

CHAPTER 5. RESIDENT/HOMEBUYER CONSULTATION AND INVOLVEMENT  
REQUIREMENTS

5-1. RESIDENT CONSULTATION.

- a. Before development of the CIAP Application, the PHA shall consult with residents regarding its intent to submit an application for CIAP funds.
- b. At least three weeks before Joint Review, the PHA shall notify the residents of the project to be modernized and the resident organization, if any, of the proposed modernization program, afford residents a reasonable opportunity to present their views on the proposed program and alternatives to it, and give full and serious consideration to resident recommendations. The PHA notice shall include information on the PHA's ideas for  
\* modernization and the methods, including time limit, for residents to present their views. In addition, the PHA shall make available to the residents and the resident organization, if any, a copy of the CIAP Application. \*  
At least one day before Joint Review, the PHA shall make available a copy of its brief, written evaluation of the resident recommendations.
- c. At Joint Review, the PHA shall make available to HUD a copy of the resident recommendations and its evaluation of those recommendations, indicating the reasons for PHA acceptance or rejection, consistent with HUD requirements and the PHA's own determination of efficiency, economy and need.
- d. After approval of the modernization program, the PHA shall inform the residents and the resident organization, if  
\* any, of the approved work items and make available a copy of the approved CIAP Application.
- e. The provisions of this paragraph do not apply where only work items of an emergency nature, affecting the life, health and safety of residents, are processed in a "fast track" mode outside the normal processing schedule. However, the PHA shall inform residents of approved \* emergency work items.
- f. The PHA shall achieve resident consultation by use of informational materials, meetings or other methods which it deems most effective.

12/89

5-1

---

5-2. HOMEBUYER CONSULTATION.

- a. Before Joint Review, the PHA shall discuss the modernization program with the homebuyer families of the project to be modernized and inform each homebuyer family

that:

- (1) to participate, it must be in substantial compliance with the terms of its Homebuyer Agreement;
  - (2) it will have an opportunity to express its views and preferences with respect to the modernization of its home;
  - (3) the purchase price and the amortization period will be increased as provided in paragraph 4-8;
  - (4) it will have an opportunity to participate in the final inspection of the work to determine completion in accordance with the requirements; and
  - (5) participation in the program is optional.
- b. The PHA shall provide each homebuyer family with a copy of the PHA's evaluation of its recommendations, the tentative decisions reached on the modernization program to be submitted to the Field Office, the estimated cost of the proposed modernization program, and the maximum amount of this cost to be attributed to its home.
- c. If the homebuyer family decides to participate in the modernization program with respect to any of the proposed work items, it must agree in writing that its Homebuyer Agreement will be amended upon approval of the CIAP Application to provide that, as a result of the amount of modernization cost attributed to its home, the purchase price and the amortization period will be increased in accordance with paragraph 4-8. The PHA shall retain copies of the signed agreements and the amended Homebuyer Agreements in its files for inspection by the Field Office.
- d. Any homebuyer family may decline to participate without risk to its homebuyer status.
- e. The provisions of subparagraphs a through d do not apply where the modernization work is limited to the

12/89

5-2

---

correction of development deficiencies, update of energy audits and undertaking of cost-effective energy conservation measures, and lead-based paint testing and abatement (see paragraph 2-11).

\*5-3. RESIDENT/HOMEBUYER INVOLVEMENT. The PHA shall involve residents/homebuyers during the implementation of the approved modernization program, as follows:

- a. Provision of the HUD-approved Project Implementation

Schedule(s) (see paragraph 7-2) and regular status reports on the implementation progress of the physical and management improvements;

- b. Appropriate notice regarding resident moves, as required by paragraph 6-7; and
- c. To the maximum extent possible, opportunities for employment either by the PHA and its contractors in carrying out the approved physical and management improvements (see paragraph 2-3b(5)). \*