manager may bifurcate a lease, or otherwise remove a household member from a lease, without regard to whether a household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others. This action may be taken without evicting, removing, terminating assistance to, or otherwise penalizing the victim of the violence who is also a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the housing choice voucher program. (Section 8(o)(7)(D)(ii) of the U.S. Housing Act of 1937.)

\* Nothing in Section 8(o)(7)(D)(i) may be construed to limit the authority of a public housing agency, owner, or manager, when notified, to honor court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up. (Section 8(o)(7)(D)(iii) of the U.S. Housing Act of 1937.)

\* Nothing in Section 8(o)(7)(D)(i) limits any otherwise available authority of an owner or manager to evict or the public housing agency to terminate assistance to a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenants household, provided that the owner, manager, or public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate. (Section 8(o)(7)(D)(iv) of the U.S. Housing Act of 1937.)

Applicability of VAWA 2005 provisions to existing leases and Voucher HAP Contracts. The authority provided to PHAs, owners, and managers under VAWA 2005 to bifurcate a lease or otherwise remove an individual is applicable to all existing leases for families participating in either the public housing or section 8 programs (including the voucher program), and specific lease language to that effect is not necessary for the PHA, owner, or manager to exercise such authority. Also, the authority to bifurcate a lease or otherwise remove an individual under VAWA is not predicated on existing state or local law that allows for bifurcation. This Federal statutory authority to bifurcate a lease or otherwise remove an individual takes precedence over any Federal, State or local law to the contrary. However, PHAs, managers, and owners must keep in mind that the eviction of or the termination action against the individual must be effected in accordance with the applicable procedures prescribed by Federal, State, and local law.

\* Nothing in Section 8(o)(7)(D)(i) may be construed to limit the authority of an owner or manager to evict, or the public housing agency to terminate assistance, to any tenant if the owner, manager, or public housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the tenant is not evicted or terminated from assistance. (Section 8(o)(7)(D)(v) of the U.S. Housing Act of 1937.)

\* Nothing in Section 8(o)(7)(D)(i) shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than Section 8(o)(7)(D)(i) for victims of domestic violence, dating violence, or stalking. (Section 8(o)(7)(D)(vi) of the U.S. Housing Act of 1937.)

In accordance with PIH Notice 2006-42 and PIH Notice 2007-05, Housing Authorities must be utilizing revised forms in the notice(s): form HUD 50066 Certification of Domestic Violence, Dating Violence or Stalking, form HUD 52641

Housing Assistance Payments Contract Section 8 Tenant-Based Assistance and  
form HUD 52641-A Tenancy Addendum Section 8 Tenant-Based Assistance  
Housing Choice Voucher Program.

**PHA Certifications of Compliance  
with PHA Plans and Related  
R e g u l a t i o n s**

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 08/30/2011

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

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the \_\_\_ 5-Year and/or x Annual PHA Plan for the PHA fiscal year beginning 07/01/2012, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
  - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
  - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
  - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
  - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
  - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
  - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
  - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
  - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

City of Douglas PHA  
 PHA Name \_\_\_\_\_

AZ037  
 PHA Number/HA Code \_\_\_\_\_

5-Year PHA Plan for Fiscal Years 20 - 20

XX Annual PHA Plan for Fiscal Years 2012-2013

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

|   |            |
|---|------------|
| Name of Authorized Official   | Title      |
| Dr. Michael Gomez   | Mayor      |
| Signature   | Date       |
|  | 04/11/2012 |

# Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

City of Douglas PHA

Program/Activity Receiving Federal Grant Funding

Housing Choice Voucher Program

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

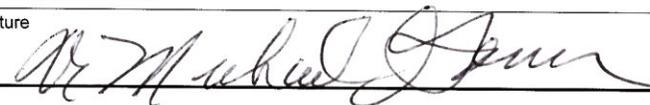
2. **Sites for Work Performance.** The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each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

City of Douglas PHA  
425 10th Street  
Douglas, AZ 85607

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

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.  
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

|  |                    |
|--|--------------------|
| Name of Authorized Official<br>Dr. Michael Gomez   | Title<br>Mayor     |
| Signature<br> | Date<br>04/11/2012 |

**Civil Rights Certification**U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
Expires 4/30/2011**Civil Rights Certification****Annual Certification and Board Resolution**

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

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

City of Douglas PHA

AZ037

\_\_\_\_\_  
PHA Name\_\_\_\_\_  
PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Dr. Michael Gomez

Title

Mayor, City of Douglas

Signature



Date 04/11/2012

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

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

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

I, Dr. Michael Gomeaz the Mayor of the City of Douglas certify that the Five Year and  
Annual PHA Plan of the City of Douglas PHA is consistent with the Consolidated Plan of  
the State of Arizona prepared pursuant to 24 CFR Part 91.



Signed / Dated by Appropriate State or Local Official



# CITY OF DOUGLAS

425 10<sup>th</sup> Street, DOUGLAS, ARIZONA 85607  
TELEPHONE (520) 417-7385 FAX (520) 417-7158

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COMMUNITY DEVELOPMENT DEPARTMENT  
DIVISION OF NEIGHBORHOODS, HOUSING & GRANTS

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**To: Resident Advisory Board**  
**From: Xenia Gonzalez, HCV Program Specialist**  
**What: Resident Advisory Board Meeting**  
**When: Tuesday, February 21, 2012 at 1:30 p.m.**  
**Where: City Hall – Council Chambers**  
**425 10<sup>th</sup> Street**  
**Douglas, AZ 85607**

You are cordially invited to attend a presentation of, and offer comments and suggestions on, the Housing Authority's draft of its Annual Plan for fiscal year 2012, and Administrative Plan for FY 2012. This plan establishes the goals and objectives of the Housing Authority's Housing Choice Voucher Program (Section 8). All voucher holders are welcome to attend.

Please call our office at 520-417-7385 to let us know if you will be attending, or if you have any questions. *Si tiene alguna pregunta acerca de esta carta por favor comuníquese a esta oficina.*



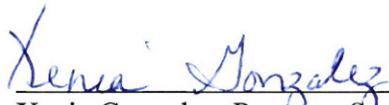
**Resident Advisory Board Meeting**  
**February 21, 2012**  
**Minutes**

A meeting of the Resident Advisory Board was held on February 21, 2012 at 1:30 p.m. to discuss the PHA's Annual Plan and changes to the Administrative Plan that would be presented to Mayor and Council for approval on April 11, 2012.

Six HCV participants were present, along with the Program Specialist, Xenia Gonzalez, and Occupancy Clerk Lupe Mora.

Staff went over the entire plan with the board and there were no negative comments or recommendations. They were all satisfied with the Plan as presented.

Respectfully Submitted By:



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Xenia Gonzalez, Program Specialist