



GOVERNMENT OF PUERTO RICO  
PUBLIC HOUSING ADMINISTRATION

**ADMINISTRATIVE PLAN**  
**PUERTO RICO PUBLIC HOUSING ADMINISTRATION**  
**HOUSING CHOICE VOUCHER PROGRAMS**



Effective Date: April 11, 2024

Replaces last revision of: June 30, 2022



# Administrative Plan

## Puerto Rico Public Housing Administration

### (PRPHA) RQ005 – Housing Choice Voucher Program/S8

Approved Date: April 11, 2024

### Administrative Plan Revision History

<b>June 29, 2020</b>	<ul style="list-style-type: none"><li>• <b>Section IV.B Page 21:</b> The criminal background will be required annually and, assistance will be consider for applicant and participants after 5 years of the sentencing of the court.</li><li>• <b>Section IV.D Page 22:</b> Applicants cannot have pending debts with others PHA's, Public Housing or federally assisted housing programs. At least there must be an update arrangement plan of the debt.</li><li>• <b>Section V.H. Page 25:</b> Updated definitions for preferences<ul style="list-style-type: none"><li>○ Involuntary Displacement</li><li>○ Governmental Action</li><li>○ Witness Protection</li><li>○ Mainstream Vouchers definition and new preference</li></ul></li><li>• <b>Section VI.E.1 Page 32:</b> Head or Co-head is entitle to a separate bedroom from the rest of the family composition.</li><li>• <b>Section XIV Page 110:</b> Definition of Terms... To add definition #36 Mainstream Voucher Program</li></ul>
<b>August 19, 2020</b>	<ul style="list-style-type: none"><li>• <b>Section VI.A. Page 29:</b> Decrease in PS amount during the HAP contract term: the Housing Opportunity through Modernization ACT of 2016 (HOTMA) establishes the option of; No PHA is required to reduce a family's payment standard based on a reduction in the FMR.</li></ul>
<b>September 16, 2020</b>	<ul style="list-style-type: none"><li>• <b>Section XIII. Page 75:</b> Include a separate section for the operational and administrative procedures of the Project-Base Voucher in the Administrative Plan of the Section 8 Program of the PRPHA</li></ul>
<b>February 1, 2021</b>	<ul style="list-style-type: none"><li>• <b>Section V.H. Page 25:</b> To add preference for domestic violence according to the 24 CFR 5.2003.</li></ul>



<p><b>July 23, 2021</b></p>	<ul style="list-style-type: none"> <li>• <b>Section IX. Page 57:</b> Special Programs, Features and Options.</li> <li>• <b>Addendum of the Administrative Plan for The Emergency Voucher Program Page 118.</b></li> </ul>
<p><b>June 30, 2022</b></p>	<ul style="list-style-type: none"> <li>• <b>Section XIII- Pages 75, 76, 78, 83 and 96:</b> To incorporated technical corrections in the Project-Base Voucher Section</li> </ul>
<p><b>April 11, 2024</b></p>	<ul style="list-style-type: none"> <li>• <b>Section IV – Admission Standards Page 19, Additional Income Eligibility Criteria; and 20, included HUD definition of a Family</b></li> <li>• <b>Section V – Admitting Applicants to the Voucher Program Page 29, the Governor of PR can declare an emergency; 30 and 31, documenting VAWA and Social Security numbers;</b></li> <li>• <b>Section VI – Payment and Subsidy Standards Page 35, updated Subsidy (Occupancy) Standards</b></li> <li>• <b>Section VI – Determination of Family Share Page 36, Change Minimum Rent to Zero</b></li> <li>• <b>Section XII – Determining Income and Rent Page 76</b></li> <li>• <b>Section XIV – HOTMA Page 112, Chapter added</b></li> <li>• <b>Addendum – NSPIRE Page 150, NSPIRE Addendum added</b></li> </ul>



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## Puerto Rico Public Housing Administration Housing Choice Voucher Program Administrative Plan

### Introduction

The PRPHA administers a variety of tenant-based, project-based, and grant programs under Section 8 of the 1937 Housing Act. Administration of these programs complies with the U.S. Department of Housing and Urban Development (HUD) regulations for the Section 8 Housing Choice Voucher Program, as set forth in Title 24 of the Code of Federal Regulations (CFR), Part 982 and 983 et al. PRPHA complies with all federal, state and local housing laws. Definitions of terms used in this Administrative Plan are found in the last section of this Plan.

### Purpose of the Administrative Plan

The Administrative Plan establishes policies for functions and operations that are not governed by Federal regulations for the Housing Choice Voucher Program and other special programs administered by PRPHA. Policies related to PRPHA's Family Self Sufficiency (FSS) Program are included in a separate document, the FSS Action Plan, and are not part of this document.

The Administrative Plan, hereinafter referred to as the "Plan", covers both admission to and continued participation in the abovementioned programs.

Only PRPHA's Board of Commissioners is authorized to approve changes to the Plan. PRPHA is responsible for complying with all subsequent changes in HUD regulations pertaining to the programs administered by PRPHA. If such changes conflict with this Plan, HUD regulations take precedence. When circumstances not addressed by provisions in this Plan arise, they will be reviewed on a case-by-case basis and appropriate actions will be taken as warranted. These actions will be documented by the Director, Housing Assistance Programs. If a conflict arises between or among the regulations identified in this Plan, the regulations specifically promulgated for the applicable program will take precedence.

By the adoption of this Administrative Plan, the Board of Commissioners authorizes the Administrator and/or the Deputy Administrator to make HUD-authorized charges (see **24 CFR § 982.155**) against the administrative fee reserve.

PRPHA staff shall develop (and revise when needed) operating procedures, systems, forms and methods designed to ensure that the policies set forth in this Administrative Plan are administered correctly, fairly and uniformly by all program staff.

### **Section I. Objectives of the Section 8 Housing Choice Voucher Program**

#### A. Objectives of Section 8 Housing Choice Voucher Programs

PRPHA's objective in administering the Housing Choice Voucher Programs is to provide subsidy to enable families to obtain decent, safe and sanitary affordable housing to low-income families. The number of families served is limited by the number of vouchers and funding available, PRPHA's budget and the availability of adequate housing.

The Section 8 Housing Choice Voucher Program provides participating families with a choice of housing opportunities by subsidizing rental payments to private Landlords. Through this program, PRPHA helps low-income families obtain quality housing within PRPHA's geographical jurisdiction, which includes all cities located in Puerto Rico.



Through program administration, PRPHA shall:

1. Ensure eligibility and calculate family share of rent for participating families;
2. Ensure Housing Quality Standards are enforced;
3. Ensure no more than reasonable rents are paid for all units under contract in the Section 8 Housing Choice Voucher Program; and
4. Make every effort to assist a substantial percentage of its Section 8 Housing Choice Voucher Families to find units in low-poverty neighborhoods.

## **Section II. Fair Housing and Equal Opportunity**

### **A. Nondiscrimination and Affirmatively Furthering Fair Housing**

PRPHA affirmatively furthers Fair Housing and works to remove impediments to Fair Housing in the administration of the program by complying fully with all Federal, State, and local nondiscrimination laws and administers programs in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing, and marketing the program to members of protected classes who are "least likely to apply."

PRPHA shall not discriminate against any applicant, participant, or landlord because of race, color, national or ethnic origin or ancestry, religion, sex, age, disability, sexual orientation, gender identity, source of income, marital status or presence of children in a household (protected classes); nor will any criteria be applied, or information be considered pertaining to attributes or behavior that may be imputed by some to a particular group or category. PRPHA shall not deny any family the opportunity to apply for housing (when the waiting list is open) or deny any eligible applicant the opportunity to lease a housing unit that meets family needs and program requirements.

### **B. Applicable Federal Laws and Regulations**

Federal laws require PHAs to treat all applicants and participants equally, providing the same quality of service, regardless of family characteristics and background. The PRPHA will comply fully with all Federal, State, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

1. Title VI of the Civil Rights Act of 1964
2. Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
3. Executive Order 11063
4. Section 504 of the Rehabilitation Act of 1973
5. The Age Discrimination Act of 1975
6. Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
7. Violence Against Women Reauthorization Act of 2005 and Reauthorization Act of 2013 (VAWA)
8. Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity



9. Affirmatively Furthering Fair Housing requirements

10. Housing Opportunities Through Modernization Act (HOTMA)

When more than one civil rights law applies to a situation, the laws will be read and applied together.

PRPHA will honor and comply with any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted so long as such laws or ordinances do not conflict with Federal laws.

C. Equitable Treatment

The PRPHA will not use membership in any protected class to:

1. Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the Housing Choice Voucher program
2. Provide housing that is different from that provided to others<sup>1</sup>
3. Subject anyone to segregation or disparate treatment
4. Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
5. Treat a person differently in determining eligibility or other requirements for admission
6. Steer an applicant or participant toward or away from a particular area based any of these factors
7. Deny anyone access to the same level of services
8. Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
9. Discriminate in the provision of residential real estate transactions
10. Discriminate against someone because they are related to or associated with a member of a protected class
11. Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class.

D. Providing Information to Families and Owners

1. The PRPHA will ensure that families and owners are fully aware of all applicable civil rights laws and regulations. As part of the briefing process, the PRPHA will provide information to applicant families about civil rights requirements and the opportunity to rent in a broad range of neighborhoods. **24 CFR 982.301**
2. The Housing Assistance Payment (HAP) contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, sexual orientation, gender identity, or disability in connection with the contract.

E. Discrimination Complaints

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<sup>1</sup> Except when needed to provide person with disabilities special services to achieve equal access to programs.



1. If an applicant or participant believes that any family member has been discriminated against by PRPHA or an owner, the family should advise PRPHA.
  2. HUD requires PRPHA to make every reasonable attempt to determine whether the applicant's or participant's assertions have merit and take any warranted corrective action.
  3. In addition, PRPHA will provide information to applicants and participants regarding housing discrimination complaints in the family briefing session and program packets. Information includes referrals to the HUD Office of Fair Housing and Equal Opportunity, and low-cost legal service provided through Legal Services of Puerto Rico (Servicios Legaleo de Puerto Rico).
  4. All applicable Fair Housing Information and Discrimination Complaint Forms will be made available to applicants and participants, including form HUD-903 or form HUD 903-a.
- F. Reasonable Accommodations for People with Disabilities
1. PRPHA, as a public agency that provides housing subsidy and provides low rent housing to eligible families, has a legal obligation to provide "reasonable accommodations" to applicants and participants if they or any family members have a disability. **24 CFR § 8.4**
  2. An applicant or participant with a disability may request information or an accommodation by contacting the PRPHA at 606 Avenida Barbosa, San Juan, PR.
  3. PRPHA will verify all reasonable accommodations requested through a certified medical practitioner. Generally, all accommodations are re-verified during the participant's annual recertification. PRPHA may extend the time which an accommodation is verified, if recommended/verified by the medical practitioner.
  4. A reasonable accommodation is a modification or change PRPHA can make to its offices, methods or procedures to assist an otherwise eligible applicant or participant with a disability to take full advantage of and use of PRPHA's programs, including those that are operated by other agencies in PRPHA-owned public space. **24 CFR § 8.20**
  5. An accommodation is not reasonable if it: **24 CFR § 8.21(b) and 24 CFR § 8.24(a)(2)**
    - a. Causes an undue financial and administrative burden; or
    - b. Represents a fundamental alteration in the nature of PRPHA's program.
  6. Subject to the undue burdens and fundamental alterations tests, PRPHA will correct physical situations in its offices or procedures that create a barrier to equal housing opportunity for all.
  7. To permit people with disabilities to take full advantage of PRPHA's housing program and non-housing programs, in accordance with Section 504 and the Fair Housing Amendments Act of 1988, PRPHA shall comply with all requirements and prohibitions in applicable law.
  8. Facilities and programs used by applicants and participants shall be accessible to persons in wheelchairs, persons with sensory impairments and other persons with disabilities. Application and administrative offices, hearing rooms, etc. will be usable by residents with a full range of disabilities. **24 CFR § 8.21**



9. Documents and procedures used by applicants and residents will be accessible for those with vision, hearing or other sensory impairments. Also, all documents will be written simply and clearly to enable applicants with learning or cognitive disabilities to understand as much as possible.

Examples of reasonable accommodations include, but are not limited to **24 CFR § 8.4**

- a. Making alterations to a PRPHA office or administrative facility to make it fully accessible so it could be used by a family member with a wheelchair;
- b. Permitting applications and reexaminations to be completed in an alternate setting when it is difficult for families to come to PRPHA offices because of a disability;
- c. Conducting home visits instead of requiring applicants and participants to come to PRPHA offices;
- d. Using higher payment standards (with HUD approval, if above 110 percent) if the PRPHA determines this is necessary to enable a person with disabilities to obtain a housing unit equivalent to those available to families without disabled members;
- e. Providing time extensions to locate a unit when needed because of lack of accessible units or special challenges of the family in seeking a unit;
- f. Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with PRPHA staff;
- g. Displaying posters and other housing information in locations throughout PRPHA's office in such a manner as to be easily readable from a wheelchair;
- h. Permitting a participant to move from an apartment that cannot be made accessible to an apartment that is or can be made accessible, even when most moves are not permitted;
- i. Widening the door of a PRPHA-owned community room or public restroom so a person in a wheelchair may use the facility;
- j. Intervening with a landlord so that he/she will permit a participant with a disability to make unit modifications as permitted by the Fair Housing Act.
- k. Making sure that PRPHA processes are understandable to applicants and participants with sensory or cognitive impairments, including but not limited to: **24 CFR § 8.6**
  - 1) Making large type documents, Braille documents, cassettes or a reader available to an applicant or resident with a vision impairment during interviews or meetings with PRPHA staff;
  - 2) Making a sign language interpreter available to an applicant with a hearing impairment during interviews or meetings with PRPHA staff;
  - 3) Permitting an applicant or participant to be accompanied or represented by a family member, friend or advocate at all meetings and interviews with PRPHA if the individual desires such representation;
  - 4) Permitting an outside agency or individual to assist an applicant with a disability to meet the PRPHA's applicant screening criteria; and



- 5) PRPHA staff may assist the client to complete PRPHA required request for reasonable accommodation forms.
10. An applicant family that has a member with a disability must still be able to meet essential obligations of program participation. They must be able: **24 CFR § 8.3**
  - a. To pay rent and other charges (e.g. utility bills) as required by the lease in a timely manner;
  - b. To care for and avoid damaging the unit and common areas;
  - c. To use facilities and equipment in a reasonable way;
  - d. To create no health, or safety hazards, and to report maintenance needs;
  - e. Not to interfere with the rights and peaceful enjoyment of others, and to avoid damaging the property of others;
  - f. Not to engage in prohibited criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or staff; and not to engage in drug-related criminal activity; and
  - g. To comply with necessary and reasonable rules and program requirements of HUD and the PRPHA.
11. An applicant or participant family with a member who has a disability and needs or wants a reasonable accommodation may request it at any time prior to a specified due date or prior to the termination or withdrawal of assistance. If at any point an applicant or participant needs assistance in completing PRPHA required documents, PRPHA staff may assist in this process. **24 CFR § 8.20**
12. If an applicant or participant would prefer not to discuss the situation with the PRPHA, that is his/her right.

G. Denial or Termination of Assistance

PRPHA's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation. **24 CFR 982.552 (2)(iv)**

1. When applicants with disabilities are denied assistance, the notice of denial must inform them of PRPHA's informal review process and the right to request a review. In addition, the notice must inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal review process. The process for requesting an informal review is outlined in this document.
2. When a participant family's assistance is terminated, the notice of termination must inform them of PRPHA's informal hearing process and their right to request a hearing and reasonable accommodation before the effective termination date.
3. When reviewing reasonable accommodation requests submitted before termination of assistance, the PRPHA must consider whether any verifiable mitigating circumstances explain and overcome the problem that led to PRPHA's decision to deny or terminate assistance. If a reasonable accommodation will meet the requirements, and not nor represent a fundamental alteration of PRPHA's program or cause an undue administrative and financial burden, PRPHA must make the accommodation. PRPHA cannot undertake actions that violate HUD regulations. This



would, by definition, cause a fundamental alteration in the nature of PRPHA's program.

#### H. Providing Information in Languages other than Spanish for persons with Limited Spanish Proficiency

1. For persons with Limited Spanish Proficiency (LSP), language can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the HCV program.
2. In certain circumstances, failure to ensure that LSP persons can effectively participate in or benefit from Federally assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin.
3. The PRPHA will take affirmative steps to communicate with people who need services or information in a language other than Spanish. These persons will be referred to as Persons with Limited Spanish Proficiency.
4. PRPHA's Procedure on Communication with Persons with Limited Spanish Proficiency describes the specific methods PRPHA will use to accomplish this policy.
  - a. Applicants and residents with low English comprehension may furnish an interpreter to assist in communication with PRPHA. When an applicant or resident needs interpretation services and a staff member of PRPHA speaks the language needed, the staff member will provide translation services.
  - b. In a courtroom, a hearing, or situations in which health, safety, or access to important benefits and services are at stake, the PRPHA will generally offer, or ensure that the family is offered through other sources, competent services free of charge to the LSP person.
  - c. The PRPHA will provide written translations of other vital documents for each eligible LSP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served. Translation of other documents, if needed, can be provided orally.

### **Section III General Administrative Provisions of Program Operation**

#### A. Privacy Rights of Clients

All adult members of applicant and participant families are required to sign the Federal Privacy Act Statement, HUD form 9886. This form is executed at admission and at any subsequent reexamination when a family member reaches the age of 18, or when an executed HUD Form 9886 is not in the participant file for any adult family member, which states the conditions under which HUD will release information. Requests for information must be accompanied by a written Release of Information Request signed by the applicable party for PRPHA to release any information involving an applicant or participant, unless disclosure is authorized under Federal or State law. PRPHA may release information requested by court subpoena.

Client information is confidential. Current and forwarding address information, and family members claimed in the household, will be released to law enforcement officials upon PRPHA obtaining official identification. To the extent permitted by law, owner information regarding program participation is confidential.



PRPHA is required to verify information on income, qualification for deductions from income and preferences. Such verifications shall be obtained as described in the **Procedure on Verification of Information**. All applicant and participant files are treated as confidential and handled in accordance with the **Procedure on File Security**.

B. Legal Jurisdiction of the PRPHA's Programs

PRPHA's area of operation is the entire Commonwealth of Puerto Rico, including overlapping jurisdictions with local municipalities operating Housing Choice Voucher programs.

C. Compliance with Federal Rules and Regulations

Issues not addressed in this document related to applicants, participants and owners are governed by the Department of Housing and Urban Development Code of Federal Regulations, HUD handbooks, memoranda, circulars, and notices, or other applicable law.

D. Records Retention

Files of former participants leaving no balance owed the program will be maintained for three years. Files of former participants leaving with a balance owed to PRPHA will be retained indefinitely until the balance is cleared, even if the balance has been written off. Litigation voucher participant and applicant files are retained indefinitely regardless of participation status.

E. Eligible Types of Housing

The following types of rental housing units may be assisted in the tenant-based Housing Choice Voucher Program (unless designated otherwise) depending on the needs of applicants and participants provided they pass Housing Quality Inspection, local code, and are rent reasonable:

1. Single family detached homes, duplexes, low-rise, garden apartments, condominiums, townhouses, high-rises, and other multi-family rental housing structures;
2. Manufactured homes in which the participant leases the mobile home and the pad;
3. Manufactured homes in which the participant owns the mobile home and leases the pad;
4. Independent Group Residences;
5. Congregate Housing; and
6. Single Room Occupancy Facilities.

Hotels, motels, nursing homes, college or school dormitories, other types disallowed by HUD regulations, or a unit occupied by its owner or a person with any interest in the dwelling unit (other than units in the HCV homeownership program, or approved Reasonable Accommodation request), are not eligible types of housing in the HCV program.

F. Continuously Assisted Families

An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance or was receiving assistance in the past six months under any 1937 Housing Act program when the family is admitted to the Housing Choice Voucher Program. As noted below, families being relocated from PRPHA's public housing have first priority for vouchers and qualify as continually assisted. In addition, families assisted





under the U.S. Housing Act (including all families occupying units in properties receiving Section 8 Housing Choice Voucher project-based assistance) are considered continually assisted. All such families are treated in the regulations (at **24 CFR § 982.203**) as “special (non-waiting list) admissions.”

When continuously assisted families face loss of housing assistance either because the owner of the property in which they live chooses not to renew a subsidy contract or because the property must be vacated for demolition, conversion to a new use, sale or total rehabilitation, such families may receive vouchers as continuously assisted families (and special non-waiting list admissions).

G. Management Assessment Objectives and Quality Control Monitoring

A. PRPHA operates its housing assistance program with efficiency and uses resources in a manner that reflects commitment to quality and service. PRPHA's policies and practices are consistent with the goals and objectives of the following HUD SEMAP indicators and any other such indicators as HUD's regulations are amended.

- a. Selection from the Waiting List
  - b. Rent Reasonableness
  - c. Determination of Adjusted Income
  - d. Utility Allowance Schedule
  - e. HQS Quality Control Inspections
  - f. HQS Enforcement
  - g. Expanding Housing Opportunities
  - h. FMR/Exception Rent & Payment Standards
  - i. Annual Recertifications
  - j. Correct Tenant Rent Calculations
  - k. Pre-Contract HQS Inspections
  - l. Annual HQS Inspections
  - m. Lease-up
  - n. Family Self-Sufficiency Enrollment and Escrow
  - o. Deconcentration Bonus Indicator
2. In order to demonstrate compliance with HUD and other pertinent regulations, PRPHA will maintain records, reports and other documentation for a time that is in accordance with HUD requirements and in a manner that will allow an auditor, housing professional or other interested party to monitor PRPHA's operational procedures and practices objectively and accurately.
3. In addition to the SEMAP factors above, to ensure quality control, supervisory staff perform random audits of all Housing Choice Voucher Program actions.
4. PRPHA shall routinely exceed the number and percentage of quality control monitoring actions outside of SEMAP by reviewing staff member's work to regularly check for accuracy and compliance with both HUD program regulations and guidance and this Administrative Plan.



5. PRPHA will use the results reported in any Independent Public Accountant (IPA) or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of PRPHA's error detection and abuse prevention efforts. In addition, PRPHA will use this information to design and target training to prevent future errors.
6. PRPHA will review all referrals, specific allegations, complaints and tips from any sources, including other agencies, companies and individuals, to determine if they warrant investigation. In order for PRPHA to investigate, the allegation must contain at least one independently verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

#### H. Outreach to Eligible Families, Affirmative Marketing

PRPHA reserves the right to open or close the waiting list based on the supply of available vouchers and applicants and in accordance with its **Procedure on Opening and Closing the Waiting List**. PRPHA publicizes and disseminates information concerning the availability and nature of housing assistance to income eligible families.

To reach families from all backgrounds, PRPHA advertises through a wide variety of sources including: daily and local newspapers, minority media, service agencies, and broadcast media. See PRPHA's **Procedure on Affirmative Marketing**.

#### I. Owner Outreach

1. Outreach to property owners is conducted on an ongoing basis to develop interest in the program and to increase the number of units available in low-poverty areas. On a continuing basis, PRPHA welcomes the participation of owners of decent, safe, and sanitary housing units.
2. PRPHA continually makes personal contact with private property owners, property managers, and real estate agencies. Program requirements are explained, and printed material is offered to acquaint the owner with opportunities available through the program. PRPHA maintains a list of interested property owners and units available for the program, and prospective owners are sent an information packet. Upon receipt of an owner listing, the unit information is recorded in an automated database and made available to all applicants and participants, although PRPHA does not represent that the unit or owner will be eligible to participate in the program. Listings may be automatically removed from the listing within 90 days.
3. PRPHA will attempt to contact and encourage local property owners with units specially designed or adapted for persons with mobility impairments and other disabilities and those who may be willing to adapt units to participate in the program. Whenever a property owner makes a unit available for the program, PRPHA will inquire as to whether the unit is accessible and the extent of the accessibility.

#### J. Owner Outreach in Low Poverty Areas

PRPHA encourages program participation by owners of units located outside areas of poverty or minority concentration. PRPHA periodically evaluates the demographic distribution of assisted families as it relates to HUD and Census data to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide better housing opportunities to families. Voucher holders are informed of the full range of areas where they may lease units inside PRPHA's jurisdiction.



PRPHA supports families to move from high poverty neighborhoods to low poverty neighborhoods.

PRPHA provides the following to Housing Choice Voucher holders:

1. Information on general locations and characteristics of neighborhoods, for example: medical facilities, schools, etc.
2. A list of available properties/owners is on-line at [www.clasificados.com](http://www.clasificados.com) and/or upon request.
3. A description of portability provisions available in the Housing Choice Voucher program.
4. A map that identifies areas of low poverty and minority concentrations in Puerto Rico.

K. The Family Self Sufficiency Program

The Family Self Sufficiency (FSS) program coordinates the delivery of assisted housing with existing supportive services such as medical assistance, education, job counseling, job training, childcare and transportation. Families that do not complete their FSS program goals are eligible to re-enroll in the FSS Program if resources and FSS slots are available. (For further information, please see PRPHA's FSS Action Plan)

L. The Homeownership Program

Policies related to PRPHA's Home Ownership Program are included in a separate document, entitled, **HOMEOWNERSHIP PLAN**, and incorporated in this Plan.

M. The Project-Based Assistance Program

PRPHA reserves the right to implement and modify as needed a Project Based Assistance program, utilizing up to the maximum HUD-approved number of PRPHA project based vouchers. For detailed information regarding the Project Based Assistance Voucher Program, please see the Section IX of this Administrative Plan and the **Procedure on Project Based Programs**.

#### **Section IV. Admission Standards**

Applicants must meet basic eligibility requirements listed below at the time of selection from the Waiting List; otherwise, the Applicant shall be determined ineligible and removed from the list. Applicants determined ineligible shall be entitled to an informal review of their file if they request such review as described in this Administrative Plan.

A. Eligibility Criteria

1. Income Eligibility:

A Family is eligible for assistance under the Housing Choice Voucher Program if, at the time they receive assistance, the Family meets one of the standards listed below:

- a. Has been continuously assisted under the 1937 Housing Act if the family is already receiving assistance or was receiving assistance in the past six months under any 1937 Housing Act program at the time of application.
- b. Qualifies as a Very Low-Income Family (including Extremely Low-Income) under HUD'S approved Income Limits; and



- c. Qualifies as a Lower Income Family (other than Very Low-Income) and is displaced by Development activities assisted under section 17 of the 1937 Housing Act (**42 U.S.C.**);
- d. Qualifies as a Low-Income Family and is elderly, disabled, homeless, living in substandard or overcrowded housing, or is severely rent burdened (paying 50% or more of household income towards rent)

## 2. General Eligibility:

PRPHA shall consider all Applicants for admission who, at the time of eligibility determination, meet all of the following conditions and requirements established by HUD:

- a) Family: 1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person;
  - 2) A group of persons residing together, and such group includes, but is not limited to:
    - a) A family with or without children. A child temporarily absent from the home due to placement in foster care must be considered in determining family composition and size. A family that consists of a pregnant woman only, and no other persons, must be treated as a two-person family.
    - b) An elderly family, which is defined as a family whose head, co-head, spouse, or sole member is at least 62 years of age. It may include two or more persons, each of whom are at least 62, living together; or one or more persons who are at least 62 living with one or more live-in aides.
    - c) A near-elderly family, which is defined as a family whose head, co-head, spouse, or sole member is at least 50 years of age but below the age of 62; or two or more persons, each of whom are between the ages of 50 and 62, living together; or one or more persons who are between the ages of 50 and 62 living with one or more live-in aides.
    - d) A disabled family, which means a family whose head, co-head, spouse, or sole member, is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.
    - i) A person with disabilities means a person who: (1) Has a disability as defined in 42 U.S.C. § 423(d)(1); (2) Has a physical, mental or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes his or her ability to live independently, and is of such a nature that ability to live independently could be improved by more suitable housing conditions; or
  - 3) Has a developmental disability as defined in 42 U.S.C. § 15002(8) (formerly codified in 42 U.S.C. § 6001).
  - e) A displaced family, which is a family in which each member or the sole member is a person displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under Federal disaster relief laws.
  - f) A remaining member of a tenant family, which is a family member of an assisted tenant family who remains in the unit when other members of the family have left the unit.
- b) Income: The Family's Annual Income must be documented and may not exceed the HUD determined Income Limits for the Family size.
  - c) Citizenship or Eligible Immigration Status: PRPHA shall provide housing assistance to United States citizens and eligible non-citizens. A household with at least one ineligible member is considered a "Mixed Family." At least one Family member must be a documented U.S. citizen or eligible non-citizen. The subsidy standard shall be based on the actual household member(s) and the housing assistance payment (HAP) will be prorated to assist only the eligible members of the Family.



- 1) Families must provide the following documents for each member as evidence of citizenship or eligible immigration status:
  - a) A written and signed Declaration for each Family member;
  - b) A United States passport; or
  - c) Birth Certificate or Certificate of Naturalization and/or other approved documentation.

2) Non-Citizen

- a) A written and signed Declaration for each Family member;
- b) A signed Verification Consent Form; and
- c) One of the original U.S. Immigration and Naturalization Service's documents listed on the Declaration.

d) Documentation of Full-Time College Students of Non-Parental/Guardian Households

1) PRPHA shall provide assistance to independent Full-Time College Students of legal age or an emancipated minor under state law that meet the following criteria as stated in **PIH Notice 2005-16**:

2) Each college student within a household must provide a written/signed certification that the student does or does not anticipate receiving financial support from the student's parent(s) or guardian(s) and the amount of support;

3) The college student must have established a household separate from his/her parents or legal guardians for at least one year prior to applying to the housing choice voucher program and must provide evidence of separate households by supplying the address information that predates the student's application by a minimum of one year;

4) The college student must not be claimed as a dependent by parent(s) or legal guardian(s) on their Federal, state or local income tax return; and

The college student must be income eligible.

B. Criminal History Check

PRPHA shall obtain a criminal background check for every member of the applicant's family age 18 and older. As required by Federal law, PRPHA shall ensure that no member of the family has engaged in recent violent criminal activity that threatened the safety of the public, or in drug-related criminal activity. **Subsequently, the criminal history background will be check annually.**

PRPHA shall not approve admission of applicants with criminal backgrounds whose presence may compromise the health, safety, welfare and/or peaceful enjoyment of the housing by other residents or participants.

PRPHA may deny admission for criminal activity by a household member as authorized in this section if PRPHA determines, based on a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity. **and once the sentence is final by the court or, has reached an agreement.**



If PRPHA intends on denying admission for criminal activity as shown by a criminal record, PRPHA will provide the applicant with a copy of the criminal record of the subject of the records. The family will be given an opportunity to dispute the accuracy and relevance of the record, in the informal review process.

To avoid admitting such applicants with criminal history, PRPHA shall examine the activity of all adult members of the applicant's family prior to the date of the admission into the program. PRPHA shall take reasonable steps to ensure that neither the applicant nor any member of the applicant's household who will be included on the lease meet any of the following:

1. Persons evicted from Federally assisted housing because of drug related criminal activity are ineligible for admission to the HCV program for a period of 5 years from the date of such eviction;
2. If any household member is currently engaged in the use of illegal drugs, the family will be denied assistance. Currently engaged is defined as the use of illegal drugs during the previous six months.
3. If any household member's current use or pattern of use of illegal drugs or pattern of abuse of alcohol may threaten the health, safety or right to peaceful enjoyment of the premises, assistance will be denied. This requirement may be waived if the family demonstrates to PRPHA's satisfaction that the household member no longer engages in the illegal use of the controlled substance(s). This waiver is not available to individuals engaged in selling, producing, or manufacturing illegal substances. This requirement also may be waived if the family demonstrates to PRPHA's satisfaction that the household member no longer abuses or misuses alcohol and:
  - a. has successfully completed a supervised alcohol rehabilitation program licensed and approved by the Government of Puerto Rico or another state; or
  - b. is participating in a supervised alcohol rehabilitation program
4. If any household member has engaged in drug related criminal activity, violent criminal activity or arrested or convicted for the illegal possession, or use of a firearm or aggravated assault weapon within the past 5 years, the family will be denied assistance
5. If any household member has been convicted for criminal activity within the past 5 years that may threaten the health, safety or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate area, the family will be denied assistance
6. If any household member has been or convicted for criminal activity within the past 5 years that may threaten the health or safety of property owners, management staff, PRPHA employees or their contractors, subcontractors or agents the family will be denied assistance
7. If any household member may have engaged in or threatened abusive or violent behavior toward PRPHA employees or their contractors, subcontractors or agents, the family will be denied assistance
8. Assistance will be denied permanently for any of the following:
  - a. Manufacture or production of methamphetamine
  - b. Subject to registration as a sex offender
  - c. Convicted of arson

C. Other Admission Requirements – Fraud

No household member may have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal, state or local housing program.



D. Other Admission Requirements - Debts Owed to PRPHA

1. Applicants to the Section 8 Housing Choice Voucher Program must be free of any debts to PRPHA or another housing authority before being admitted to the program.
2. Families participating in PRPHA rental assistance programs may not be indebted to PRPHA or another housing authority as a result of unreported income, overpaid assistance, utility reimbursement over-subsidy, vacancy loss, damages, and/or unpaid rental claims. In some instances, applicants and participants may be permitted to repay their debt in installments, but applications will not be considered until the debt is fully repaid.

E. Family Composition

Family Composition is an important component of program eligibility as it is a key factor in determining the bedroom size of the voucher and the corresponding payment standard applied to determine the level of subsidy to which the family is entitled.

Eligibility is based on the members included on the application. All adult members must appear in person with photo identification.

1. At admission, the Family may add one eligible adult member to the household, who was not listed on the application. Additional adult members that are not identified at the time of the application will not be considered as members of the assisted household unless they were minors at the time of application who have become adults while on the waiting list. Children or adults added by birth, adoption or court awarded custody between the time of application and admission will be added to the household when verification of the birth, adoption or court awarded custody to a family member listed on the application is provided to PRPHA.
2. All individuals added to the household are subject to HUD's eligibility and PRPHA's standards. PRPHA will approve a one-time addition of adults to a client family even if the addition will increase the voucher size for which the family qualifies, but not if the adults do not pass the criminal history screening. Additional disabled or elderly adults awarded custody by the courts that pass the criminal history screening may be added to the voucher.
3. The Assisted Housing Programs Director or his/her designee, shall review requests for additions to the household that are not described in the paragraph above to ensure additions are within PRPHA's policy. PRPHA will provide the Head of Household with written notification of the determination within fourteen (14) calendar days of the Family's request. Families denied the opportunity to add an individual to their household will be provided with the reason for denial.

**Live-in Aides**

1. PRPHA's decision about whether to permit the addition of a Live-in Aide to a voucher household shall be based upon verification that:
  - a. The person to be assisted by the live-in aide qualifies as an Individual with a disability as defined at **24 CFR part 8.3**; and
  - b. A qualified medical practitioner verifies that the live-in aide is needed because of the disability; and



- c. The individual proposed as the Live-in Aide possesses the skills and ability needed to provide the services needed by the person with a disability as verified by the qualified medical practitioner.
  - d. PRPHA shall notify the Family of the decision to approve or deny the Live-in Aide in writing within fourteen (14) business days from the date all required documentation is provided
2. The Family and Live-in Aide will be required to submit a certification that the Live-in Aide is (1) not obligated to support the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.
3. Under this HUD definition, a person already residing in the unit (such as a spouse, boyfriend or girlfriend) cannot be a live-in aide (since they are living in the unit anyway).
4. A live-in aide cannot have another place to live since he/she is verified to be necessary to provide care on a live-in basis and is supposed to live in the unit. A live-in aide may have a job outside the assisted unit if the disabled individual's qualified medical practitioner certifies that the outside employment will not affect the care and services to be provided to the person assisted.
5. Live-in Aides are required to attend the annual recertification appointments with the Head of Household and PRPHA must determine annually the eligibility of the household for a Live in Aide.
6. Although family members may be qualified to perform the services needed by the individual with disabilities, a live-in aide will not be considered as a family member on the voucher, his/her income will not be counted for eligibility or rent purposes, and the live-in aide cannot receive the voucher as a "remaining member of a tenant/client family."
7. The Live-In Aide must meet PRPHA's screening criteria. Further, the live-in aide must not currently owe rent or other amounts to PRPHA or any other housing authority in connection with any HCV or Public Housing programs.

### **Family Composition During Participation**

1. PRPHA will permit the addition of minors who are born to or adopted by a family member listed on the lease and voucher, or when a court awards custody or other approved certified custody/guardianship documents to a family member listed on the lease and voucher although such additions to the family must be reported within 30 calendar days of occurrence;
2. PRPHA will permit the addition of adult family members to the family even if such addition will increase the voucher size for which the family qualifies.
3. PRPHA shall review the composition of the household at each annual recertification. If the addition of a family member results in overcrowding (more than two persons per living/sleeping room) PRPHA will notify the Head of Household of the need to move and issue the Family another Housing Choice Voucher at the termination of the family's lease.
4. The standards applicable to adding a Live-in Aide to the household (who is, by definition a household member but not a family member) during the family's participation are the same as those listed under "Family Subsidy Standards at Admission."

### **General Eligibility**





### **Remaining Family Member**

1. Under certain circumstances the original Family composition may be altered when the Head of Household leaves the unit. A Remaining Family Member, as defined by HUD, is an adult Family member already in the household at the time the Head of Household permanently leaves the household. A Live in Aide cannot be a Remaining Family Member as the Aide is a household member, not a family member.
2. If the Head of Household dies, or otherwise permanently leaves the household for any reason unrelated to criminal activity or incarceration, and there is another eligible adult Family member capable of assuming the Head of Household position, the voucher assistance will pass to that Remaining Family Member, who will then become the Head of Household.
3. When the Head of Household leaves the unit because of criminal activity or incarceration, PRPHA may terminate assistance, without permitting another family member to take over the voucher.
4. If there are more than one qualified remaining Family members, the Family may designate any qualified Family member as the Head of Household. The Head of Household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as Head of Household.
5. Whenever an adult family member takes over the position of head as the remaining family member, he or she becomes responsible for any debts to the owner or PRPHA incurred by the previous head.
6. If the head of household dies or leaves the household permanently, the remaining family members must report this fact to PRPHA in writing within 10 days after the head of household's departure.
7. PRPHA will not permit adults not formerly members of the household to join the household simply to become the remaining member of a tenant family

### **Temporary Absence of Head of Household**

1. If the Head of Household is temporarily absent from the home due to illness requiring hospitalization, nursing home confinement, or employment outside the local area, including military service, HAP will be provided for a maximum of 90 days. The absent Head of Household's income will continue to be counted and the Family will be responsible for their portion of rent to the Landlord for the 90-day period. If the Head of Household is unable to return to the Housing Choice Voucher Program assisted unit after the 90-day period, PRPHA will no longer consider the absent Family member the Head of Household and the Family may utilize the provisions of section G.
2. An exception will be considered for the benefit of minor children where there is no eligible remaining Family member that has the legal capacity to enter a lease under state and local law. If there is another eligible adult that was not previously a member of the household who is available to move into the unit and assume the role as Head of Household, PRPHA may consider the addition of this adult as the Head of Household. The adult assuming the role as Head of Household must assume legal custody or kinship care of the minor children. The newly designated Head of Household must meet PRPHA's eligibility standards and their income will be used to determine the Family's share of housing assistance. For the benefit of the minor children, the newly designated Head of Household may assume permanent status as Head of Household if the initial Head of Household is unable to return to the unit and grants written authorization. In such cases, the initial Head of Household's claim to Section 8 Housing Choice



Voucher Program assistance is lost. The new Head of Household would assume any outstanding debt incurred by the former Head of Household.

### **Separation or Divorce**

In cases of divorce or separation under a settlement or judicial decree, PRPHA shall follow a court's ruling in determining which Family members continue to receive Section 8 Housing Choice Voucher assistance. In cases where no settlement or judicial decree exists, PRPHA will:

1. Grant the voucher to the Family member who retains custody of the minor children or who cares for Disabled Family members;
2. Grant the voucher to the Family members forced to leave a unit as a result of actual or threatened physical violence against Family members by a spouse or other Family members of the household;
3. Grant the voucher to the Family member that provides housing for the minor children 51% or more of the time in the case of joint custody.
4. PRPHA will not grant both parents of minor children a voucher.

### Public Housing and Former Program Participants

Applicants moving from PRPHA public housing developments shall be screened using the same procedures as applicants from the waiting list. Additionally, the record of former Section 8 Housing Choice Voucher participants will be researched for possible program violations. The following violations within the past 5 years are grounds for denial of admission:

1. While participating in the Section 8 Housing Choice Voucher Program, the family violated any family obligation, as set forth in **24 CFR 982.551**, as amended. An exception may be granted if the family member who violated the family obligation is not a current member of the household and to families who were removed from the program for an expired voucher and zero HAP for over 180 days.
2. No family member may have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
3. The family must have paid any outstanding debt owed PRPHA or another housing authority as a result of prior participation in any federal housing program.
4. Applicants cannot have debts with Child Support Agency (ASUME) or CRIM (Municipality house taxes). Nevertheless, updated installment agreements are accepted.
5. Families entering the Section 8 Housing Choice Voucher Program from PRPHA conventional housing programs must be in good standing under the terms of PRPHA lease. The rent and other payments due under the lease must be current, and there must be no evidence of lease violations that would constitute grounds for termination.
6. Families assessed a debt to PRPHA prior to Section 8 Housing Choice Voucher HAP being executed on their behalf will be required to pay the PHA debt in full.
7. No Family member may have been evicted from public housing for non-payment of rent during the past 5 years.
8. No Family member may have engaged in or threatened abusive or violent behavior toward PRPHA personnel during the past 5 years.



## **Section V. Admitting Applicants to the Voucher Program**

### A. When Applications are Accepted

Applications for the Section 8 Housing Choice Voucher Program are accepted periodically when the number of applicants already on the waiting list are insufficient to fill projected slots in the coming 12 months. Specific dates, times and locations for accepting nonpreference applications are announced by public notice in area newspapers, and posted in PRPHA Administrative and Regional Offices.

### B. How the Waiting List is Organized

PRPHA maintains a separate waiting list for each of its nine Regional offices. An applicant may only be on one of the nine Regional office waiting lists. PRPHA will order each Regional list of applicants by date and time of receipt of a complete application and according to PRPHA Local Preferences.

Project-based voucher properties that were developed using Low Income Housing Tax Credits will have separate waiting lists, maintained jointly by PRPHA and the property owner at the property. Continuously assisted persons being relocated from public housing properties shall have first preference for admission to PBV properties. Individuals on a Regional HCV waiting list may also apply for admission to Project-based voucher properties.

While individuals/families may apply for any project-based lists that are open, when they accept an offer at any such property, their applications, if any, will be withdrawn from other PRPHA maintained HCV waiting lists.

### C. The Application

The application constitutes the basic record of Applicants applying for admission; therefore, applicants must supply complete and true information. The application and all other materials relating to the Applicant's eligibility will be placed and retained in the Applicant's file.

### D. Opening the Waiting List

PRPHA will open the HCV Waiting List as needed to ensure that there are sufficient applicants for 12 months. In addition, PRPHA may open the list to target only admissions for categories of Families that meet specific preferences or funding criteria. PRPHA may limit the number of applications accepted for targeted admissions in order to meet program objectives. PRPHA may target information about this limited opening to individuals in the qualifying groups.

### E. Completion of Applications

1. Applications for the Housing Choice Voucher Program may be taken electronically, by telephone, or at designated PRPHA facilities. The application or pre-application constitutes the basic record of Applicants applying for admission; therefore, PRPHA shall only accept complete applications. The application, together with all other materials relating to the Applicants' eligibility, shall be placed in the Applicants' file.
2. Applicants who need assistance in completing their applications or who need an alternative method of communication because of a disability will be provided with such assistance or alternative communication method upon request. The alternate method will be described in the advertisement of the opening of the waiting list.



#### F. Continuously Assisted Families/ "Special Admissions"

Certain families are issued vouchers or project-based voucher units, outside the context of the waiting list. These families:

1. Are being relocated from PRPHA's public housing properties or Low Income Housing Tax Credit properties in which PRPHA is participating that are being demolished, undergoing substantial capital improvements, modernization, or rehabilitation or change in use, or who are being relocated pursuant to agreements already in place between PRPHA and the tax credit property ownership entity; or because a unit that is the right size for their family is unavailable; or
2. Have lost assisted housing or are about to lose assisted housing because a private owner receiving project-based Section 8 Housing Choice Voucher assistance opts out of, chooses not to renew the HAP contract or fails quality inspections, requiring that their HAP contract be cancelled, or reduce the number of units; or
3. Are receiving assistance in a Section 8 Housing Choice Voucher SRO program and the owner of the program fails inspections, intends to opt out, not renew, or reduce the program size.

A family qualifies for one of these vouchers when they receive notice that they will have to move for one of the reasons cited above. Eligible families will be issued vouchers in an order based on date on which they receive notice to move.

Generally, PRPHA will receive replacement housing vouchers to assist these families, but if the process of obtaining these vouchers is delayed, the families will be issued vouchers to prevent them from becoming homeless.

#### G. Administration of the Waiting List

##### 1. Organization of the Waiting List

At a minimum, the HCV Waiting List will include the following information:

- a. The Applicants' name, address, phone number;
  - b. The names, relationship to head, sex and age of family members who will live in the assisted unit;
  - c. The number of bedrooms for which the Family initially qualifies in accordance to PRPHA occupancy standards;
  - e. Qualification for any local preferences, if applicable; and
  - f. Racial and ethnic designation of the Head of Household.
- ##### 2. Suspension of Applications

PRPHA reserves the right to suspend accepting HCV applications when it determines that the waiting list is of such size and wait time that it is unreasonable to continue adding applicants to the housing vouchers waiting list. Such suspension will be declared by the PRPHA Administrator/Deputy Administrator, or his designee and announced publicly. PRPHA may also close the Waiting List for administrative purposes. During such periods, PRPHA may continue to accept applications from Applicants qualifying for targeted funding for specific programs or specific admission preferences.

#### H. Selection from the Waiting List: The HCV Program



Applicants added to the HCV Waiting List will be selected in the following order, unless advertised according to non-preference, so long as available funding permits re-issuance of turnover vouchers. Verifications of preferences shall be obtained as described in the **Procedure on Verification of Information**. PRPHA reserves the right to select applicants from its waiting list based on a percentage share of preference and non-preference admissions:

1. Families involuntarily displaced from their current housing due to governmental action or federally designated natural disaster. This preference includes families whose housing assistance provided by Federal Emergency Management Agency (FEMA) is ending. Families qualifying for this preference shall have first priority over all other Families applying for housing. *A family that has been evicted or displaced for nonpayment of the rent may not be considered as involuntarily displaced and may not be eligible for the program.*
  - a. Governmental Action is defined as: Subject to (1) Federal, state or local government action related to code enforcement, public improvement or development; or (2) because of conversion of the applicant's housing unit to non-rental or non-residential use, due to ending of Federal aid; or (3) closure of the unit for rehabilitation or other government use. Also due to HUD disposition of a multifamily, project under Section 203 of the Housing and Community Development Amendments of 1978.
  - b. Natural Disaster is defined as: A family that has been involuntarily displaced due to a natural disaster. *Involuntary displacement* is defined as being required to vacate the housing unit as a result of a natural disaster that has caused the unit to be uninhabitable. A *natural disaster* is defined as an event or force of nature that has catastrophic consequences, such as avalanche, earthquake, flood, fire, hurricane, lightning, tornado, or tsunami. Homes destroyed by fire not caused by a natural disaster do not qualify for this preference. Affected families must be certified by the Federal Emergency Management Agency (FEMA), the Puerto Rico Emergency Management Agency by a federal declaration of State of Emergency, or by a declaration of Emergency by the Governor of Puerto Rico prior to qualifying for this preference category.
  - c. Qualifying families must meet all other program eligibility requirements prior to being admitted to the program.
2. Families referred by Federal or local law enforcement agencies who have been a witness to a crime or have provided information on criminal activities to a law enforcement agency and recommends re-housing the family to avoid or reduce risk of violence against the family.
  - i. The family must be part of the Witness Protection Program or similar program. They must certify to this PHA that they are receiving services and establish the needs of re-housing to avoid the risk of violence against the family. A Judicial Order is not enough to qualify for this preference.
  - ii. At the request, the family cannot be receiving other federal housing assistance or similar program.
3. Families with a disabled member at least 18 years old and less than 62 years old who are:
  - a. Transitioning out of institutional and other segregated settings; or



- b. At serious risk of institutionalization; or
    - c. Previously experienced homelessness and currently a client in a permanent supportive housing or rapid rehousing project.
  4. In response to a written request to the applicant from PRPHA, the victims of domestic violence, dating violence, sexual assault, or stalking occurred and meets the definition of "domestic violence," "dating violence," "sexual assault," or "stalking" in HUD regulations at 24 CFR §5.2003 will submit any one of the following forms of documentation:
    - a. The HUD Form 5382, *Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, and Alternate Documentation*.
    - b. A document signed by an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, "professional") from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse; signed by the applicant and specifies, under penalty of perjury, that the professional believes in the occurrence of the incident of domestic violence, dating violence, sexual assault, or stalking that is the ground for protection and remedies under this subpart, and that the incident meets the applicable definition of domestic violence, dating violence, sexual assault, or stalking under [§ 5.2003](#); or
    - c. A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or
    - d. At the discretion of a covered housing provider, a statement or other evidence provided by the applicant or tenant.
  5. Applicants that do not meet any Admissions Preferences will be consider non-preference applicants.
  6. Within each group, applicants will be processed in date and time order.
  7. A family that has been evict or displace for nonpayment of the rent may not be consider as involuntarily displaced and may not be eligible for the program.

Applicants applying for or qualifying for a specific category of special use vouchers (e.g. Veterans Administration Supportive Housing [VASH] or Family Unification Program [FUP], or Mainstream or Homeownership) may be selected ahead of higher placed Applicants on the HCV Waiting List that do not qualify for the targeting funding.

The final determination of eligibility is made when the Applicants are select from the HCV Waiting List and the Applicants income and Family composition is verified.

1. Documentation to Determine Eligibility: All adult members of Applicant families are required to sign HUD's Form 9886, Authorization to Release Information Privacy Act Notice and disclose the social security number and card for each Family member. If a social security number has never been issued for a Family member, the member must obtain a social security number. The parent or guardian of a child or disabled adult must sign a certification statement for each person.



2. If a Family member does not have the original Social Security card issued by the Social Security Administration, PRPHA will accept photo identification and verification of the number from the Social Security Office. An original award letter from the Social Security Administration can be used for this purpose. PRPHA may accept a written document stating the person's name and a declaration from the person stating why they cannot obtain their Social Security card and what their SSN is.

I. Income Targeting Requirement

In accordance with Income Targeting requirements established by HUD, seventy-five percent (75%) of the new admissions to the Section 8 Housing Choice Voucher Program each year from the waiting list will have incomes at or below thirty percent (30%) of the area median income (extremely low-income applicants).

These applicants will be selected before other eligible applicants on an as needed basis to ensure the income-targeting requirement is met.

It is not anticipated that it will be necessary to skip higher income families on the waiting list to achieve federally mandated income targeting requirements because the majority of families on the waiting list are extremely low income families. An exception may be made for applicants that are currently assisted within the Voucher Program, wishing to be admitted to another special program.

Non-waiting list admissions are not subject to income targeting requirements. This would include continuously assisted families displaced from public housing, families issued vouchers because of project-based program REAC failures or owner opt outs, etc.

J. Determination of Ineligibility and Informal Review

1. Review for Determination of Ineligibility: PRPHA shall notify all Applicants found ineligible for assistance that they have been denied assistance. Applicants shall be notified in writing of the reason(s) for the determination and the right to request an Informal Review of the determination. Upon request, Applicants will be allowed to review a copy of relevant documentation regarding the determination.
  - a. Applicants who wish to contest a denial of assistance shall have the opportunity to submit information and evidence to the Regional Supervisor and/or his/her designee for an Informal Review of the denial determination. An informal review does not involve a hearing – it is a review of the material in the applicant's file to ensure that a correct decision (based upon the material submitted by the applicant) about the applicant's status has been made.
  - b. The request for an Informal Review must be made in writing within ten calendar days from the date of the written denial of assistance. An Applicant that fails to request the Informal Review within ten calendar days will be ineligible for a review and the denial shall stand. The Informal Review shall be scheduled within thirty calendar days of the Applicant's request.
  - c. The Regional Supervisor or his/her designee shall conduct the informal review of the file, and any additional information presented by the Applicant for consideration.
  - d. The outcome of the Informal Review shall be recorded in the Applicant's file. If it is determined that the Applicant is eligible, the Family's name will be placed



on the Section 8 Housing Choice Voucher Waiting List without loss of position during the period of ineligibility, or issued a voucher, whichever is appropriate. The Regional Supervisor will notify the Applicant of the outcome, in writing, within fourteen (14) calendar days after the Applicant's review.

2. Reviews for Applicants after the Issuance of a Voucher: The Regional Supervisor or his/her designee will review matters presented by Applicants who have been issued vouchers when no HAP has yet been paid on their behalf.
3. Matters Not Subject to Informal Review by Applicants: PRPHA shall not grant file reviews for matters to:
  - a. PRPHA's discretionary administrative determinations or to consider general policy issues or class grievances;
  - b. PRPHA's determination of Family's unit size under PRPHA subsidy standards;
  - c. PRPHA's determination not to approve leasing a unit under the Section 8 Housing Choice Voucher Program, or approve a proposed lease;
  - d. PRPHA's determinations that unit selected does not comply with HQS;
  - e. PRPHA's determination that a unit selected is not in accordance with HQS because of the size of the Family;
  - f. PRPHA's refusal to extend Families' voucher past the maximum time allowed under PRPHA policy;
  - g. PRPHA's determination of rent reasonableness;
  - h. PRPHA's schedule of utility allowances; and
  - i. PRPHA's decision not to approve a unit or tenancy.
  - j. Applicant's failure to attend one of two scheduled briefings.

PRPHA is not bound by any decision that conflicts with HUD regulations or PRPHA policy. The Assisted Housing Programs Director or his/her designee, may review all decisions to ensure compliance with HUD regulations and PRPHA policy.

If PRPHA determines that it is not bound by a review decision, PRPHA shall promptly notify the applicant of the determination, and the reasons for the determination.

#### K. Briefing and Issuance of Vouchers

PRPHA briefs all Families entering the Section 8 Housing Choice Voucher Program for the first time, relocating Families, and Families porting into Puerto Rico.

1. Conducting a Briefing: Briefing attendance is mandatory. Applicants/participants will receive written or telephone notification of the date, time and location of the scheduled briefing. Applicant must call or email 24 hours prior to the scheduled briefing to reschedule. A maximum of two (2) appointments shall be granted per applicant/tenant. Any Applicant that does not attend one of the two sessions shall have his/her application withdrawn. Applicants whose applications are withdrawn are not entitled to an Informal review. Briefings may be conducted in group sessions or individually.

PRPHA may conduct individual briefings as a reasonable accommodation if needed by persons with disabilities.





In limited circumstances, PRPHA may notify applicants via telephone of the required briefings. In such circumstance, the file will be documented to indicate when the oral notification was made, the person who made the oral notification, the number contacted, the person contacted, and the reason for the oral notification. Applicants who were not reachable when oral notification was attempted will not be withdrawn from the wait list.

PRPHA may hold a combined briefing and voucher issuance session. Families must continue to be eligible (including income eligible) at the time the voucher is issued.

2. Briefing Information: In addition to the HUD-required information provided during the briefings, PRPHA strongly encourages Section 8 Housing Choice Voucher Families to seek housing in non-poverty areas by providing:
  - a. information or access to the addresses of units available to Section 8 Housing Choice Voucher Families, as well as the Landlords' name, and telephone numbers;
  - b. information on individual units available for lease;
  - c. information on neighborhood amenities, including information on schools, health care and public transportation; and
  - d. counseling to Families on program matters, and in instances of alleged program discrimination.

L. The Term of Vouchers

Vouchers expire 60 days from the date of issuance. PRPHA may extend the voucher term for an additional 60 days so long as the regional rental market is tight and/or the family provides a log that documents that it is unable to locate a unit.

Applicants/participants in the Veterans Assisted Supportive Housing (VASH) and actively searching for housing will be given one hundred twenty (120) days to find suitable housing.

Families shall be considered successful in their housing search should they submit a Request for Tenancy Approval (RFTA) prior to the expiration date on the voucher. The Family may submit only one RFTA at a time. Once the documents are accepted, PRPHA shall suspend (i.e., toll) the term of the Family's voucher. Should the Family be required to resume their search for housing (e.g., because the unit selected fails inspection or the property owner does not agree to a reasonable rent), the Family shall be allowed to resume their search for housing using the remainder of the time left on the voucher.

The voucher shall be withdrawn if the Family fails to lease suitable housing during the term of the voucher. Expiration or withdrawal of a voucher does not preclude the Family from completing a new application for the HCV Waiting List, when the waiting list is open.

## **Section VI. Payment and Subsidy Standards**

PRPHA shall determine the Family's unit size in accordance with HUD regulations.

A. Payment Standards

1. PRPHA will establish program Payment Standards by balancing the competing needs of setting Payment Standards as low as possible to assist as the highest number of Families within available funding, while still setting the Standards high enough to ensure that Families can find and lease housing in non-impacted neighborhoods. PRPHA will



establish the payment standards between 110 percent and 90 percent of HUD's Fair Market Rent standard. PRPHA may request approval of a higher Payment Standard from HUD when it can demonstrate that a higher Payment Standard is needed for families to be housed in all or part of the jurisdiction.

2. **Decrease in PS amount during the HAP contract term:** the Housing Opportunity through Modernization ACT of 2016 (HOTMA) establishes the option of; No PHA is required to reduce a family's payment standard based on a reduction in the FMR. This PHA has adopted the policy of **Hold Harmless- no reduction in subsidy** that establishes that a PHA may continue to use the existing higher payment standard for the family's calculation for as long as the family continues to receive the voucher assistance in that unit.
3. PRPHA will monitor the effect of the Payment Standard it sets by tracking the percentage of families who lease housing within the time limit established for their voucher (the "success rate") and the locations where families actually lease. If the success rate decreases or the pattern of leasing shows families leasing fewer units in non-impacted neighborhoods, the Payments Standard may be adjusted.
4. The Payment Standard for Housing Choice Vouchers shall be determined annually following the publication of the final Fair Market Rent (FMR) by HUD and shall be made effective as within three months after HUD issues FMRs.
5. The Assisted Housing Programs Director shall determine the payment standard with the following criteria and/or objectives:
  - a. PRPHA shall consider the amount received from HUD in its Annual Contributions Contract;
  - b. PRPHA shall avoid concentration of Section 8 Housing Choice Voucher Families in high poverty areas;
  - c. PRPHA shall seek to provide housing opportunities in all areas of its jurisdiction with particular emphasis on non-poverty areas; and
  - d. PRPHA shall ensure that the majority of Families are not paying more than 40% of their income for their housing cost.

PRPHA shall analyze its rental market annually to ensure these objectives are met. PRPHA will ensure that the applicable payment standards are distributed to pertinent staff.

#### B. Occupancy Standards

Voucher size is one factor in determining the family's level of assistance. The size of a voucher will be based on the family/household composition. In compliance with the Fair Housing Act, other fair housing laws, and HUD regulations (**24 CFR 982.401 and 24 CFR 982.402**) and in an effort to administer federal funds responsibly, PRPHA takes a conservative and stringent approach in determining the appropriate size of the voucher. To that extent, PRPHA will utilize a maximum occupancy standard of two (2) persons per bedroom or living/sleeping room, pursuant to the HUD guidelines concerning the Determination of Unit Size Requirements. PRPHA will not determine who will share a bedroom/sleeping room.

1. At least one person must occupy each bedroom.



2. Head of Household/spouse/co-head has the right to a separate bedroom from the rest of the family composition. They do not have to share a bedroom with other member of the family.
3. A maximum of two (2) persons may occupy a bedroom or living/sleeping room,
4. A one-person family will be issue a one-bedroom voucher.
5. Children of the same sex, where there is a 6-year age difference or more, may not share the same bedroom. Exceptions to this policy may be granted if justified by health or handicap reasons.
6. A child (under 18 years of age) who is temporarily away from the home because of placement in foster care, or an adult member over age 18 who is a full-time student temporarily away at college is considered a member of the family.
7. A family that consists of a verified pregnant woman (with no other persons) shall be treated as a two-person family.
8. Two disabled individuals may be assigned a two (2) bedroom voucher subject to the review and approval of a request for reasonable accommodation.
9. A bedroom may be allocated for an approved Live-In Aide to provide continuous medical assistance to a Disabled Family member. A live-in aide must not have another residence, but rather must live in the unit.
10. A bedroom will not be allocated to house furniture, and a bedroom will not be allocated for medical equipment unless it is verified necessary for a resident with a disability. PRPHA will conduct an inspection to determine that the size and type of medical equipment verified to be needed by the participant with a disability warrants an additional bedroom. For example, a participant will not be approved for an extra bedroom to house a folding wheelchair. Annually, PRPHA may request updated verification that the equipment is needed and may verify that the equipment is present during annual inspections.
11. A smaller unit may be approved if requested by the family, provided no overcrowding exists.

Housing Choice Voucher Size	Minimum No. of Persons in Household	Maximum No. of Persons in Household
0-BR	1	1
1-BR	1	2
2-BR	2	4
3-BR	3	6
4-BR	4	8
5-BR	5	10
6-BR	6	12

C. Unit Size Selected by Voucher Holder



The family may select a dwelling unit of a different size than that listed on the Voucher; however, the affordability may not exceed 40% of adjusted monthly income at initial lease up. The unit must provide adequate space so that there are no more than two family members for each living or sleeping room in the unit.

The Housing Assistance Payment is based upon the lower of the Payment Standard for family unit size or the Payment Standard for the unit size rented by the family. The utility allowance for which the family will qualify will be based upon the lower of the allowance for the unit size approved for the family or the allowance for the unit actually leased. A family provided a larger unit as a reasonable accommodation will be provided the utility allowance for the unit size.

D. Determination of Family Share of Housing Cost

The Family's contribution to the housing cost will be based upon the verified Annual and Adjusted Income as defined in HUD regulations. **(24 CFR part 5.609)**

The amount of the Total Tenant Payment will be calculated based on the highest of:

1. ten percent (10%) of the monthly unadjusted Family Income;
2. thirty percent (30%) of the Family's monthly adjusted income;
3. PRPHA minimum rent of \$0
4. The actual amount of the family's contribution will be the Total Tenant Payment unless the family chooses a unit with a gross rent higher than the payment standard. In this instance, the family's contribution to housing cost will equal the Total Tenant Payment plus the amount by which the gross rent exceeds the payment standard.

E. Adjustments to Income

Adjusted income is the annual income of all household members after making the mandatory deductions as identified in **24 CFR 5.611 and 24 CFR 5.617**. Mandatory Deductions include:

1. \$480 for each dependent;
2. \$400 for elderly or disabled Families;
3. Unreimbursed anticipated annual medical expenses of Elderly or Disabled Families that exceed three percent (3%) of annual income;
4. Unreimbursed disability assistance expenses for care or apparatus for disabled Family members that exceed three percent (3%) of annual income and permit an adult family member to work; and
5. Reasonable childcare expenses to allow an adult Family member to work, actively seek work, or attend school.

F. Verification of Income, Assets and Deductions

PRPHA shall follow the stricter of HUD's regulations and guidance on the verification of income, assets and asset income and deductions from income or its own procedures. See **Procedure on Verification of Information**.

G. Non-Cash Contributions To Families

As required by Federal regulations, in determining Annual Income, regular non-cash contributions from persons outside the Family are included. This information shall be



obtained from the Zero Income Interview Questionnaire, Contribution Form and Personal Declaration and Questionnaire. PRPHA shall verify the type and value of the non-cash contribution by contacting the source and obtaining an acceptable third party verification.

H. Maximum Initial Rent Burden

A family shall not initially pay more than 40% of its monthly adjusted income toward its portion of the rent and utility allowance for occupancy of a newly leased Section 8 Housing Choice Voucher assisted unit. This rent burden test is applied at the initial lease-up of a new unit (including whenever a family moves) but is not applied during subsequent years of occupancy in a unit already under lease.

I. Utility Allowance

At least annually, the Housing Authority shall obtain and analyze utility rate data for Utility providers in the local jurisdiction, to determine whether there has been a change of 10% or more in the rate for any utility since the last revision of the Utility Allowance Schedule.

If there has been a change of 10% or more, an appropriate adjustment to the schedule shall be made. No adjustment shall be made for any increase less than \$1 per unit month.

J. Utility Reimbursements

When the unit leased by a participating family has tenant paid utilities and the amount of utility allowance exceeds the Family's total tenant payment, PRPHA shall issue the Family a payment for the amount by which the utility allowance exceeds the total tenant payment. This is the Utility Reimbursement. Utility reimbursements may be made by check or debit card. If the value of the Utility Reimbursement is less than \$15 per month, the check will be issued or debit card will be reloaded quarterly; if more than \$15 per month, the check will be issued or debit card will be reloaded monthly. A family that loses its debit card will be responsible for the cost of a replacement card.

**Section VII. Request for Tenancy Approval, Inspection and Leasing**

A. Term of the Voucher and Extensions

Once a Voucher has been issued, it is the family's responsibility to locate suitable housing. The housing unit's rent must fall within the rent reasonableness limitations for comparable unassisted units set by the Housing Choice Voucher Program; the unit must meet Housing Quality Standards requirements; and the family share for rent and utilities may not exceed 40 percent of their adjusted monthly income.

The initial voucher term will be 60 calendar days (120 days for VASH vouchers). The family must submit a Request for Tenancy Approval and proposed lease within the 60-day period unless PRPHA grants an extension.

PRPHA will approve extensions, if necessary, as follows

1. A family seeking an extension of the voucher term may submit a request for reasonable accommodation, and the request must be made before the voucher expires.
2. PRPHA may extend the voucher if the family provides a log as documentation that the family is unable to locate a unit.



It is PRPHA's policy to suspend the term of the voucher from the date a Request for Tenancy Approval and proposed lease is received by PRPHA, while PRPHA processes the request, until the date PRPHA makes a final determination with respect to that Request for Tenancy Approval.

B. Portability and Moves

Portability is a feature of the HCV program under which voucher holders may use their vouchers in jurisdictions other than those that issued the voucher. The details of portability are covered in the **Procedure on Portability**. Eligible families are permitted to port to another jurisdiction that runs an HCV program, subject to the following policy:

Outgoing Vouchers:

1. Families whose head and spouse lived somewhere other than Puerto Rico on the date of application must lease within PRPHA's jurisdiction for 12 months before becoming eligible for portability.
2. Families whose head and spouse lived in Puerto Rico on the date of application are eligible for portability as soon as they receive their voucher as long as they hold a valid Housing Voucher, have not violated any Family Obligations, do not owe money to any Housing Authority and are moving to a location where their housing assistance payment is affordable under PRPHA's budget authority, if the receiving PHA cannot absorb their voucher.
3. Families that are new admissions to the program must meet the income eligibility requirements applicable to the area where the family initially leases a unit with assistance.
4. Participant families are not required to meet the income eligibility requirements in the area the family plans to move. Families must notify PRPHA in writing when they want to move out of PRPHA's jurisdiction using the portability feature.

Incoming Vouchers:

PRPHA may absorb some or all incoming portable vouchers when it has funding available. Otherwise, when PRPHA reaches full utilization (or when there are questions about the availability of HUD HAP payments), PRPHA will not absorb incoming portable Vouchers but will bill the sending PHA for the family's costs under the program.

C. Relocation of Witnesses and Victims of Crime

PRPHA may provide Housing Choice Voucher assistance for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing. PRPHA will accept written referrals from HUD or other Federal agencies for such cases. All referred applicants must meet Housing Choice Voucher eligibility requirements before admission to the program.

D. Restrictions on Renting to Relatives

Families may not lease a property owned by relatives (i.e., sister, brother, mother, father, spouse, son, daughter, etc.) as set forth in HUD regulations. Exceptions to restrictions on renting to relatives are made if a reasonable accommodation is required for the family and is approved by PRPHA. Families seeking an exception must submit a request for reasonable accommodation. In no case will an exception be granted to permit someone



to lease a unit from a family member when that family member owns and lives in the unit, since this is forbidden by statute and regulation.

E. Owner Eligibility

1. PRPHA will not approve leasing a unit from an owner if the PHA knows that the owner has violated obligations under a Housing Assistance Payments Contract; the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program; the owner has engaged in criminal or drug-related activities; or the owner has a history or practice of non-compliance with Housing Quality Standards (HQS) for units leased under the tenant-based program, or with applicable housing quality standards for units leased with project-based assistance or leased under any other federal housing program.
2. PRPHA will not approve leasing a unit from an owner who threatens the health or safety of participants, residents, PHA employees, owner employees and the right to peaceful enjoyment of the premises by other residents.
3. PRPHA will not approve leasing a unit from an owner that has engaged in disrespectful or defamatory conduct toward PRPHA or its employees.
4. PRPHA will not approve leasing a unit from an owner whose lease PRPHA deems abusive or violates the Fair Housing Act or other federal equal opportunity requirements.
5. PRPHA will not approve leasing a unit from an owner who has a debt to PRPHA or does not accept payments by direct deposit.

F. Request for Tenancy Approval

After the family is issued a voucher, the family must locate an eligible unit with an owner or landlord willing to participate in the voucher program. Once a family finds a suitable unit and the owner is willing to lease the unit under the program, the owner and the family must request the PRPHA to approve the assisted tenancy in the selected unit.

G. Owner information in the RFTA package

1. All new Landlords may be required to provide the following documentation:
  - a. Tax identification letter issued by the IRS or social security card
  - b. Direct deposit agreement with voided check
  - c. Current government issued photo ID
  - d. IRS W-9 form with original signature
  - e. Copy of management agreement (for property management companies).
  - f. Completed Request for Tenancy Approval (RFTA) – Form HUD-52517
  - g. Copy of the proposed lease, including the HUD-prescribed Tenancy Addendum – Form HUD-52641-A
2. The RFTA contains important information about the rental unit selected by the family, including the unit address, number of bedrooms, structure type, year constructed, utilities included in the rent, proposed rent and the requested beginning date of the lease, necessary for PRPHA to determine whether to approve the assisted tenancy in this unit.



3. Owners must certify that they are not the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless PRPHA has granted a request for reasonable accommodation for a person with disabilities who is a member of the tenant household and the owner is not living in the unit.
4. For units constructed prior to 1978, owners must either
  - a. certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or
  - b. attach a lead-based paint disclosure statement.
5. The fully completed RFTA, proposed lease, and all other required documents listed above must be submitted no later than the expiration date stated on the voucher.
6. The duration of the lease may be no more or no less than one year.
7. When the family submits the RFTA, PRPHA will review the RFTA for completeness.
  - a. If the RFTA is incomplete (including lack of signature by family, owner, or both), or if the dwelling lease is not submitted with the RFTA, PRPHA will notify the family and the owner of the deficiencies. It is the sole responsibility of the owner and the tenant to submit the required documentation timely and without omissions or errors. Failure to provide this documentation within the specified time and without errors will result in the nullification of the RFTA approval process.
  - b. Missing information and/or missing documents will only be accepted as original hard copies, scanned copies of original documents transmitted electronically, and in-person. PRPHA will not accept missing information over the phone but may accept some missing information via fax or email.
8. When the family submits the RFTA and proposed lease, the PRPHA will also review the terms of the RFTA for consistency with the terms of the proposed lease.
  - a. If the terms of the RFTA are not consistent with the terms of the proposed lease, PRPHA will notify the family and the owner of the discrepancies.
  - b. Corrections to the terms of the RFTA and/or the proposed lease will only be accepted as original hard copies in-person, or scanned copies of original documents transmitted electronically. The PRPHA will not accept corrections by phone but will accept some corrections via fax or email.
9. Because of the time sensitive nature of the tenancy approval process, PRPHA will attempt to communicate with the owner and family by phone, fax, or email. PRPHA will use mail when the parties can't be reached by phone, fax, or email.

#### H. RFTA Limitation

The family may submit one Request for Tenancy Approval (RFTA) at a time. The family may only submit another RFTA if the previously submitted RFTA is canceled/voided.

#### I. Screening and Security Deposit Requirements

PRPHA encourages Landlords to screen all potential tenants. Landlords need not accept Families that have a poor rental history, a history of allowing persons not listed on the lease to live in the unit, a history of damaging units or vacating units without giving proper notice. PRPHA shall not provide reimbursement to Landlords in cases when there are damages caused by the Section 8 Housing Choice Voucher Family or their guests; when the Section





8 Housing Choice Voucher Family vacates the unit without giving proper notice, or does not pay the Family's portion of rent owed under the lease.

Owners may collect a security deposit that is reasonable and comparable to security deposits collected for similar, unassisted units in the area. PRPHA prohibits security deposits in excess of one month or in excess of amounts charged to unassisted tenants.

If requested, PRPHA will provide the Landlord with the Family's current address, as shown in PRPHA's records, and the name and address, if known, of the Family's current and previous Landlord.

#### J. HAP Execution Policies

Preparation of the lease and HAP contract will be handled in accordance with the **Procedure on HAP Execution**.

1. Both the owner and voucher holder must sign the Request for Tenancy Approval. The Request for Tenancy Approval and a copy of the owner's proposed lease must be submitted prior to the expiration of the Housing Voucher.
2. The Lease form must be the standard form used in the locality by the owner. The lease must contain terms consistent with State and local law, and that apply generally to unassisted tenants in the same property.
3. The HUD Addendum to the lease must be used in conjunction with the owner lease and HAP contract. PRPHA will review the documents to determine if they are consistent with State law.
4. The owner may be required to make changes to his/her lease agreement. If the lease does not meet HUD requirements, PRPHA will explain the problems to the owner and suggest how they may be corrected, by a specific date. If the lease cannot be approved for any reason, the owner and the family will be notified in writing and the reasons provided. PRPHA does provide a sample lease agreement that owners may opt to use.

#### K. Non-housing Agreements

1. Owners and tenants may execute agreements for services (i.e. parking, furniture, late charges, pets, pet deposits<sup>2</sup>, community rules, and covenants) and appliances (other than range and refrigerator) and other items in addition to those that are provided under the lease, if the agreement is in writing and approved by PRPHA. Separate agreements must be attached to the Lease as a Lease Addendum. A copy of the agreement must be provided to PRPHA.
2. Any appliance, service or other item(s) that is routinely provided to non-subsidized tenants as part of the lease agreement (such as air conditioning, dishwasher, garbage disposal or garage) or is permanently installed in the unit cannot be put under separate agreement and must be included in the lease. For an item to be covered by a separate agreement, the tenant must have the option of not utilizing the service, appliance or other item.
3. PRPHA is not liable for unpaid charges for items covered by separate agreements and nonpayment of these separate agreements cannot be cause for eviction.

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<sup>2</sup> Note that an Assistance Animal (service animal or companion animal) verified to be needed by a person with a disability is not a pet and a pet deposit may not be charged.



4. The following types of separate agreements are not acceptable: agreements for altered or additional security deposit, altered or additional rent amounts and/or fees, excess utilities, or charges for any item customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants on the premises.

L. Housing Quality Standards and Inspections

1. Prior to execution of the HAP contract, PRPHA is required by HUD regulations to inspect the unit to ensure it meets Housing Quality Standards, (HQS).
2. HUD's performance and acceptability standards for HCV-assisted housing are provided in **24 CFR 5.703** PRPHA's administration of the National Standard for the condition of HUD housing (NSPIRE) is covered in documents attached (appended) to this Plan, PRPHA NSPIRE Addendum and the NSPIRE Checklist.
2. No unit shall be initially placed under contract in the Housing Choice Voucher Program until/unless the standards are met. Units must also continue to meet HQS as long as the family continues to receive housing assistance in the assisted unit. HQS takes precedence over local housing codes and other codes.
3. The family must allow PRPHA and the owner to inspect the unit at reasonable times with reasonable notice and grant access to the unit in emergencies. One appointment rescheduling is permitted for inspections. Requests to reschedule inspections must be made by phone or email at least one business day in advance of the scheduled inspection. Failure to allow access for inspection or an emergency is a violation of the family obligations and grounds for termination from the program.
4. Modifications to Provide Accessibility
  - a. Under the Fair Housing Act of 1988 an owner is not permitted to refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit at the family's expense.
  - b. Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines (ADAAG) **[28 CFR 35.151(c) and Notice 2003-31]** See Chapter 2 of this plan for additional information on reasonable accommodations for persons with disabilities.
  - c. When the applicant moves from the unit the owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises.
  - d. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary, to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest-bearing escrow account over a reasonable period of time.
  - e. The interest in any such account accrues to the benefit of the tenant and the owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained. **24 CFR 100.203; Notice 2003-31**
5. Family Responsibilities **24 CFR 982.404**



- The family is responsible for breach of the HQS that is caused by the following:
- a. Utilities that are required to be paid by the tenant are not in service;
  - b. Appliances that are required to be provided by the tenant are absent or not working; and/or
  - c. Damage to the unit or premises caused by a household member or guest beyond normal wear and tear. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit.
7. Owner Responsibilities
- a. The owner is responsible for all HQS violations not listed as a family responsibility above. However, if the family's actions constitute serious or repeated lease violations the owner may take legal action to evict the family.
  - b. PRPHA does not enforce the lease agreement between the Family and the owner through the enforcement of HQS; however, a Family's living habits may cause damage to the unit and result in HQS violations that are the Owner's responsibility to repair. Owners are responsible for all lease enforcement activities and any legal actions taken as a result of serious and/or repeated violations of the lease agreement. Lease violations and eviction paperwork must be submitted to PRPHA at the time of occurrence.
  - c. PRPHA shall review all communications sent from owners related to lease violations and/or evictions and take appropriate action based upon the type of violations. This may include termination of assistance for the Family that has violated the lease agreement.
  - d. Owners who fail to provide PRPHA with documentation throughout the Family's occupancy, risk the possibility that a Family may be relocated even if serious lease violations have occurred.
  - e. Failure to provide PRPHA documentation at the time of occurrence and/or failure to properly enforce the lease agreement may not justify denial of a move request or the termination of assistance to the Family.
8. Special Requirements for children with elevated blood-lead levels **24 CFR 35.1225**
- a. A risk assessment must be conducted for deteriorated paint at initial and annual inspections when the unit was built prior to January 1, 1978 and occupied by a child on the lease under the age of six. The risk assessment must be completed in accordance with program requirements and the results of the risk assessment will immediately be provided to the family and the owner of dwelling. Within 30 calendar days after receiving the risk assessment report from PRPHA, or evaluation from the public health department, the owner is required to complete the reduction of identified lead-base hazards in accordance with the lead base paint regulations **24 CFR 35.1325 and 35.1330**. All deteriorated paint found in the above referenced units, must be corrected in order to pass HQS. The requirement for passed inspections is triggered by the amount of the deteriorated paint observed known as the Below De Minimus or at or Above De Minimus rule. PRPHA must determine which set of requirements the owner is instructed to follow to correct deteriorated paint and describe the deficiency on the HQS Inspection Report. An executed copy of the Owner's certification showing lead base paint clearance is required to pass any LBP violation listed as at or above De Minimus. If the owner



does not complete the “hazard reduction” as required by the re-inspection, the dwelling unit is in violation of HQS and will result in abatement of HAP payment to the owner. If the PRPHA is notified by a public health department or other medical health care provider, or verifies information from a source other than public health department or medical health provider, that a child of less than 6 years of age, living in an HCV assisted unit built prior to January 1, 1978 has been identified as having an environmental intervention blood lead level, the PRPHA will complete a risk assessment of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information will be provided to the owner.

9. At least annually, PRPHA shall attempt to collect from the Auxiliary Secretary of Environmental Health or other appropriate public health department within PRPHAs area of operation, the names and/or addresses of children under 6 year of age with an identified environmental intervention blood lead level. PRPHA shall match this information for families receiving HCV assistance. If a match occurs, PRPHA will notify the owner and conduct a risk assessment inspection.

**10. Violation of HQS Space Standards 24 CFR 982.403**

If a unit does not meet the HQS space standards because of an increase or decrease in family size or a change in family composition, the PRPHA will issue the family a new voucher at the earlier of the family's next annual reexamination or the expiration of the family's lease, and the family must try to find a new unit as soon as possible. If the new voucher size is lower, the family may opt to remain in the unit, but will have a reduced Payment Standard and Utility Allowance.

**M. Additional Inspection Requirements**

1. PRPHA uses the acceptability criteria in HUD program regulations **24 CFR 982.401**, interpretative guidance of acceptability criteria in Form HUD 52580-A Inspection Checklist, and the HUD Housing Inspection Manual.
2. Where these documents instruct that guidance should be sought from local codes/practice, PRPHA has issued instructive guidance in the form of **Inspection Procedure** maintained in PRPHA's Housing Choice Voucher Division.

**N. The Inspection Process**

Before approving a lease, PRPHA shall inspect the dwelling unit for compliance with HQS. To the extent practicable, inspections of units shall be conducted within 15 calendar days of the date the unit will be ready for inspection, as documented on the RFTA packet.

PRPHA may use an electronic or manual inspection system to conduct HQS inspections. Copies of the failed inspection report shall be mailed or emailed to the Landlord and Family. A report for every inspection shall be prepared and maintained in the Family's file in the Voucher Program. Each report shall specify the defects or deficiencies, if any, which must be corrected by the Landlord before the HAP contract will be executed.

**1. Initial Inspection**

If at the time of the initial inspection PRPHA determines that violations exist, PRPHA shall notify the Landlord in writing and/or electronically, and require the defects be corrected. A copy of this notification shall be retained in the Family's file. If PRPHA determines, as a result of the re-inspection that the Landlord has satisfactorily



corrected all defects or deficiencies, PRPHA shall execute the Housing Assistance Payment Contract.

If the Landlord fails to make the required repairs within the time frame provided by PRPHA, the inspection and the RFTA shall be cancelled. The Family will then be issued new paperwork to search for alternate housing, provided there is time left on the voucher to search for housing. A maximum of 30 calendar days may be granted to search for an alternate unit.

2. Biennial Inspection

Inspections of the unit are conducted every two years (biennially) inspection. If the unit passes the inspection, PRPHA shall continue HAP payments to the Landlord.

3. Emergency Fail Items (Abatement will follow)

Emergency inspections are conducted immediately upon receipt of information that there are deficiencies in a unit that may be considered life threatening. Such deficiencies must be corrected within 24 hours of the inspection date.

A. Hazards that pose an **immediate threat to the health and safety** of the Family must be corrected within twenty-four (24) hours. Below is the list of life threatening items that require remediation within 24 hours.

- **Call-for-Aid System** System is blocked, or pull cord is higher than 6 inches off the floor. System does not function properly.
- **Carbon Monoxide Alarm** Carbon monoxide alarm is missing, not installed, or not installed in a proper location. Carbon monoxide alarm is obstructed. Carbon monoxide alarm does not produce an audio or visual alarm when tested.
- **Chimney** A visually accessible chimney, flue, or firebox connected to a fireplace or wood-burning appliance is incomplete or damaged such that it may not safely contain fire and convey smoke and combustion gases to the exterior. Chimney exhibits signs of structural failure.
- **Clothes Dryer Exhaust Ventilation** Electric dryer transition duct is detached or missing. Gas dryer transition duct is detached or missing. Electric dryer exhaust ventilation system has restricted airflow. Dryer transition duct is constructed of unsuitable material. Gas dryer exhaust ventilation system has restricted airflow.
- **Door - Entry** Entry door is missing.
- **Door - Fire Labeled** Fire labeled door is missing.
- **Egress** Obstructed means of egress. Sleeping room is located on the 3rd floor or below and has an obstructed rescue opening. Fire escape is obstructed.
- **Electrical - Conductor, Outlet, and Switch** Outlet or switch is damaged. Exposed electrical conductor. Water is currently in contact with an electrical conductor.
- **Electrical - Service Panel** The overcurrent protection device is damaged.
- **Exit Sign** Exit sign is damaged, missing, obstructed, or not adequately illuminated.
- **Fire Escape** Fire escape component is damaged or missing.
- **Fire Extinguisher** Fire extinguisher pressure gauge reads over or under-charged. Fire extinguisher service tag is missing, illegible, or expired. Fire extinguisher is damaged or missing.
- **Flammable and Combustible Items** Flammable or combustible item is on or within 3 feet of an appliance that provides heat for thermal comfort or a fuel-burning water heater. OR Improperly stored chemicals.



- **Guardrail** Guardrail is missing or not installed. Guardrail is not functionally adequate.
- **Heating, Ventilation, and Air Conditioning (HVAC)** The inspection date is on or between October 1 and March 31 and the permanently installed heating source is not working or the permanently installed heating source is working and the interior temperature is below 64 degrees Fahrenheit. Unvented space heater that burns gas, oil, or kerosene is present. Combustion chamber cover or gas shutoff valve is missing from a fuel burning heating appliance. Fuel burning heating system or device exhaust vent is misaligned, blocked, disconnected, improperly connected, damaged, or missing.
- **Leak - Gas or Oil** Natural gas, propane, or oil leak.
- **Mold-like Substance** Presence of mold-like substance at extremely high levels is observed visually.
- **Smoke Alarm** Smoke alarm is not installed where required. Smoke alarm is obstructed. Smoke alarm does not produce an audio or visual alarm when tested.
- **Sprinkler Assembly** Sprinkler head assembly is encased or obstructed by an item or object that is within 18 inches of the sprinkler head. Sprinkler assembly component is damaged, inoperable, or missing and it is detrimental to performance. Sprinkler assembly has evidence of corrosion. Sprinkler assembly has evidence of foreign material that is detrimental to performance. Structural System Structural system exhibits signs of serious failure.
- **Toilet Only** 1 toilet was installed, and it is missing.
- **Water Heater** Chimney or flue piping is blocked, misaligned, or missing. Gas shutoff valve is damaged, missing, or not installed.

B. HUD allows flexibility for what is considered an appropriate correction for mold and moisture, and pest infestations within 24 hours. These conditions may take a significant time to permanently control. PRPHA will take this into consideration when addressing immediate and longer-term remediation efforts of owners.

If a Family is issued a voucher to move because the HQS inspection revealed the unit is in a condition that poses a threat to the health and safety of the Family, PRPHA may notify the appropriate municipality for code enforcement. The city will be given the property address and Landlord's name.

#### 4. Complaint Inspections

PRPHA shall respond to all Families reporting violations of Housing Quality Standards in their units. PRPHA will also respond to calls made by the general public reporting violations of HQS. If the nature of the violation threatens the health and safety of the family, an immediate HQS inspection will be conducted.

Once the complaint is received, PRPHA shall notify the Family and Landlord of the complaint and give the Landlord and/or Family a reasonable amount of time to address the complaint and make necessary repairs. If the complaint is not addressed appropriately within the time frame specified, PRPHA shall perform an inspection of the unit and take the steps outlined for such situations according to the terms of the HAP contract.

Hazards that pose no threat to the health and safety of Families must be corrected within thirty (30) days. If the nature of the violation threatens the health and safety of the family, an immediate HQS Inspection will be conducted.



5. Re-inspection Process: PRPHA shall schedule a re-inspection by providing written or email notice to the landlord with a copy to the family, advising him or her of the date and time (morning or afternoon) of the re-inspection. Routine re-inspection appointments shall occur no later than twenty-one (21) days after the unit fails inspection. Failure to have all non-emergency repairs made within 30 calendar days will result in terminating program assistance if the family is responsible for making the correction, and/or cancelling the HAP contract and relocating the family if the landlord is responsible for making the correction.

6. PRPHA-Owned Units

PRPHA shall obtain the services of an outside contractor to inspect for HQS at all properties in which PRPHA or an affiliate owns and/or has an owner interest. The outside contractor shall inspect no more than 25% of these PRPHA owned units and will communicate the results of the inspection to PRPHA and the Family. The remaining 75% of inspections will be conducted by PRPHA Housing Inspectors.

O. Abatement of Housing Assistance Payment

PRPHA shall abate HAP to Landlords for units that fail HQS when the Landlord fails to make acceptable corrections within the required time frame. PRPHA shall not abate payments to Landlords for violations of HQS that are the Family's responsibility. PRPHA may provide information on non-impacted neighborhoods when payments to the owner are abated due to no fault of the family.

PRPHA will abate housing assistance payments when the unit fails a re-inspection for a violation of HQS that is the responsibility of the Landlord and may take action to ban the landlord from participating in the PRPHA Section 8 Housing Choice Voucher program.

1. Mandatory Relocation of Family

Once it is determined to abate the unit, the landlord shall be notified in writing of PRPHA's intent to abate the unit and move the Family. PRPHA shall cancel the HAP contract when the Family moves from the unit or sixty (60) days after the abatement notification date, whichever comes first.

If PRPHA initiates action to abate the unit, the Family must move from the unit. If the Family decides not to move, PRPHA shall terminate the assistance to the Family in accordance with the HAP Contract.

2. HQS Violations

In accordance with the HUD Tenancy Addendum (HUD-52641A), a breach of the HQS caused by the Family is not the responsibility of the Landlord. PRPHA will terminate assistance to the Family if the Family fails to correct an HQS breach caused by the Family member or by a guest.

The following actions constitute a Family breach of the HQS:

- a. Tenant paid utilities that are not in service;
- b. Failure to provide and maintain any appliances that are to be provided by the Family;
- c. Vermin infestation in the unit caused by the family's housekeeping; or
- d. Damage to the unit beyond normal wear and tear. "Normal wear and tear" is defined as items which could not be charged against the family's security deposit.



### 3. Owner Responsibility

The owner is responsible for all other HQS violations not listed in the Family breach of HQS section listed above, even if the violation is a result of the Family's living habits. If the Family's living habits constitute serious and/or repeated violations of the lease agreement, it is the owner's responsibility to enforce the lease with appropriate legal action up to and including eviction of the Family from the property. (See Family violation section listed above.)

## P. Rent Reasonableness Determination

PRPHA shall monitor the rents within its jurisdiction and disapprove a lease for a rent that is not reasonable, based on the rents charged for comparable rental units in the immediate area. PRPHA shall exercise this authority for all Section 8 Housing Choice Voucher tenant based program participants.

### 1. Factors to Consider When Determining Rent Reasonableness

HUD requires PHAs to take into consideration the factors listed below when determining rent comparability. The PHA may use these factors to make upward or downward adjustments to the rents of comparable units when the units are not identical to the HCV-assisted unit.

- a. Location and age of the unit;
- b. Unit size, including the number of rooms and square footage of rooms;
- c. The type of unit, including construction type (e.g., single family, duplex, garden, low-rise, high-rise);
- d. The quality of the units including the quality of the original construction, maintenance and improvements made;
- e. Amenities, services, and utilities included in the rent;
- f. Availability of public transportation at or near the unit; and
- g. Proximity to quality schools and employment opportunities.

### 2. Units that Must Not be Used as Comparables

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 Housing Choice Voucher project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits or tax incentives; and units subsidized by the Department of Agriculture rural housing programs

### 3. Rents Charged for Other Units on the Premises

- a. The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.
- b. By accepting payment from PRPHA each month, the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises.





- c. If asked to do so, the owner must give PRPHA information regarding rents charged for other units on the premises in accordance with the voucher program regulation at **24 CFR 982.507**, which requires PRPHA to certify that the rent charged to the housing choice voucher tenant is not more than the rent charged for other unassisted comparable units in the open market.

#### 4. PRPHA's Rent Reasonableness Approach

PRPHA compares similar units and includes and considers all of HUD's rent reasonable factors. PRPHA shall use 3 comparable units for each rent reasonableness determination. The methodology adjusts the rental value of the comparable units, based on features that may differ between the comparable units and the subject unit. For example, when a comparable unit has a significant feature that the subject unit does not have (e.g., owner-paid utilities), the rental price of the comparable unit should be adjusted downward, as if the comparable unit also did not have this feature. The amount of the adjustment is equal to the value of that feature in the market.

PRPHA shall identify and compare the program subject unit to the most similar private market rental property units within a specific geographic radius, drawing on non-subsidized comparables and current property listings in compliance with HUD Rent Reasonable requirements.

#### 5. How Rents are Determined

The PRPHA shall use a unit-to-unit comparison, by which the rent for a unit proposed for HCV assistance is directly compared to the rents for one or more unassisted units selected as comparables within the same market area. Interactive maps, with satellite overlays, will be used to identify and select the most similar unsubsidized units in closest proximity to the subject unit, and comparable unit data characteristics will be used to select the most similar units.

PRPHA shall notify the owner of the rent approved based upon its analysis of rents for comparable units. If the owner disagrees with this analysis, the owner may submit additional information in support of their requested rent. PRPHA may consider this information when making rent determinations. The owner must submit any additional information within 3 business days of the PRPHA notification.

#### Q. Housing Assistance Payment Contracts with Landlords

1. When a complete and correct RFTA package is received, the unit passes the HQS inspection, the rent is determined to be reasonable, and the Family's share of the rent will not exceed 40 percent of the Family's adjusted monthly income, PRPHA will execute a Housing Assistance Payment (HAP) Contract with the owner.
2. PRPHA shall execute HAP contracts for new admission Families on any day of the month after the unit has passed inspection and the rent has been agreed to by PRPHA and the landlord.
3. PRPHA shall execute HAP contracts for moving Families on any day of the month after the unit has passed inspection and the rent has been agreed to by PRPHA and the landlord. PRPHA shall terminate all HAP Contracts of relocating Families on the last day of the month. If the Family remains in the unit beyond the last day of the month and has taken occupancy of the new unit, the Family will be responsible for the rent due to the landlord in one of the units (PRPHA will not make HAP payments on two



units for the same period of time, with the exception of the initial payment to the new landlord).

4. PRPHA shall inform the Family and the landlord of the approved date of move in for the Family and the approved date of HAP contract effective dates. The lease between the landlord and the client must have the same initial and end date as the HAP contract.

R. Monthly HAP Payments

1. HAP disbursements shall be deposited directly into the Landlord's bank account by the fifth day of every month. A statement detailing payment activity shall be available electronically to the Landlord by the fifth of each month.
2. All HAP payments made by PRPHA to the Landlord are deemed received by the Landlord when the funds are wired by PRPHA to the Landlord's bank. PRPHA can recover overpayments by deducting from the HAP disbursement.
3. Landlords are required to enroll in the direct deposit program.
4. Late Payments: The first HAP for a new contract will be received no later than two calendar months following the execution of the HAP contract. The HAP contract must be executed within 60 days of move in by the Family. If the HAP contract has not been executed within 60 days of move in by the Family, PRPHA will consider the HAP contract void and not make any payment. All other payments will be made by the fifth day of each calendar month. PRPHA will not pay late fees on unpaid late fees.

No late fee will be assessed or paid by PRPHA if the payment is received late due to factors beyond PRPHA's control or receipt of late payment is due to an adjustment in either the amount of contract rent to the Landlord or the HAP to be made by PRPHA.

PRPHA shall pay a late fee of \$50.00 for HAP not made (as defined above), due to factors within PRPHA control. No other late fees will be paid. This payment is made upon request from Landlord, provided he/she has a policy and practice of collecting late fees from private market Families residing in his/her units.

**Section VIII. Ongoing Program Operations**

A. Rent Increases to Owners

Owners may request a rental adjustment at least annually. All adjustment requests submitted to PRPHA must be requested in writing in the format prescribed by PRPHA. Upon receipt of the owners written request, PRPHA will:

1. Conduct a rent reasonableness study;
2. Notify the owner of the rent determination;
3. Provide 30 calendar days written notice to family;
4. Prepare and distribute the Notice of Amendment to the HAP Contract to match the updated lease agreement; which may be different from the original notice from the owner. The effective date will also depend on proper notice to the family if their portion will increase.

In order for the tenant to remain on the Housing Choice Voucher program in the unit, the new rent must meet rent reasonableness. If it does not, PRPHA will attempt to negotiate



the rent with the owner to an amount acceptable. If PRPHA is unsuccessful and the owner proceeds with the rent increase, the tenant will be issued a voucher to move to a program acceptable unit.

PRPHA reserves the right to suspend processing of owner requests for rent adjustments whenever funds are insufficient to cover the cost of such adjustments.

#### B. Annual Recertification

1. Families are required to provide information on income, assets, deductions, and family composition at least annually, as well as the need for and the eligibility of a live-in aide, and other reasonable accommodations, unless specified otherwise by the medical practitioner verifying the accommodation.
2. A recertification will be conducted when a family moves, and recertification dates will change when a family moves.
3. Recertification packets may be mailed to participating Families and/or made available online 90 to 120 days in advance of the scheduled annual recertification effective date. Packets must be returned to PRPHA by mail or electronically (as specified in the recertification instructions) within one week of receipt by the family or 75 days before the recertification effective date.
4. PRPHA may require that the head of household and all adult household members (including the live-in aide, if any) attend an in-person recertification interview and/or submit online on a specified date and must complete the included or electronic information packet, including providing signatures on any third-party verification forms needed. The interview may be rescheduled once based upon approval of extenuating circumstances, i.e., disability or work related reasons, etc. If the family fails to attend two scheduled appointments, the family may be terminated for failure to comply with program requirements.
5. It is PRPHA's preference to conduct Annual Recertifications by mail, at its offices and/or online; however, in-home recertifications will be conducted pursuant to a request and approval for reasonable accommodations to persons with disabilities.
6. If the family fails to bring and/or submit all the required documentation by the date specified in the recertification package or other correspondence from PRPHA, the family will be allowed 10 additional days to submit the required data. If the data is not then submitted, the family may be terminated for violation of family obligations.
7. Upon completion of the recertification, PRPHA will notify the owner and tenant in writing and/or via email of the new rent to be paid by the tenant (and of the new Housing Assistance Payment, if applicable).
8. If there is an increase in tenant income that increases the tenant portion of rent, the tenant will be given a 30 day notice of the increase in rent. If recertification was delayed by the tenant, the increase will be made retroactive to the original effective date of the recertification.
9. If there is decrease in tenant rent, the decrease will become effective on the scheduled effective recertification date.
10. During the annual reexamination process, the PRPHA will determine the ongoing eligibility of each student who is subject to the eligibility restrictions in **24 CFR 5.612** by reviewing the student's individual income as well as the income of the student's



parents. If the student previously has been determined “independent” from his/her parents, the parents’ income will not be reviewed.

11. If the student is no longer income eligible based on his/her own income or the income of his/her parents, the student’s assistance will be terminated.
12. If the student continues to be income eligible based on his/her own income and the income of his/her parents (if applicable), the PRPHA will process a reexamination in accordance with the policies in this chapter.
13. PRPHA may use a streamlined annual reexamination process for families on fixed income. If 90 percent of the family income is fixed, a Cost of Living Increase is applied to the income. The family must certify that its income source has not changed from the previous year. All income will be verified at least every three years and family must complete Privacy forms and other required forms annually.

C. Interim Changes in Income and Family Composition

Reporting Requirements

1. **Voucher clients are required to report all changes in family composition or status** to the Regional PRPHA Office within 30 calendar days of the occurrence. Failure to report within the 30 calendar days may result in a retroactive rent increase, but not a retroactive credit or rent reduction. In order to qualify for rent reductions, Voucher Clients must report income decreases promptly. **Voucher Clients are required to report interim increases in income.**
2. PRPHA wishes to encourage families to improve their economic circumstances, so some changes in family income between reexaminations will not result in a rent change. PRPHA will process interim changes in rent in accordance with the chart below:

INCOME CHANGE	PRPHA ACTION
Decrease in income for any reason, <u>except</u> for decrease that lasts less than 30 calendar days or subject to Imputed Welfare Income rules.	Process interim rent reduction if income decrease will last more than 30 calendar days. <b>24 CFR § 5.609</b>
Increase in verified family deductions	Process interim rent reduction if income decrease will last more than 30 calendar days. <b>24 CFR § 5.609</b>
Increase in income following PRPHA granting interim rent decrease.	Process interim change for income increases after interim rent reduction.
Increase in earned income from the employment of a current household member.	Defer rent increase to the next regular reexam.
Increase in unearned income (e.g.COLA adjustment for social security).	Defer rent increase to the next regular reexam.
Increase in income because a person with income (from any source) joins the household.	Conduct an Interim Redetermination of the family’s income and tenant rent.



Increase in monetary or non-monetary income after Voucher Client claims zero income	Process an interim rent increase.
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3. PRPHA will process an interim increase in rent if:
  - a. the Voucher Family has misrepresented or failed to report facts upon which rent is based, so the rent the Voucher Family is paying is less than it should have; or
  - b. the resident's income increases after the Voucher Family was granted an interim decrease in rent; or
  - c. the Voucher Family reported zero income and has a verified increase in income (that may be a non-monetary contribution); and/or
  - d. a person with income joins the household.
4. Complete verification of the circumstances applicable to rent adjustments must be documented and approved according to PRPHA **Procedure on Verification 24 CFR § 982**
5. PRPHA will process interim decreases in rent as follows:
  - a. When a decrease in earned or unearned income is reported, and PRPHA verifies that the decrease will last less than 30 calendar days, an interim adjustment will not be processed.
  - b. Voucher Families reporting decreases in earned or unearned income that are expected to last more than 30 calendar days will have an interim adjustment processed.
  - c. Changes in family composition or increase in deductions that are expected to last more than 30 calendar days will be processed after verification.
6. Voucher Families granted a reduction in rent may be required to report for special reexaminations at intervals determined by PRPHA. Reporting is required until income increases, or it is time for the next regularly scheduled reexamination, whichever occurs first.
7. If Voucher Families experience a decrease in income from public assistance because their grant is reduced or terminated for one of the two following reasons, their rent will not be reduced:
  - a. Public assistance department has reduced the grant because of public assistance fraud; or
  - b. Public assistance department has reduced the grant because the family failed to comply with economic self-sufficiency requirements.
8. If a Voucher Family challenges the public assistance department's reduction of their grant, an interim reduction in rent will not be processed until the matter is settled by the public assistance department.
9. If the public assistance department upholds the grant reduction, the Voucher Client shall owe a retroactive rent on the interim rent reduction granted.
10. If the public assistance department overturns the grant reduction, no retroactive balance is owed.



11. For families claiming zero income, recertification may be scheduled every 120 days.
12. Interim rent adjustments will be made as follows:
  - a. Interim rent increases will be effective 30 calendar days after the first of the month.
  - b. Decreases in the tenant rent will be effective the first of the month following the month the change was reported, so long as the facts presented by the family are verified.
  - c. If a family's rent is increased due to unreported income or overstated deductions, the increase will be computed retroactive to the date when rent should have increased. Interim recertification will be made effective the first of the following month of which the unreported income was documented and verified.
  - d. If the family's rent is decreased due to unreported change in income, the decrease will be effective the first date of the month after completion of the interim recertification.
  - e. No retroactive rent decreases will be granted.
  - f. Participants must report changes in income timely in order to have the decreased rent effective for the first of the following month.
  - g. If the reduction is reported within 10 days of the change, the decreased rent will be made effective by the first of the following month.
  - h. If the family is responsible for delays in completing an interim recertification, PRPHA may terminate assistance.
  - i. The owner and tenant will be sent a notification letter informing them of the change in Rent, Tenant Rent and HAP, and the effective date of the changes.
  - j. Interim recertifications do not affect regularly scheduled recertification effective dates.
13. The family is required to **report** the following in writing to PRPHA within 30 calendar days of the change:
  - a. A family member is added by birth, adoption or court-awarded custody, with or without increased income.
  - b. The family wants permission to add a member by any method other than birth, adoption or court-awarded custody.
  - c. The family loses a member;
  - d. PRPHA will approve the addition to the family of children by birth, adoption, or court awarded custody when verified, and
  - e. PRPHA **may** permit the admission of other household members who were not a party to the lease, with written owner approval, based on the following criteria and provided the member is program eligible and the addition of the member will not disqualify the family for the size of voucher they are currently assisted under:
    - 1) Relationships consistent with PRPHA's definition of family
    - 2) Temporary custody of foster children
    - 3) Other family member additions (e.g. kinship care)



- f. Persons age 18 or older may be approved for addition to the family even if the voucher size for which the family qualifies will increase. They will be subject to the same criminal history screening used for all applicants upon approval. Only one such person may be added to any family during their term as voucher holders.
  - g. Other than children added by birth, adoption or court awarded custody, additional family members must be authorized by PRPHA in writing and approved by the owner in writing through an amendment to the lease agreement.
  - h. Failure on the part of the owner to approve an additional Family Member to the assisted unit does not constitute automatic grounds for termination of the lease agreement or automatic grounds for PRPHA to issue a new Housing Voucher to the family to facilitate their moving to another unit. Instead, it means that addition of the requested family member is a lease violation and may subject the family to lease termination and termination of assistance.
  - i. An adult family member who has been removed from the lease at the family's request may not re-enter the household until the next annual recertification and then only if the voucher size for which the family qualifies for will not increase.
  - j. Assisted families, whose head, spouse or other family member has become disabled since move-in, will have the opportunity to request a reasonable accommodation to increase the voucher size, if verified to be necessary to provide proper care or assistance.
  - k. Alternatively, the family may receive authorization to relocate to an accessible unit, as may be required. As a reasonable accommodation to persons with disabilities, PRPHA may approve a mutual rescission that will permit a family to move before the end of the lease term.
14. All requests to remove a household member (e.g. as a result of the member being involved in criminal activity that threatens the entire family with program termination), must be accompanied by substantial supporting documentation that the member to be removed from the assisted household now resides at another address. The member to be removed may appear at PRPHA in person to remove themselves or may provide documentation of their move to the HOH. Examples of such documentation could include utility bills in the name of the subject, canceled checks verifying payment of rent at a new address, driver's license indicating address is at a location corresponding to the utility billing or lease, or in their name at another location. The HOH will be given 10 days to provide such documentation. In the event that the family member who is being removed is uncooperative and refuses to provide such documentation, the HOH must provide a written statement that describes why the member is being removed from the assisted household, and why no other documentation of that move is available. If the HOH fails to respond with either supporting documentation or written statement, then the household will be recommended for termination of housing assistance.
15. If there is a change in family composition resulting in an increase or decrease to the family's voucher size and payment standard, the appropriate size will be used at the time of next annual recertification and/or move, whichever comes first.
16. Failure of the family to report an over-housed situation may result in a PRPHA requirement for repayment of excess HAP payments and/or termination from the program.



#### D. Earned Income Disallowances

1. In the HCV program, the Earned Income Disallowance applies to adults with disabilities ONLY.
2. If a family member with a disability goes to work or has new or additional earned income and qualifies under one of the following three criteria, that individual will receive an Earned Income Disallowance (EID) as described below and in the PRPHA **Procedure on Earned Income Disallowances**. To qualify, a Voucher Client must qualify as a person with a disability **and**:
  - a. Goes to work after having been unemployed for at least twelve months, or goes to work after having earned less in the last 12 months than would be earned working ten hours per week for a fifty week year earning minimum wage; or
  - b. Receives new or increased earned income during participation in an education, job training, or other economic self-sufficiency activity; or
  - c. Receives new or increased earned income within six months of having received a cash benefit or in-kind services funded through the program of Temporary Assistance to Needy Families. If an in-kind benefit (childcare, clothing or transportation subsidies, for example) was received, it must be worth at least \$500 in the past six months.
3. During the first 12 months after the date when the Voucher Client qualified for the EID, the participant's portion of the rent will not be increased because of the new earned income. Rent during this period will be based on the participant's income before qualifying for the EID plus any increases in unearned income that may occur after qualifying for the EID.
4. During the second 12 months after the date the participant qualified for the EID, the participant's portion of the rent will be increased by an amount equal to fifty percent of what the increase would be if not for the EID.
5. The disallowance periods described in number 2 and 3 above only occur while the participant is employed. If the participant stops working, the disallowance stops and resumes again when the resident goes back to work.
6. Even if the full 24 months of disallowance (12 months of full disallowance plus 12 months of 50% disallowance) have not been used, the EID will terminate 24 months from the date when the resident first qualified for the EID.
7. An EID is awarded to a person, not an entire family. More than one adult family member can receive an EID at the same time if they qualify as described under number 1 above.
8. No one receives more than one EID in a lifetime.

#### E. Family Absences from the Unit

The family may be absent from the unit for up to 30 consecutive day periods with written notification to PRPHA. Absences longer than 30 consecutive days require advance approval by PRPHA. The family may not be absent from the unit for a period of more than 180 consecutive days for any reason or the family will be terminated from the program, per HUD regulations. During a family absence in excess of 30 calendar days, assistance payments are terminated, and the family is responsible for the full contract rent.





Assistance for the entire household will be terminated if the head of household, co-head, spouse or adult child is absent due to incarceration for drug related or violent criminal activity.

F. Remaining Family Members

A remaining family member is defined as a family member listed on the most recent recertification who is 21 years of age or older, who meets all other eligibility criteria, and is a member of a the family, but not a signatory to the lease and who continues to live in the unit after all other family members have left.

If the head of household leaves the Housing Choice Voucher program for any reason, any remaining adult in the household may be designated by the remaining family as the head of household. If there are no remaining adults in a household that includes minor children, PRPHA may at its discretion allow another person related to the remaining tenant family by blood or marriage or court action to assume head of household responsibilities even though that person was not previously listed on the lease.

Families will not be permitted to add adult members to the Family for the purpose of "leaving them the voucher."

G. Family Moves

Moratorium on Family Moves

PRPHA may enact a moratorium on all optional moves by the family. Such a moratorium will be formally adopted by the Administrator or his/her designee and public notice shall be posted both when the moratorium is adopted and when it ends. When such a moratorium is in effect, moves will still be permitted because of:

1. Relocation directed by PRPHA;
2. Owner-caused failed HQS so long as the tenant is in compliance with program regulations;
3. Family need for an accessible unit to accommodate a member's disability;
4. Catastrophic disasters;
5. Family member is determined to be endangered from specific criminal activity directed at the family member rather than simply crime encountered because of the location of the family's unit, as verified by a threat assessment, and/or other available supporting documentation;
6. Family size exceeds appropriate voucher size by two or more persons; and
7. Family is moving to a neighborhood that is not economically impacted.

H. Moves within PRPHA's jurisdiction

1. Other than the exceptions noted above, families will be eligible to move within PRPHA's jurisdiction with continued assistance **only** if they
  - a. currently lives in PRPHA's jurisdiction; and
  - b. hold a valid Housing Voucher; and
  - c. are eligible to move; and
  - d. have not violated any Family obligations; and



- e. do not owe PRPHA any money; and
  - f. their current landlord indicates that they are fully lease compliant; and
  - g. are moving at or after the date of their Annual Recertification of Income and Family Circumstances and/or at the end of their lease term if the lease term is not in conjunction with the scheduled Annual Recertification.
2. A family that wants to move with continued assistance must vacate the unit in compliance with the lease and provide proper notice to the owner (as required under the lease) and to PRPHA, but not before the voucher has been issued.
  3. Failure to provide such notice will result in termination of assistance due to failure to comply with the family obligation.
  4. Families that want to move must request a moving packet and must attend a move briefing. Priorities for scheduling families for the move briefings are as follows:
    - a. Uninhabitable unit, including catastrophic disasters, uncorrected owner-caused HQS failures, and overcrowding as defined in HQS.
    - b. Disability-related need, as documented by a qualified medical practitioner.
    - c. Mobility moves, defined as moves from neighborhoods impacted by income to neighborhoods not impacted by income;
    - d. Reduction in the family's voucher size that results in the family paying excessive rent.
    - e. Upward change in the family's voucher size that allows the family to lease a larger unit.
    - f. Voluntary moves after the first 12 months of occupancy.
    - g. All other moves.
  5. PRPHA will obtain a criminal background check of household members over the age of 17 prior to issuing a moving packet, unless the existing criminal background check is less than one year old at the time a voucher will be issued. If the family is eligible to move, has not violated their Program Obligations or Lease Agreement, and does not owe PRPHA money or is current on a repayment agreement, the family will be offered a new voucher to search for another unit.
  6. At any time, PRPHA may deny permission to move due to the following if:
    - a. The family does not notify PRPHA, and the owner before the family moves out of the unit or terminates the lease.
    - b. The family does not allow PRPHA and the owner to inspect/repair the unit at reasonable times and after reasonable notice.
    - c. The family is verified to be responsible for an HQS failure.
    - d. The family is verified to have committed any serious or repeated violations of the lease.
    - e. The family owes PRPHA or another PHA money for any reason.
    - f. PRPHA does not have sufficient funding for continued assistance.
    - g. The family is verified to have violated any Family Obligation.



- h. For any other HUD-allowed reason.
  7. Families who intentionally cause their assisted unit to fail Housing Quality Standards will not be eligible to receive another Housing Voucher to relocate to another unit and will be terminated from the program.
  8. PRPHA will not issue a voucher to a family that wishes to move due to an eviction action initiated by the owner. Both the owner and the family are required to notify PRPHA whenever an eviction is filed. Housing assistance payments will continue until the court date, unless payments have been abated for owner-caused HQS violations. If the court rules that the family was evicted for violating the terms of the lease, including failure to pay rent, the family is ineligible for further assistance and will be terminated from the HCV program. If the court rules for the family, the family is eligible to receive another voucher.
- I. Overlapping HAP Payments
- If a participant family moves from an assisted unit with continued assistance, the effective date of the assistance at the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of Housing Assistance payments (for the month when the family moves out of the old unit) and the first Housing Assistance Payment for the new unit, is not considered duplicate housing subsidy.
- J. Owner Termination of a Participant's Lease: Grounds for Lease Termination
1. The owner may terminate the lease for lease violations at any time.
  2. The owner may terminate the lease for any other reason only after the initial period of the lease.
  3. When an owner terminates a lease for reasons not related to participant lease violations, the family's status will be reviewed and, if the family is in full compliance with family obligations, the family will be issued a Move Packet.
  4. The owner must follow state and local laws and must provide PRPHA with a copy of the eviction and/or lease termination notice immediately.
- K. Required Notice for Lease Termination
1. Depending upon the terms of the Lease Agreement, the owner may give the tenant a 30-day (or other period) notice to move.
  2. Owners are required to follow eviction procedures consistent with their Lease, Addendum to the Lease and HAP contract and must comply with the requirements of Federal, State, and local law.
  3. Owners must give written notice to PRPHA of any legal actions and are required to provide PRPHA with copies of all court action papers regarding program participants.
  4. Provided the owner initiates an eviction action in accordance with the lease, follows all pertinent laws, files all pertinent actions, and supplies PRPHA with copies of all pertinent legal documents, the owner is entitled to HAP payment until the family voluntarily moves or is evicted.
  5. The owner must use the lease termination and/or eviction proceedings as prescribed in the lease and contract:



- a. The owner can institute court action, using the grounds for eviction cited in the lease; or
  - b. The owner can issue proper notice not to renew the Lease Agreement.
6. The owner may not terminate tenancy for PRPHA's failure to pay the housing assistance payment.
- L. Change in Ownership or Property Management Company
1. PRPHA must receive a written request from the owner in order to make changes regarding who is to receive PRPHA's HAP payment.
  2. PRPHA will process a change of ownership only upon the written request and accompanied by documentation of the title transfer: i.e. recorded deed, legal sale documents, etc.
- M. Termination of Assistance to Participants
- Grounds and policy covering Termination are covered in Section X of this Administrative Plan.

## **Section IX. Special Programs, Features and Options**

### A. HUD's Special Programs

PRPHA operates several Section 8 Housing Choice Voucher Programs under special allocations and regulations from HUD. Applicants are admitted to these programs based on the special criteria of each program. PRPHA may, with HUD authorization, establish separate waiting lists or open the waiting list for these programs. When the waiting list is open for target admissions only, PRPHA shall only accept applications from qualified Applicants.

Applicants are admitted as a special admission when HUD allocates funding that is targeted for specific types of Families. The existing programs are outlined below.

1. U.S. Department of Housing and Urban Development – Veterans Administration Supportive Housing Program (HUD-VASH)

The HUD-VASH Program assists homeless veterans and their families based on selection by the local Veterans Administration (VA) Office for participation in the HUDVASH initiative. The program targets homeless veterans who initially agree to work with the VA Office to receive supportive services to assist with becoming self-sufficient. Under the VASH program, restrictions on assistance to persons with certain drug related and criminal history problems are waived.

a. Referral from VA

HUD-VASH eligible families are homeless veterans and their families. The San Juan VAMC will screen homeless veterans for VASH program referral eligibility in accordance with its own criteria.

b. Eligibility

The Department will screen the family for income eligibility. VASH families are not subject to admission based on the extremely-low income limits but rather the low-income limits. PRPHA will also screen and ensure the no family member is subject



to any state lifetime sex offender registry program. No other criminal background screening will be conducted on these families.

- c. Minimum Rent Hardship  
PRPHA will consider hardship circumstances before charging a minimum rent.
- d. Denials  
Except where for income-limits and screening for sex-offender registry requirement, PRPHA will not deny a veteran admission to the HCV Program.
- e. Initial Term of Voucher  
The initial term of a HUD-VASH voucher will be for 120 days. However, extensions will be in accordance with the policies outlined in this Plan.
- f. Addition of New Family Members  
When adding a new family member to a HUD-VASH family that was previously admitted into the Program, PRPHA will apply the General Admission policies outlined in this Plan.
- g. Case Management Requirements  
A condition to be eligible for and receive a HUD-VASH voucher is that the VASH participant must receive case management services as verified by the VAMC/ The VAMC screens homeless veterans to determine eligibility for the program as established by the Veteran's Affairs national office; identifies the social service and medical needs of the homeless veteran; ensures that the veteran receives ongoing case management, health services, and other supportive services; and maintains records as required by HUD and the VA.
- h. Mobility and Portability  
HUD VASH participant may reside only in those jurisdictional areas that are accessible to case management services as determined by the VAMC case managers. If the family no longer required case management, there are no portability restrictions.
- i. Termination of Assistance  
A VASH participant family must not be terminated after admission, for circumstances or activity that occurred before admission and was known to the PHA, but could not be considered at the time of admission due to the VASH operating requirements. PRPHA can terminate the family's assistance only for program violations that occur after the family's admission to the voucher program. A VASH family's assistance will be terminated if the family refuses, without good cause, to participate in required case management as determined by the VAMC.

## 2. Family Unification

Under the Family Unification Program, applicants are admitted based on referrals from the Puerto Rico Department of Family. Families admitted to this program are either in imminent danger of losing their child(ren) to foster care due to the lack of adequate housing, or the lack of housing is the sole reason for continued placement of the child(ren) in foster care. CPS provides supportive services to the participating Families. Following admittance into the Section 8 Housing Choice Voucher Program, participants follow all Section 8 Housing Choice Voucher rules and regulations.

## 3. Family Self Sufficiency Program

The Family Self Sufficiency (FSS) Program coordinates the delivery of assisted housing with existing supportive services such as medical assistance, education, job counseling, job training, childcare and transportation with a goal of increasing income and reducing dependency on welfare assistance and rental subsidies.



Families that do not complete their FSS program goals are eligible to re-enroll in the FSS Program if resources and FSS slots are available. (For further information, please see PRPHA's FSS Action Plan).

a. Termination of FSS

If a family was selected to participate in the FSS program and was terminated because they did not meet its FSS obligations, the family may be denied the opportunity to participate in the FSS program the second time, based on the fact that they violated FSS obligations the first time the family participated in the FSS program. A family may also be denied the opportunity to participate in the FSS program if they owe funds to PRHA.

If the FSS participant under-reports income and assets, the Section 8 assistance can be terminated and/or the family can be terminated for the FSS program. In either case PRPHA will not credit the family's escrow account with any portion of the back rent.

If a FSS participant moves from another PHA's jurisdiction with continued Section 8 assistance, this PHA is not obligated to enroll the FSS family in its FSS program. The family must qualify under the PHA's guidelines for selection and participation in the FSS program.

4. Preservation Program

Preservation vouchers are available under this program for eligible Families residing in an eligible preservation project as defined by **24 CFR Section 248.157 (c)** on the date of the Landlord's prepayment or voluntary termination. Families are offered tenant based assistance under the Section 8 Housing Choice Voucher Program if, as the result of a rent increase no later than one year after the date of the Landlord's prepayment or voluntary termination, the Family's rent exceeds thirty percent (30%) of their adjusted income.

The following conditions are applicable under this program:

- a. Landlord Opt-Outs: Landlords who choose not to renew an expiring Section 8 Housing Choice Voucher or Section 23 project-based contract;
- b. Preservation Pre-Payments: Landlords who choose to pre-pay the HUD insured mortgage or voluntarily terminate the mortgage insurance.
- c. HUD Enforcement Actions: HUD terminates the HAP contract or does not offer the Landlord the opportunity to renew the expiring HAP contract for failure to comply with the terms of the contract.
- d. HUD Property Disposition: HUD becomes the Landlord of the property through foreclosure and is either selling or closing the property.

B. PRPHA's Special Programs

1. Project-Based Program

PRPHA may allocate up to 30 percent of its tenant-based Housing Choice Vouchers for special programs under HUD's project-based voucher program. The 10 percent of vouchers over the initial 20 percent of the vouchers must serve households that are homeless or include a veteran, provide supportive housing for persons who have a disability or who are elderly or are in a census tract with a poverty rate of 20 percent or less. PRPHA administers vouchers that are provided to Families under specified criteria. Families that participate in the Project based Program are eligible to receive



a voucher to relocate after one year only if PRPHA has sufficient funds to cover the cost of the voucher. Families must provide a written request to relocate. PRPHA may periodically advertise its intent and solicit owners, developers and social service providers to provide housing opportunities for Puerto Rico families, including those with special needs.

2. Section 8 Homeownership Program

PRPHA shall provide Homeownership opportunities for voucher holders. PRPHA shall allocate up to 10% of vouchers to assist eligible Families in attaining Homeownership.

**Section X. Termination of Assistance**

A. Terminations of Families Based on Program Regulations

PRPHA may terminate the assistance of Families at the family request or for any violation of program rules and family obligations including but not limited to the following reasons:

1. Families notify PRPHA that they wish to voluntarily terminate their assistance.
2. No Housing Assistance Payment has been paid on the family's behalf for 180 days (six months).
3. No family member certifies to either citizenship or eligible immigration status and does not elect to contest his/her eligible status.
4. Any member of the Family refuses to sign and submit the HUD and PRPHA required consent form(s) for obtaining information.
5. Any family members do not provide their Social Security information and documentation within the time required and specified by PRPHA.
6. Families move out of their dwelling unit without giving proper written notice to PRPHA and their Landlord.
7. PRPHA determines the Landlord is entitled to payments due to non-payment of rent, damages, or other amounts owed under the Landlord's lease by the Family, and it is verified that the Family has failed to satisfy any such liability.
8. The family has not reimbursed PRPHA or another PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease, or if the family breaches an agreement with PRPHA to pay amounts owed.
9. A family does not report an increase of income or change of family composition as required by this Administrative Plan.
10. The family fails to comply with the requirement to recertify after two notices.
11. Any member of the Family has engaged in drug related criminal activity, or violent criminal activity as outlined in Section IV B.  
  
Criminal activity directly relating to domestic violence, dating violence, or stalking shall not be considered cause for termination of assistance for any participant, or immediate member of a participant's family who is the victim of the domestic violence, dating violence, or stalking.
12. Any family member is subject to a lifetime registration requirement under a state sex offender registration program.



13. Any member of the Family has ever been convicted of manufacturing methamphetamine.
14. Any family member engages in illegal use of a controlled substance.
15. Any family member engages in abuse of alcohol in a manner that threatens the health, safety or peaceful enjoyment of the premises by other residents or neighbors.
16. Any household member illegally possesses weapons.
17. Any member of the Family misrepresents, bribes or commits any other corrupt or criminal act in connection with any federal housing program.
18. Any Family member or guest of the Family engages in or threatens abusive or violent behavior toward Authority personnel.
19. All members of the Family are absent from the unit for more than 30 consecutive days without PHA and landlord approval.
20. A family is having their lease terminated by their landlord as a result of serious or repeated lease violations or is evicted for serious or repeated lease violation(s).
21. Any family member who enters into a side payment agreement without PRPHA's authorization.
22. Any family member or guest causes damage to the unit or surrounding property as verified by a PRPHA inspection.
23. Any family member or guest engages in violent physical behavior or fights.
24. Any member of the Family has violated any Family Obligation under the Housing Choice Voucher Program as outlined in **24 CFR 982.551**, as amended.
25. Any other HUD-allowed reason.

PRPHA may impose, as a condition of continued assistance for other family members, a requirement that the family members who participated in or were culpable for the action or failure will not ever reside in the unit.

B. Terminations during a Funding Shortfall

PRPHA may take action to reduce housing assistance payment expenses due to a federal funding shortfall where PRPHA would otherwise be required to terminate participating families from the program due to insufficient funds.

Before implementing any termination of assistance PRPHA will evaluate and consider all available cost reduction actions, such as:

- Restrict portability and moves within a high payment standard
- Adjust subsidy standards
- Restrict issuance of vouchers for families on the waiting list
- Cancel vouchers in search status from the waiting list (and families are returned to their position on the waiting list)
- New portable vouchers will be administered
- Request receiving PHAs to absorb port outs
- Reject rent increase requests from owners
- Implement interim reexams for all families with increases in income.

Prior to terminating families due to insufficient funding, the PRPHA Administrator/Deputy Administrator will certify to the PRPHA Board of Commissioners that all cost savings measures





have been implemented and that all available funds, including the HAP reserves, admin fee reserves and other available Federal and nonfederal funds are insufficient.

Authority to approve termination of HAP contracts due to insufficient funding is vested in the PRPHA Administrator/Deputy Administrator. The priority of contract termination shall be based on the date of initial participant's assistance provided, i.e., contracts of the longest assisted family shall be terminated first. Families in project based units will not be subject to termination unless all tenant based families are terminated due to funding.

As funding becomes available, families terminated will be offered an opportunity to receive a voucher. These terminated families will have priority over all others on the waiting list. Families will be called in for an eligibility interview and all factors of eligibility will be determined in accordance with this Administrative Plan and eligible families must lease a unit as a New Admission.

#### C. Participant Termination Notification

In any case where PRPHA decides to terminate assistance to the family, PRPHA will give both the family and the owner a 30-day written termination notice which states:

1. Reasons for the termination;
2. Effective date of the termination;
3. Family's right to request an informal hearing; and
4. Family's responsibility to pay the full rent to the owner if they remain in the assisted unit after the termination effective date.

#### D. The Violence Against Women Act

1. The Violence Against Women and Justice Department Reauthorization Act of 2005 and Reauthorization Act of 2013 (VAWA) protects families who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with 24 CFR 5.2005 and HUD guidance, PRPHA will not deny assistance or terminate assistance from housing on the basis that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking (collectively VAWA crimes) by an affiliated individual.

VAWA definitions of domestic violence, dating violence, sexual assault, stalking, and affiliated individual are provided below. Detailed VAWA protocol is included in PRPHA's **Procedure for VAWA**.

2. Domestic Violence: includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner, 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 person's acts under the domestic or family violence laws of the jurisdiction. The term "spouse or intimate partner of the victim" includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.
3. Dating Violence: means 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:
  - 1) the length of the relationship;
  - 2) the type of relationship; and
  - 3) the frequency of interaction between the persons involved in the relationship.
4. Stalking: means engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for the person's individual safety or the safety of others; or suffer emotional distress
5. Sexual assault: means any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.
6. Affiliated individual: with respect to an individual, means:
  - a. A spouse, parent, brother, sister, or child of that individual, or a person to whom that individual stands in the place of a parent or guardian (for example, the affiliated individual is a person in the care, custody, or control of that individual); or
  - b. Any individual, tenant, or lawful occupant living in the household of that individual.
7. Notification of Occupancy Rights. PRPHA will notify landlords and Housing Choice Voucher participants of the notification of occupancy rights under VAWA during termination proceedings, landlord and client briefings, during the annual recertification process, and by providing information from PRPHA staff. Housing Choice Voucher participants requesting protection from termination or eviction for incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking must complete, sign, and submit HUD Form 50066 within 14 business days of notification of the termination or eviction.
8. Certification. PRPHA requires verification of VAWA crimes. This may be accomplished in one of three ways:
  - a. Completing HUD-5382, "Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking".
  - b. Providing other documentation signed 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, sexual assault, or stalking, or the side effects of the abuse, described in such documentation. The professional providing the documentation must sign and attest under penalty of perjury that the incident or incidents in question are bona fide and meet the requirements of the applicable definition set forth in this procedure.
  - c. Providing a police or court record to PRPHA by federal, state, tribal, or local police or court, which describes the incident(s) in question.



9. Emergency transfer Plan. Victims of VAWA crimes *may* qualify for an emergency transfer if they either reasonably believe there is a threat of imminent harm from further violence if they remain in their dwelling unit, or the sexual assault occurred on the premises during the 90-calendar-day period preceding the date of the request for transfer. Detailed procedures on emergency transfers are covered in **PRPHA's Procedure for VAWA**.
- E. Terminating PRPHA HAP payments
1. The HAP contract will be terminated and any overpayments of HAP will be recouped on the last day of the month after a tenant has died and no eligible remaining family members are in the unit and/or on the last day of the month after a tenant has vacated the unit, with or without notice to the landlord.
  2. PRPHA will use public records to verify the date of death.
  3. If tenants have abandoned the unit and vacated without written notice to PRPHA and/or the landlord, PRPHA will use records such as inspection dates, dates of unit being leased or public utility consumption records to verify last month of occupancy.

## **Section XI. Informal Hearings**

A. Situations in which PRPHA will offer informal hearings

An **informal hearing** is offered to a participating Family based on PRPHA's decision affecting the Family in the Housing Choice Voucher Program in accordance with the procedures described in the following section on Informal Hearings.

PRPHA shall give a participant an opportunity for an informal hearing in disputes involving the following determinations:

1. the amount of the total tenant payment or tenant rent;
2. appropriate utility allowance;
3. family unit size under payment standard;
4. termination of assistance;

B. Situations in which PRPHA will not offer informal hearings

PRPHA is not required to provide an opportunity for an informal hearing to review Authority determinations:

1. that are administrative determinations by PRPHA, or to consider general policy issues or class grievances.
2. that a unit does not comply with PRPHA's Housing Quality Standards, that the owner has failed to maintain or operate a contract unit to provide decent, safe, and sanitary housing in accordance with the Housing Quality Standards (HQS), (including all services, maintenance, and utilities required under the lease), or that the contract unit is not decent, safe, and sanitary because of an increase in family size or change in family composition.
3. when Authority wishes to exercise any remedy against the owner under an outstanding contract, including the termination of Housing Assistance Payments to the owner.



4. not to approve a family's request for an extension of the term of the Voucher issued to an applicant or an assisted family that wants to move to another dwelling unit with continued participation in PRPHA's Housing Choice Voucher Program.

C. Notice to Participant

1. PRPHA shall give the participant prompt written notice of the decision made regarding the above stated issues.
2. The written notice shall contain a brief statement of the reasons for the decision, and a statement that if the participant does not agree with the decision, she/he may request an informal hearing on the decision within ten (10) calendar days from the date of the notice.
3. If the request for an Informal Hearing is not submitted timely, the participant will have waived his/her right to request an informal hearing.
4. If an informal hearing request is submitted within the required timeframe, PRPHA will timely schedule the informal hearing and send written notice to the client.
5. The written notice shall contain the date, time, and place where the informal hearing will be conducted.
6. The informal hearing shall occur prior to the date of termination of housing assistance payments unless the tenant has already vacated the unit.
7. If the informal hearing cannot be held before the scheduled date of termination of assistance, assistance will be paid until the hearing has been held and a decision rendered.

D. The Hearing Officer

1. PRPHA will designate a hearing officer(s) to conduct the informal hearing.
2. The hearing officer shall be a person other than a person who made or approved the decision under review, or a subordinate of such person.

E. Rights of the Participant

1. The participant must appear in person and may be represented by an attorney at his/her own expense.
2. The participant shall have the right to review and copy (at his/her expense) any relevant information relied upon by PRPHA.
3. The participant shall have the right to present both oral and written evidence.
4. The participant has the right to question any witnesses deposed herein and the right to argue his or her case prior to the hearing officer's decision.
5. The participant shall have the right to arrange for an interpreter to attend the hearing, at the client's expense. If a participant has a hearing impairment or speaks English, PRPHA will provide an interpreter at PRPHA's expense.
6. The participant shall have the right to have the hearing recorded by audiotape at the client's expense subject to the hearing officer's discretion.
7. The participant shall have the right to seek redress directly through judicial procedures of the court after receipt of the hearing officer's decision.

F. Rights of PRPHA



1. PRPHA may be represented by an attorney at the informal hearing.
2. PRPHA may introduce evidence, both oral and written.
3. PRPHA shall have the right to question any witness examined in the informal hearing and to make final submissions.
4. PRPHA shall have the right and must be given the opportunity to pre-hearing discovery, at Authority offices, of any family documents directly relevant to the hearing.
5. PRPHA must be allowed to copy any such document at PRPHA's expense.
6. If the family does not make the document available for examination on request of PRPHA, the family may not rely on the document at the hearing.

G. Conduct of the Informal Hearing

1. The hearing officer will regulate the conduct of the hearing in accordance with hearing procedures commonly accepted and followed.
2. Requests to reschedule a hearing must be made at least two business days in advance of the hearing. If the participant fails to appear at the hearing without prior request to re-schedule the hearing based on legitimate and allowable grounds or is more than 10 minutes late for the scheduled hearing, the matter will be decided ex-parte, or dismissed forthwith with no right for its restoration.
3. Participants may not re-schedule a hearing more than once.

H. The Decision

1. Factual determinations relating to the individual circumstances of the participant shall be based on the evidence presented at the hearing.
2. The decision shall be in writing and based on the evidence, HUD regulations, Authority policies and rules, and any applicable law.
3. The decision shall briefly state the reasons on which the decision is arrived.
4. A copy of the decision shall be furnished promptly to the participant, but in most instances no more than 30 calendar days from the date of the hearing.

I. Situations in which Informal Hearing Decisions are not binding on the PRPHA

PRPHA is not bound by a hearing decision on the following matters:

1. A matter for which PRPHA is not required to provide an opportunity for an informal hearing or otherwise in excess of PRPHA of the person conducting the hearing under these hearing procedures.
2. A decision is rendered that is contrary to HUD regulations, requirements or otherwise contrary to Federal, State, or Local law or to PRPHA's policies and procedures.

If PRPHA determines that it is not bound by a hearing decision, PRPHA shall promptly notify the participant of the determination, and the reasons for the determination.

**Section XII. Determining Income and Rent**

A. Annual Income 24 CFR § 5.609



PRPHA shall use HUD's definition of Annual Income. Should this definition be revised, HUD's definition, rather than that presented below shall be used.

Annual income is the anticipated total income from all sources, including net income derived from assets, received by the family head and spouse (even if temporarily absent) and by each additional family member including all net income from assets for the 12month period following the effective date of initial determination or reexamination of income, exclusive of income that is temporary, non-recurring, or sporadic as defined below, or is specifically excluded from income by other federal statute. Annual income includes but is not limited to:

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
2. The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business;
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property;
4. If the Family has Net Family Assets in excess of \$5,000, Annual Income shall include the greater of the actual income derived from all Net Family Assets or a percentage of the value of such Assets based on the current passbook savings rate as determined by HUD;
5. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts [See B. 14. below for treatment of delayed or deferred periodic payment of social security or supplemental security income benefits.];
6. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (But see paragraph B. 3. below concerning treatment of lump-sum additions as Family assets.);
7. All public assistance payments (Temporary Assistance to Needy Families, General Assistance) received by or on behalf of any family member;
8. Periodic and determinable allowances, such as alimony and child support payments, and regular cash and non-cash contributions or gifts received from agencies or persons not residing in the dwelling made to or on behalf of family members; and
9. All regular pay, special pay, and allowances of a family member in the Armed Forces. (See paragraph B. 7. below concerning pay for exposure to hostile fire.)
10. For Housing Choice Voucher programs only, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 from private sources or from an institution of higher education shall be considered income to that individual, except that financial assistance described in this



paragraph is not considered annual income for persons over the age of 23 with dependent children. Financial assistance does not include loans.

B. Excluded Income **24 CFR § 5.609**

Annual Income does not include the following:

1. Income from the employment of children (including foster children) under the age of 18 years;
2. Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the resident family, who are unable to live alone);
3. Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance, and worker's compensation), capital gains, one-time lottery winnings, and settlement for personal property losses (but see paragraphs 4 and 5 above if the payments are or will be periodic in nature);

(See paragraph 14. below for treatment of delayed or deferred periodic payments of social security or supplemental security income benefits.)

4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
5. Income of a live-in aide, provided the person meets the definition of a live-in aide;
6. The full amount of student financial assistance paid directly to the student or the educational institution;
7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
8. Certain amounts received that are related to participation in the following programs:
  - a. Amounts received under HUD funded training programs (e.g. Step-up program: excludes stipends, wages, transportation payments, childcare vouchers, etc. for the duration of the training);
  - b. Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
  - c. Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) to allow participation in a specific program;
  - d. A resident services stipend. A resident services stipend is a modest amount (not to exceed \$200/month) received by a public housing resident for performing a service for the PRPHA, on a part-time basis, that enhances the quality of life in public housing. Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No resident may receive more than one such stipend during the same period of time; and
  - e. Incremental earnings and/or benefits resulting to any family member from participation in qualifying state or local employment training program (including training programs not affiliated with the local government), and training of family



members as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance by the PRPHA;

9. Temporary, non-recurring, or sporadic income (including gifts);
10. Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
11. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of the household and spouse);
12. Adoption assistance payments in excess of \$480 per adopted child;
13. The incremental earnings and benefits to any resident 1) whose annual income increases due to employment of a family member who was unemployed for one or more years previous to employment; or 2) whose annual income increases as the result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or 3) whose annual income increases due to new employment or increased earnings of a family member during or within six months of receiving state-funded assistance, benefits or services, will not be increased during the exclusion period. For purposes of this paragraph, the following definitions apply:
  - a. State-funded assistance, benefits or services means any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PRPHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance – provided that the total amount over a six-month period is at least \$500.
  - b. During the 12 month period beginning when the disabled member first qualifies for a disallowance, the PRPHA must exclude from Annual Income any increase in income as a result of employment. For the 12 months following the exclusion period, 50% of the income increase shall be excluded.
  - c. Regardless of how long it takes a resident to work for 12 months (to complete the first exclusion) or the second 12 months (to qualify for the second exclusion), the maximum period for the disallowance (exclusion) is 24 months.
  - d. The disallowance of increased income under this section is only applicable to current disabled residents and will not apply to applicants who have begun working prior to admission (unless their earnings are less than would be earned working ten hours per week at minimum wage, under which they qualify as unemployed).
14. Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment;
15. Deferred payments of VA disability benefits that are received in a lump sum payment;
16. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;





17. Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home;
18. Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. (A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.)

The following is a list of benefits excluded by other Federal Statute:

- a. The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977; **7 USC 2017 (h)**
- b. Payments to volunteers under the Domestic Volunteer Service Act of 1973; 42 USC 5044 (g), 5088  
Examples of programs under this Act include but are not limited to:
  - the Retired Senior Volunteer Program (RSVP), Foster Grandparent Program (FGP), Senior Companion Program (SCP), and the Older American Committee Service Program;
  - National Volunteer Antipoverty Programs such as VISTA, Peace Corps, Service Learning Program, and Special Volunteer Programs;
  - Small Business Administration Programs such as the National Volunteer Program to Assist Small Business and Promote Volunteer Service to Persons with Business Experience, Service Corps of Retired Executives (SCORE), and Active Corps of Executives (ACE).
- c. Payments received under the Alaska Native Claims Settlement Act; **43 USC.1626 (a)**
- d. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes; **25 USC. 459e**
- e. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program; **42 USC 8624 (f)**
- f. Income derived from the disposition of funds of the Grand River Band of Ottawa Indians; P. L. 94-540, 90 Stat 2503-04
- g. The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims **25 USC 1407-08**, or from funds held in trust for an Indian Tribe by the Secretary of Interior; and **25 USC 117b, 1407**
- h. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs. **20 USC 1087 uu**
  - Examples of Title IV programs include but are not limited to: Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College Work Study, and Byrd Scholarships.
- i. Payments received from programs funded under Title V of the Older Americans Act of 1965: **42 USC 3056 (f)**



- Examples of programs under this act include but are not limited to: Senior Community Services Employment Program (CSEP), National Caucus Center on the Black Aged, National Urban League, Association National Pro Personas Mayores, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb.
  - j. Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established in the In Re Agent Orange product liability litigation;
  - k. Payments received under Maine Indian Claims Settlement Act of 1980; **P.L. 96-420,94 Stat. 1785**
  - l. The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990; **42 USC 9858q**
  - m. Earned income tax credit refund payments received on or after January 1, 1991 26 USC 32 (j)
  - n. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;
  - o. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990;
  - p. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act;
  - q. Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998;
  - r. Exclusion of Tax Rebate from the IRS under Economic Stimulus Act;
  - s. Exclusion of income earned under temporary employment with the U.S. Census Bureau; and
  - t. Kinship Guardian assistance payments and other guardianship care payments;
  - u. Any amount received under the School Lunch Act and the Child Nutrition Act of 1966, including reduced price lunches and food under WIC;
  - v. Payments, funds or distributions authorized, established or directed by the Seneca Nation Settlement Act of 1990;
  - w. Payments from any deferred Dept. of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts;
  - x. Compensation received by or on behalf of a veteran for service connected disability, death, dependency or indemnity compensation as provided by the Indian Veterans Housing Opportunity Act of 2010;
  - y. A lump sum or a periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case "Elouise Cobell et al v Ken Salazar
- C. Anticipating Annual Income **24 CFR § 5.609(d)**



If it is not feasible to anticipate income for a 12-month period, PRPHA may use the annualized income anticipated for a shorter period, subject to an Interim Adjustment at the end of the shorter period. (This method would be used for school bus drivers or classroom aides who are only paid for 9 months, or for tenants receiving unemployment compensation.)

D. Adjusted Income **24 CFR § 5.611**

Adjusted Income (the income upon which income-based rent is based) means Annual Income less the following deductions:

For All Families

1. **Child Care Expenses** — A deduction of amounts anticipated to be paid by the family for the care of children under 13 years of age for the period for which Annual Income is computed, BUT ONLY when such care is necessary to enable a family member to be gainfully employed, to seek employment or to further his/her education. Amounts deducted must be unreimbursed expenses and shall not exceed: (a) the amount of income earned by the family member released to work; or (b) an amount determined to be reasonable by PRPHA when the expense is incurred to permit education or to seek employment.
2. **Dependent Deduction** — An exemption of \$480 for each member of the family residing in the household (other than the head of household, or spouse, Live-in Aide, foster adult or foster child) who is under eighteen years of age or who is eighteen years of age or older and disabled, or a full-time student.
3. **Work-related Disability Expenses/Disability Assistance Allowance** — a deduction of unreimbursed amounts paid for attendant care or auxiliary apparatus expenses for family members with disabilities where such expenses are necessary to permit a family member(s), including the disabled member, to be employed. In no event may the amount of the deduction exceed the employment income earned by the family member(s) freed to work.

Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for the visually impaired, service animals, and equipment added to cars and vans to permit their use by the disabled family member. Also included would be the annualized cost differential between a car and the cost of a van required by the family member with disabilities.

- a. For non-elderly families and elderly or disabled families without medical expenses: the amount of the deduction equals the cost of all unreimbursed expenses for work-related disability expense less three percent of Annual Income, provided the amount so calculated does not exceed the employment income earned.
- b. For elderly or disabled families with medical expenses: the amount of the deduction equals the cost of all unreimbursed expenses for work-related disability expense less three percent of Annual Income (provided the amount so calculated does not exceed the employment income earned) PLUS medical expenses as defined below.

For elderly and disabled families only:

4. **Medical Expense Deduction** — A deduction of unreimbursed Medical Expenses, including insurance premiums, anticipated for the period for which Annual Income is computed.



Medical expenses include but are not limited to: services of physicians and other health care professionals, services of health care facilities, health insurance premiums (including the cost of Medicare), prescription and non-prescription medicines, transportation to and from treatment, dental expenses, eyeglasses, hearing aids and batteries, attendant care (unrelated to employment of family members), and payments on accumulated medical bills. To be considered by PRPHA f2525or the purpose of determining a deduction from income, the expenses claimed must be verifiable.

- a. For elderly or disabled families without work-related disability expenses: The amount of the deduction shall equal total medical expenses less three percent of annual income.
- b. For elderly or disabled families with both work-related disability expenses and medical expenses: the amount of the deduction is calculated as described in paragraph 3 (b) above.
- c. Elderly/Disabled Household Exemption — An exemption of \$400 per household.

E. Computing Rent **24 CFR § 5.628**

1. Total Tenant Payment (TTP)

- a. The first step in computing income-based rent is to determine each family's Total Tenant Payment.
- b. Then, if the family is occupying an apartment that has tenant-paid utilities, the Utility Allowance is subtracted from the Total Tenant Payment.
- c. The result of this computation, if a positive number, is the Tenant Rent.
- d. If the Total Tenant Payment less the Utility Allowance is a negative number, the result is the utility reimbursement.

2. Total Tenant Payment is the higher of:

- 30% of adjusted monthly income; or
- 10% of monthly income; but never less than the
- Minimum Rent of \$0.

3. Tenant rent

- a. Tenant rent is computed by subtracting the utility allowance for tenant supplied utilities (if applicable) from the Total Tenant Payment.
- b. In developments where the landlord pays all utility bills directly to the utility supplier, Tenant Rent equals Total Tenant Payment. **24 CFR § 5.634**

4. Rent to Landlord

- a. Rent to landlord is the greater of:
  - The Payment Standard less the landlord's Housing Assistance Payment; or
  - The Gross Rent less the landlord's Housing Assistance Payment

5. Minimum Rent shall be \$0 per month.

### **Section XIII. Project-Based Vouchers**

#### Introduction



This chapter describes HUD regulations and PRPHA policies related to the project-based voucher (PBV) program in nine parts:

**Part I: General Requirements.** This part describes general provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements.

**Part II: PBV Owner Proposals.** This part includes policies related to the submission and selection of owner proposals for PBV assistance. It describes the factors PRPHA will consider when selecting proposals, the type of housing that is eligible to receive PBV assistance, the cap on assistance at projects receiving PBV assistance, subsidy layering requirements, site selection standards, and environmental review requirements.

**Part III: Dwelling Units.** This part describes requirements related to housing quality standards, the type and frequency of inspections, and housing accessibility for persons with disabilities.

**Part IV: Rehabilitated and Newly Constructed Units.** This part describes requirements and policies related to the development and completion of rehabilitated and newly constructed housing units that will be receiving PBV assistance.

**Part V: Housing Assistance Payments Contract.** This part discusses HAP contract requirements and policies including the execution, term, and termination of the HAP contract. In addition, it describes how the HAP contract may be amended and identifies provisions that may be added to the HAP contract at PRPHA's discretion.

**Part VI: Selection of PBV Program Participants.** This part describes the requirements and policies governing how PRPHA and the owner will select a family to receive PBV assistance.

**Part VII: Occupancy.** This part discusses occupancy requirements related to the lease and describes under what conditions families are allowed or required to move. In addition, exceptions to the occupancy cap are also discussed.

**Part VIII: Determining Rent to Owner.** This part describes how the initial rent to owner is determined, and how rent will be re-determined throughout the life of the HAP contract. Rent reasonableness requirements are also discussed.

**Part IX: Payments to Owner.** This part describes the types of payments owners may receive under this program.

#### Part I: General Requirements Overview [24 CFR 983.5]

The project-based voucher (PBV) program allows PHAs that administer a tenant-based Housing Choice Voucher (HCV) program under an annual contributions contract (ACC) with HUD to take up to 20 percent of its units and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. An additional 10 percent of units may be project based, if used for homeless families, families with veterans, supportive housing for persons with disabilities or elderly persons, or in census tracts with a poverty rate of 20 percent or less. PHAs may only operate a PBV program if doing so is consistent with the PHA's Annual Plan, and the goal of de-concentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

Supportive services for excepted units may include but are not limited to:

- o meal service adequate to meet nutritional need;
- o housekeeping aid;



- o personal assistance;
- o transportation services;
- o health-related services;
- o case management;
- o child care;
- o educational and employment services;
- o job training;
- o counseling; or
- o other services designed to help the family live in the community as independently as possible.

The length of time services will be provided, the frequency of services, and the scope of services provided shall be evaluated on a case by case basis.

No later than 14 days prior to issuing a request for proposals (RFP), selecting a project based on a previous competition, or selecting a project without following a competition process where the PHA has ownership interest and is engaged in improving, developing or replacing a public housing property or site the PRPHA will submit to the local HUD Office of Public Housing all the following information:

- o The total number of units authorized under the Consolidated Annual Contributions Contract (ACC) for the PHA (excluding those PBV units entirely excluded from the cap described in below). This number of authorized units includes special-purpose vouchers such as HUD-VASH (except as provided below) and Family Unification Program vouchers. The PHA must also identify the number of PBV units that are excluded from total, if applicable.
- o The total number of units currently committed to PBV (excluding those PBV units entirely excluded from the cap described below.). The number of units "committed to PBV" is comprised of the total number of units that are either (a) currently under PBV HAP contract, (b) under an Agreement to Enter into HAP contract (AHAP), or (c) covered by a notice of proposal selection. PRPHA will identify the number of units qualifying under the 10 percent program cap exception category. PRPHA will also identify the number of PBV units that are excluded from the total, if applicable. This number must match the number of PBV units excluded from the baseline units (discussed above).
- o The number of units to which PRPHA is proposing to attach project-based assistance through the new RFP or selection.

#### **Units not Subject to PBV Program Unit Limitation**

For PRPHA's PBV program, units must meet the following conditions to qualify as an exception to the PBV unit limitation:

- o The unit must be covered under a PBV HAP contract that first became effective on or after 04/18/2017; and
- o In the 5 years prior to the date the PHA either (i) issued the RFP under which the project was selected or (ii) selected the project based on a prior competition or without competition, the unit met at least one of the two following conditions:
  - o The unit received one of the following forms of HUD assistance:



- Public Housing Capital or Operating Funds (section 9 of the 1937 Act).
- Project-Based Rental Assistance (section 8 of the 1937 Act). Project-based rental assistance under section 8 includes the section 8 moderate rehabilitation program, including the single-room occupancy (SRO) program.
- Housing For the Elderly (section 202 of the Housing Act of 1959).
- Housing for Persons With Disabilities (section 811 of the Cranston-Gonzalez National Affordable Housing Act).
- The Rent Supplement (Rent Supp) program (section 101 of the Housing and Urban Development Act of 1965).
- Rental Assistance Program (RAP) (section 236(f)(2) of the National Housing Act).Flexible Subsidy Program (section 201 of the Housing and Community Development Amendments of 1978).
- The unit was subject to a rent restriction as a result of one of the following HUD loan or insurance programs:
  - Section 236.
  - Section 221(d)(3) or (d)(4) BMIR.
  - Housing for the Elderly (section 202 of the Housing Act of 1959).
  - Housing for Persons with Disabilities (section 811 of the Cranston-Gonzalez National Affordable Housing Act).Flexible Subsidy Program (section 201 of the Housing and Community Development Amendments of 1978).

Units that were previously receiving PBV assistance or HCV tenant-based assistance are not covered by this exception.

PBV New Construction Units that Qualify for the Exception as Replacement Housing. A PBV new construction unit must meet all of the following requirements in order to be a replacement unit and qualify for this exception to the program limitation:

- The unit which the PBV new construction unit is replacing (i.e., the original unit) must have received one of the forms of HUD assistance or was subject to a rent restriction as a result of one of the HUD loan or insurance programs listed above no more than 5 years from the date the PHA either (i) issued the RFP under which the PBV new construction project was selected or (ii) selected the PBV new construction project based on a prior competition or without competition. If the PBV new construction project was selected based on a prior competition or without competition, the date of selection used to determine if the 5-year threshold has been met is the date of the PHA written notice of owner selection.
- The newly constructed unit is located on the same site as the unit it is replacing. An expansion of or modification to the prior project's site boundaries as a result of the design of new construction project is acceptable as long as a majority of the replacement units are built back on the site of the original public housing development and any units that are not built on the existing site share a common border with, are across a public right of way from, or touch that site.

One of the primary purposes of the planned development of the PBV new construction project is or was to replace the affordable rental units that previously existed at the site, as evidenced by at least one of the following:



- Former residents of the original project are provided with a selection preference that provides the family with the right of first occupancy at the PBV new construction project when it is ready for occupancy.
- Prior to the demolition of the original project, the PBV new construction project was specifically identified as replacement housing for that original project as part of a documented plan for the redevelopment of the site.

Unit size configuration and number of units for new construction and rehabilitation projects. The unit size configuration of the PBV new construction project may differ from the unit size configuration of the original project that the PBV units are replacing. In addition, the total number of PBV assisted units may differ from the number of units in the original project. However, under no circumstances may the program limitation exception be applied to PBV new construction units that exceed the total number of covered units in the original project that the PBV units are replacing.

These same policies apply in the case where the owner is rehabilitating the project under the PBV program and is changing the unit configuration and/or total number of units in the project as a result of the rehabilitation.

Applicability of PBV project selection requirements. For owner proposals involving all of these properties (existing, rehabilitation, and new construction), the standard criteria for selection of projects and the units to which project-based assistance can be attached, including consistency with the PHA Plan, the goals of deconcentrating poverty and expanding housing and economic opportunities, site selection, and all civil rights requirements, are still in effect. Likewise, the requirements of HUD Notice PIH 2013-27 that concern the voluntary relinquishment by families of enhanced voucher assistance for PBV assistance remains in effect. The only difference is that the PBV units in these projects will not be included in determining if a PHA has exceeded its PBV program cap. These units are excluded from both the total number of units authorized under the PRPHA's ACC and the number of units committed to PBV in the program.

As noted above, PRPHA is required to provide the number of PBV units to which it will be attaching PBV assistance under this exception authority to HUD no later than 14 calendar days prior to the date that the PHA intends to issue the RFP or make the selection. PRPHA will indicate the specific exception that covers the units (i.e., identify the property and the covered program or programs under which the property was formerly assisted).

### **Other Units not Subject to the PBV Program Unit Calculation**

In addition to the units listed under section above, other units are not subject to the program limitation calculation and would be excluded in the total number of authorized units and the total number of PBV units currently committed to PBV that the PHA submits to the field office.

RAD PBV units are exempt from consideration for the 20 percent cap, and do not need to be included either in the total number of voucher units or the number of units which may be project-based. PBV units supported by HUD-VASH funding specifically designated for project-based assistance will also not count against PRPHA's PBV program cap, for as long as the vouchers remain under PBV HAP contract at the designated project. All other HUD-VASH vouchers, including non-set aside HUD-VASH vouchers which PRPHA chooses to project-base, are to be included in the calculation of authorized ACC units available for project-basing.

It is PRPHA's policy that PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing. If PBV units are already selected for project-based assistance either under an agreement to enter into HAP Contract (Agreement) or a HAP





contract, PRPHA is not required to reduce the number of these units if the amount of budget authority is subsequently reduced. However, PRPHA is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC [24 CFR 983.6].

### **Tenant-Based VS. Project-Based Voucher Assistance [24 CFR 983.2]**

Many of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of the PRPHA policies related to tenant-based assistance also apply to PBV assistance. The provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, PRPHA policies for the tenant-based voucher program contained in this Administrative Plan also apply to the PBV program and its participants.

### **Relocation Requirements [24 CFR 983.7]**

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. PRPHA will not use voucher program funds to cover relocation costs, except that administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances. The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of PRPHA to ensure the owner complies with these requirements.

### **Equal Opportunity Requirements [24 CFR 983.8]**

PRPHA will comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, PRPHA must comply with PRPHA Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

## Part II: PBV Owner Proposals

### **OVERVIEW**

Before selecting a PBV proposal, PRPHA will determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing [24 CFR 983.53 and 983.54], complies with the cap on the number of PBV units per building [24 CFR 983.56], and meets site selection standards [24 CFR 983.57].



### **Owner Proposal Selection Procedures [24 CFR 983.51]**

PRPHA will select PBV proposals by either of the following methods:

PRPHA may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to PRPHA request. PRPHA may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.

PRPHA may select proposals that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

Section 8(o)(13)(N) allows PHAs to attach PBVs to projects in which the PHA has an ownership interest or has control of, without following a competitive process, in cases where the PHA is engaged in an initiative to improve, develop, or replace a public housing property or site. The PHA's ownership interest does not have to meet the definition of the term "owned by a PHA" established by section 105 of HOTMA. For purposes of this section, an ownership interest means that the PHA or its officers, employees, or agents are in an entity that holds any such direct or indirect interest in the building, including, but not limited to an interest as: titleholder; lessee; a stockholder; a member, or general or limited partner; or a member of a limited liability corporation. These PBV projects are still subject to all other applicable PBV requirements. In order to be subject to this non-competitive exception, PRPHA must be planning rehabilitation or construction on the project with a minimum of \$25,000 per unit in hard costs.

### **Solicitation and Selection of PBV Proposals [24 CFR 983.51(B) and (C)]**

PRPHA procedures for selecting PBV proposals are designed to provide broad public notice of the opportunity to offer PBV proposals for consideration by PRPHA. The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed to provide broad public notice. The public notice of PRPHA request for PBV proposals will specify the submission deadline. In addition, PRPHA will post the RFP and proposal submission and rating and ranking procedures on its electronic web site.

The advertisement will specify the number of units PRPHA estimates that it will be able to assist under the funding PRPHA is making available. Proposals will be due in PRPHA office by close of business 30 calendar days from the date of the publication. In order for a proposal to be considered, the owner must submit the proposal to PRPHA by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

PRPHA will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:



- Owner experience and capability to build or rehabilitate housing as identified in the RFP;
- Extent to which the project furthers PRPHA goal of de-concentrating poverty and expanding housing and economic opportunities;
- If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and

### **PRPHA-Owned Units [24 CFR 983.51(E) and 983.59]**

A PRPHA-owned unit may be assisted under the PBV program only if the HUD field office or HUD-approved independent entity reviews the selection process and determines that the PRPHA owned units were appropriately selected based on the selection procedures specified in PRPHA administrative plan. If PRPHA selects a proposal for housing that is owned or controlled by PRPHA, PRPHA must identify the entity that will review PRPHA proposal selection process and perform specific functions with respect to rent determinations and inspections. In the case of PRPHA-owned units, the initial contract rent must be approved by an independent entity based on an appraisal by a licensed, state-certified appraiser. In addition, housing quality standards inspections must be conducted by an independent entity.

The independent entity that performs these program services may be the unit of general local government for PRPHA jurisdiction or another HUD-approved public or private independent entity.

Definition of a PRPHA owned unit:

- Owned by PRPHA.
- Owned by an entity wholly controlled by PRPHA.
- Owned by a limited liability company or limited partnership in which the PRPHA (or an entity wholly controlled by PHA) holds a controlling interest in the managing member or general partner. A “controlling interest” is—
  - holding 50 percent or more of the stock of any corporation;
  - having the power to appoint 50 percent or more of the members of the board of directors of a non-stock corporation (such as a non-profit corporation);
  - where 50 percent or more of the members of the board of directors of any corporation also serve as directors, officers or employees of PRPHA;
  - holding 50 percent or more of all managing member interests in an LLC;
  - holding 50 percent or more of all general partner interests in a partnership; or
  - equivalent levels of control in other organizational projects.
- Units in which PRPHAs have a different ownership interest are no longer considered to be owned by PRPHA.

In order to be considered a “PHA-owned” unit as described above, PRPHA must have ownership interest in the building itself, not simply the land beneath the building.

PRPHA may submit a proposal for project-based housing that is owned or controlled by PRPHA. If the proposal for PRPHA-owned housing is selected, PRPHA will use an outside inspection company to inspect PRPHA units and to certify the rent is reasonable. PRPHA will obtain HUD approval of an outside inspection company prior to selecting the proposal for PRPHA-owned housing.

PRPHA may only compensate the independent entity and appraiser from PRPHA ongoing administrative fee income (including amounts credited to the administrative fee reserve). PRPHA may not use other program receipts to compensate the independent entity and



appraiser for their services. PRPHA, independent entity, and appraiser may not charge the family any fee for the appraisal or the services provided by the independent entity.

#### **PRPHA Notice of Owner SELECTION [24 CFR 983.51(D)]**

PRPHA will give prompt written notice to the party that submitted a selected proposal and also give prompt public notice of such selection. Public notice procedures may include publication of public notice in a local newspaper of general circulation and other means designed to provide broad public notice. In addition, PRPHA will post a notice of owner selection on its website

PRPHA will make available to any interested party its rating and ranking sheets and documents that identify PRPHA basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. PRPHA will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner. PRPHA will make these documents available for review at PRPHA during normal business hours.

#### **Housing Type [24 CFR 983.52]**

PRPHA may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of PRPHA selection, the units substantially comply with HQS. Units for which new construction or rehabilitation were started in accordance with PBV program requirements do not qualify as existing housing.

PRPHA will decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. PRPHA choice of housing type and targeted population will be reflected in its solicitation for proposals.

#### **PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS**

##### ***Ineligible Housing Types [24 CFR 983.53]***

PRPHA may not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; cooperative housing; and transitional housing. In addition, PRPHA may not attach or pay PBV assistance for a unit occupied by an owner and PRPHA may not select or enter into an agreement to enter into a HAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program.

##### ***High-Rise Elevator Projects for Families with Children [24 CFR 983.53(b)]***

PRPHA may use high-rise elevator building for families with children if it determines that there is no practical alternative and HUD approves PRPHA determination. PRPHA may make this



initial determination for its project-based voucher program, in whole or in part, and need not review each project on a case-by-case basis, and HUD may approve on the same basis.

### **Subsidized Housing [24 CFR 983.54]**

PRPHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that a PRPHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or PRPHA in accordance with HUD requirements.

### **Subsidy Layering Requirements [24 CFR 983.55]**

PRPHA will provide PBV assistance only in accordance with HUD subsidy layering regulations [24 CFR 4.13] and other requirements.

The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

PRPHA will submit the necessary documentation to HUD for a subsidy layering review. PRPHA may not enter into an agreement to enter into a HAP contract or a HAP contract until HUD (or an independent entity approved by HUD) has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

### **CAP ON NUMBER OF PBV UNITS IN EACH BUILDING**

#### *25 Percent per Building Cap [24 CFR 983.56(a)]*

The income-mixing cap on the number of PBV units in a project to be the greater of 25 units in a project or 25 percent of the units in a project (the project unit cap)



### **Exceptions to Project Cap [24 CFR 983.56(b)]**

Units that are in one of the following categories are excluded from the 25 percent or 25-unit project cap on PBV assistance:

Units exclusively serving elderly and families.

Units housing households eligible for supportive services available to all families receiving PBV assistance in the project. The project must make supportive services available to all assisted families in the project (but the family does not have to accept and receive the supportive service for the exception to apply to the unit). This exception applies to any household eligible for the supportive services provided and is not limited to households with a family member with a disability. Such supportive services need not be provided by the owner or on-site, but must be reasonably available to the families receiving PBV assistance in the project and designed to help the families in the project achieve self-sufficiency or live in the community as independently as possible.

PRPHA will not require participation in the supportive services as a condition of living in an excepted unit, although such services may be offered. In cases where the unit is excepted because of FSS supportive services or any other supportive services as defined in the Administrative Plan, if a family at the time of initial tenancy was eligible for FSS supportive services and successfully completes its FSS contract of participation or the supportive services objective, the unit continues to count as an excepted unit for as long as the family resides in the unit even though the family is no longer eligible for the service.

For units located in census tracts with a poverty rate of 20 percent or less, the per-project cap on assisted units is raised to the greater of 25 units or 40 percent of the units in the project. This increased allowance does not preclude eligibility for the exceptions to project cap limitations already discussed.

### **GRANDFATHERING OF CERTAIN PROPERTIES**

The HOTMA amendments eliminate the statutory exemption from a project cap for projects that serve disabled families and modify the supportive services exception. The project must make supportive services available to all assisted families in the project (but that the family does not have to actually accept and receive the supportive services for the exception to apply to the unit).

Projects that are using the former statutory exemptions will continue to operate under the pre-HOTMA requirements and will continue to renew their HAP contracts under the old requirements, unless the PHA and the owner agree by mutual consent to change the conditions to the HOTMA requirement. The PBV HAP contract may not be changed to the HOTMA requirement if the change would jeopardize an assisted family's eligibility for continued assistance at the project.

PRPHA will provide PBV assistance for excepted units. Supportive services may include but are not limited to:

- meal service adequate to meet nutritional need;
- housekeeping aid;
- personal assistance;
- transportation services;
- health-related services;
- case management;



- child care;
- educational and employment services;
- job training;
- counseling; or
- other services designed to help the family live in the community as independently as possible.

Monitoring of supportive services may be completed on an annual basis.

### ***Promoting Partially-Assisted Buildings [24 CFR 983.56(c)]***

PRPHA may establish local requirements designed to promote PBV assistance in partially assisted buildings. A partially assisted building is a building in which there are fewer units covered by a HAP contract than residential units [24 CFR 983.3].

In addition, PRPHA may establish a per-building cap on the number of units that will receive PBV assistance or other project-based assistance in a multifamily building containing excepted units or in a single-family building. PRPHA may also determine not to provide PBV assistance for excepted units, or PRPHA may establish a per-building cap of less than 25 percent.

### **SITE SELECTION STANDARDS**

*Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards [24 CFR 983.57(b)]*

PRPHA may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into a HAP contract or HAP contract for units on the site, unless PRPHA has determined that PBV assistance for housing at the selected site is consistent with the goal of de-concentrating poverty and expanding housing and economic opportunities. The standard for de-concentrating poverty and expanding housing and economic opportunities must be consistent with PRPHA Plan under 24 CFR 903 and the PRPHA Administrative Plan.

In addition, prior to selecting a proposal, PRPHA must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401 (I).

It is PRPHA's goal to select sites for PBV housing that provide for de-concentrating poverty and expanding housing and economic opportunities. In complying with this goal PRPHA will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less. However, PRPHA will grant exceptions to the 20 percent standard where PRPHA determines that the PBV assistance will complement other local redevelopment activities designed to de-concentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD designated Enterprise Zone, Economic Community, or Renewal Community;
- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;



- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
- A census tract where there has been an overall decline in the poverty rate within the past five years; or
- A census tract where there are meaningful opportunities for educational and economic advancement.

#### ***Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.57(d)]***

PRPHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and
- Services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

#### ***New Construction Site and Neighborhood Standards [24 CFR 983.57(e)]***

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless PRPHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.





### **Environmental Review [24 CFR 983.58]**

PRPHA activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The responsible entity is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). PRPHA may not enter into an agreement to enter into a HAP contract or enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

PRPHA may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and PRPHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed. PRPHA must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. PRPHA must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

## Part III: Dwelling Units

### **OVERVIEW**

This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

### ***Housing Quality Standards [24 CFR 983.101]***

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, cooperative housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program. The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

### ***Lead-Based Paint [24 CFR 983.101(C)]***

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

### **HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES**

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. PRPHA must ensure that the percentage of accessible dwelling units complies with the



requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

## **INSPECTING UNITS**

### ***PRE-SELECTION INSPECTION [24 CFR 983.103(A)]***

PRPHA will examine the proposed site before the proposal selection date. If the units to be assisted already exist, PRPHA must inspect all the units before the proposal selection date and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, PRPHA may not execute the HAP contract until the units fully comply with HQS.

### ***Pre-HAP Contract Inspections [24 CFR 983.103(B)]***

PRPHA must inspect each contract unit before execution of the HAP contract. PRPHA may not enter into a HAP contract covering a unit until the unit fully complies with HQS.

### ***Turnover Inspections [24 CFR 983.103(C)]***

Before providing assistance to a new family in a contract unit, PRPHA must inspect the unit. PRPHA may not provide assistance on behalf of the family until the unit fully complies with HQS.

### ***Biennial Inspections [24 CFR 983.103(D)]***

At least biennially during the term of the HAP contract, PRPHA will inspect a random sample, consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this annual inspection requirement. If more than 20 percent of the annual sample of inspected contract units in a building fails the initial inspection, PRPHA must re-inspect 100 percent of the contract units in the building.

### ***Other Inspections [24 CFR 983.103(E)]***

PRPHA will inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. PRPHA must take into account complaints and any other information coming to its attention in scheduling inspections.

PRPHA will conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS. In conducting supervisory quality control HQS inspections, PRPHA will include a representative sample of both tenant-based and project-based units.



### ***Inspecting PRPHA-Owned Units [24 CFR 983.103(F)]***

In the case of PRPHA-owned units, the inspections will be performed by an independent agency designated by PRPHA and approved by HUD. The independent entity must furnish a copy of each inspection report to PRPHA and to the HUD field office where the project is located. PRPHA must take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by PRPHA-owner.

## Part IV: Rehabilitated and Newly Constructed Units

### ***OVERVIEW [24 CFR 983.151]***

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance. Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

### ***Agreement to Enter Into HAP Contract***

In order to offer PBV assistance in rehabilitated or newly constructed units, PRPHA will enter into an agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by HUD [24 CFR 983.152(a)]. In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and PRPHA agrees that upon timely completion of such development in accordance with the terms of the Agreement, PRPHA will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(b)].

### ***Content of the Agreement [24 CFR 983.152(C)]***

At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and;
- An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement;
- Estimated initial rents to owner for the contract units;
- Description of the work to be performed under the Agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by PRPHA, specifications and plans. For new construction units, the description must include the working drawings and specifications.



- Any additional requirements for quality, architecture, or design over and above HQS.

### **Execution of the Agreement [24 CFR 983.153]**

The Agreement must be executed promptly after PRPHA notice of proposal selection to the selected owner. However, PRPHA may not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, PRPHA may not enter into the Agreement until the environmental review is completed and PRPHA has received environmental approval. PRPHA will enter into the Agreement with the owner within 10 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

## **CONDUCT OF DEVELOPMENT WORK**

### **Labor Standards [24 CFR 983.154(b)]**

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. PRPHA must monitor compliance with labor standards.

### **Equal Opportunity [24 CFR 983.154(c)]**

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

### **Owner Disclosure [24 CFR 983.154(d) and (e)]**

The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs. The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

## **COMPLETION OF HOUSING**

The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.



### **Evidence of Completion [24 CFR 983.155(b)]**

At a minimum, the owner must submit the following evidence of completion to PRPHA in the form and manner required by PRPHA:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At PRPHA's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

### **PRPHA Acceptance of Completed Units [24 CFR 983.156]**

Upon notice from the owner that the housing is completed, PRPHA must inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. PRPHA must also determine if the owner has submitted all required evidence of completion. If the work has not been completed in accordance with the Agreement, PRPHA must not enter into the HAP contract.

If PRPHA determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, PRPHA must submit the HAP contract for execution by the owner and must then execute the HAP contract.

## Part V: Housing Assistance Payments Contract (HAP)

### **OVERVIEW**

PRPHA must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. The HAP contract must be in the form required by HUD [24 CFR 983.202].

### **HAP CONTRACT REQUIREMENTS**

#### **Contract Information [24 CFR 983.203]**

The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms;
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;



- Features provided to comply with program accessibility requirements of Section 504 of the
- Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term;
- The number of units in any building that will exceed the 25 percent per building cap, which will be set-aside for occupancy by qualifying families; and
- The initial rent to owner for the first 12 months of the HAP contract term.

#### ***Execution of the HAP Contract [24 CFR 983.204]***

PRPHA may not enter into a HAP contract until each contract unit has been inspected and PRPHA has determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract must be executed promptly after PRPHA selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after PRPHA has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

For existing housing, the HAP contract will be executed within 30 business days of the PRPHA determining that all units pass HQS. For rehabilitated or newly constructed housing, the HAP contract will be executed within 30 business days of PRPHA determining that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

#### ***Term of HAP Contract [24 CFR 983.205]***

The initial HAP Contract term may be for a period of up to 20 years. The length of the term of the initial HAP contract for any HAP contract unit may not be less than one year. In addition, PRPHA may agree to enter into an extension (at the time of the initial HAP contract execution or any time before the expiration of the contract, for an additional term of up to 20 years. A HAP contract extension may not exceed 20 years. The PHA may provide for multiple extensions; however, in no circumstances may such extensions exceed 20 years, cumulatively.

PHAs and owners with HAP contracts that are still in the initial term may extend the initial term up to a maximum initial term of 20 years by mutual consent, and then may subsequently agree to extend the contract for up to 20 years. The maximum term of the HAP contract in that instance (initial term and subsequent extension) would be 40 years. PHAs and owners with HAP contracts that are no longer in the initial term may mutually agree to extend the HAP contract for a total extension term of 20 years. The maximum term of the HAP contract in that case would be 20 years plus the number of years that constituted the initial term of the HAP contract.

In Puerto Rico, the term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis. Within one year before expiration of the HAP contract, PRPHA may extend the term of the contract for an additional term of up to 20 years if PRPHA determines an extension is appropriate to continue providing affordable housing for low-income families. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

When determining whether or not to extend an expiring PBV contract, PRPHA will consider several factors including, but not limited to:

- The cost of extending the contract and the amount of available budget authority;



- The condition of the contract units;
- The owner's record of compliance with obligations under the HAP contract and lease(s);
- Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and
- Whether the funding could be used more appropriately for tenant-based assistance.

#### ***Termination by PRPHA [24 CFR 983.205(c)]***

The HAP contract provides that the term of PRPHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by PRPHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, PRPHA may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

#### ***Termination by Owner [24 CFR 983.205(d)]***

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to PRPHA. In this case, families living in the contract units must be offered tenant-based assistance.

#### ***Remedies for HQS Violations [24 CFR 983.207(b)]***

PRPHA may not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If PRPHA determines that a contract does not comply with HQS, PRPHA may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

PRPHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program.

### **AMENDMENTS TO THE HAP CONTRACT**

#### ***Substitution of Contract Units [24 CFR 983.207]***

At PRPHA's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Before any such substitution can take place, PRPHA must inspect the proposed unit and determine the reasonable rent for the unit.

#### ***Addition of Contract Units [24 CFR 983.207]***



PHAs and owners are permitted to amend the HAP contract to add additional PBV contract units in projects that already have a HAP contract without having to fulfill the selection requirements for those added PBV units, regardless of when the HAP contract was signed. The additional PBV units, however, are still subject to the PBV program cap and the individual project caps, found in sections 8(o)(13)(B) and (D) of the 1937 Act, respectively. Furthermore, prior to attaching additional units without competition, the PHA must submit to the local field office the information regarding the number of PBV units described above which pertains to demonstrating the PHA is able to project-base additional units without exceeding the PHA program limitation on PBV units.

PRPHA will consider adding contract units to the HAP contract when PRPHA determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

- The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and
- Voucher holders are having difficulty finding units that meet program requirements.

### **Removal of Units from HAP Contract**

Units occupied by families whose income has increased during their tenancy resulting in the tenant rent equaling the rent to the owner, shall be removed from the HAP Contract 180 days following the last housing assistance payment on behalf of the family. If the property is fully assisted, a PRPHA may reinstate the unit removed after the ineligible family vacates the property. If the property is partially assisted, PRPHA may substitute a different unit for the unit removed under paragraph when the first eligible substitute becomes available. A reinstatement or substitution of units under the HAP contract, must be permissible under 24 CFR § 983.207. The anniversary and expirations dates of the HAP contract for the unit must be the same as it was when it was originally placed under the HAP contract. PRPHA must refer eligible families to the owner in accordance with the PHA's selection policies.

### **HAP Contract Year, Anniversary and Expiration Dates [24 CFR 983.207 and 983.302(e)]**

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term. The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

### **Owner Responsibilities under the HAP [24 CFR 983.209]**

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;





- Each contract unit for which the owner is receiving HAP, is leased to an eligible Family referred by PRPHA, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and
- The family does not own or have any interest in the contract unit.

### **ADDITIONAL HAP REQUIREMENTS**

#### ***Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.207(a)]***

The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with PRPHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

PRPHA may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the Agreement to enter into a HAP contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

PRPHA will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. PRPHA will specify any special design standards or additional requirements in the invitation for PBV proposals, the agreement to enter into HAP contract, and the HAP contract.

#### ***Vacancy Payments [24 CFR 983.352(b)]***

At the discretion of PRPHA, the HAP contract may provide for vacancy payments to the owner for a PRPHA-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment will be determined by PRPHA and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit). PRPHA will decide on a case-by-case basis if PRPHA will provide vacancy payments to the owner.

## Part VI: Selection of PBV Program Participants

### **OVERVIEW**



Many of the provisions of the tenant-based voucher regulations [24 CFR 982] apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

### ***Eligibility for PBV Assistance [24 CFR 983.251(A) and (B)]***

PRPHA may select families for the PBV program from those who are participants in PRPHA's tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be re-determined at the commencement of PBV assistance. For all others, eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher. They must have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24

CFR 983.2(a)]. In addition, an applicant family must provide social security number information for family members [24 CFR 5.216 and 5.218] and consent to PRPHA's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. An applicant family must also meet HUD and PRPHA requirements related to current or past criminal activity.

### ***In-Place Families [24 CFR 983.251(B)]***

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by PRPHA is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on PRPHA's waiting list. Once the family's continued eligibility is determined (PRPHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and PRPHA must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements. This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

### ***Organization of the Waiting List [24 CFR 983.251(c)]***

PRPHA may establish a separate waiting list for PBV units, or it may use the same waiting list for both tenant-based and PBV assistance. At its discretion, PRPHA may establish site-based lists for individual projects.

### ***Selection from the Waiting List [24 CFR 983.251(c)]***



Applicants who will occupy units with PBV assistance must be selected from PRPHA's waiting list. PRPHA may establish selection criteria or preferences for occupancy of PBV units. PRPHA may place families referred by the PBV owner on its PBV waiting list if the waiting list is open.

#### ***Income Targeting [24 CFR 983.251(C)(6)]***

At least 75 percent of the families admitted to PRPHA's tenant-based and project-based voucher programs during PRPHA fiscal year from the waiting list must be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

#### ***Units with Accessibility Features [24 CFR 983.251(C)(7)]***

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, PRPHA will first refer families who require such features to the owner.

#### ***Preferences [24 CFR 983.251(D)]***

PRPHA will use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units. PRPHA must provide an absolute selection preference for eligible in-place families as described above.

Although PRPHA is prohibited from granting preferences to persons with a specific disability, PRPHA may give preference to disabled families who need services offered at a particular project or site if the preference is limited to families (including individuals):

- With disabilities that significantly interfere with their ability to obtain and maintain themselves in housing;
- Who, without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and
- For whom such services cannot be provided in a non-segregated setting.

In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.

If PRPHA has buildings with more than 25 percent of the units receiving project-based assistance because those buildings include "excepted units" (units specifically made available for elderly or families receiving supportive services), PRPHA must give preference to such families when referring families to these units [24 CFR 983.262(b)]. PRPHA will provide a selection preference when required by the regulation (e.g., eligible in-place families, qualifying families for "excepted units," mobility impaired persons for accessible units).

### ***OFFER OF PBV ASSISTANCE***

#### ***Refusal of Offer [24 CFR 983.251(E)(3)]***

PRPHA is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:



- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under PRPHA's selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

If the family refuses a project based unit for any reason, the family will be removed from the project based list for that specific site only.

### ***Disapproval by Landlord [24 CFR 983.251(E)(2)]***

If a PBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the tenant-based voucher waiting list or other PBV waiting lists.

### ***Acceptance of Offer [24 CFR 983.252]***

#### ***Family Briefing***

When a family accepts an offer for PBV assistance, PRPHA will give the family an oral briefing. The briefing will include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, PRPHA will provide a briefing packet that explains how PRPHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

#### ***Persons with Disabilities***

If an applicant family's head or spouse is disabled, PRPHA must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available. In addition, PRPHA must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

#### ***Persons with Limited Spanish Proficiency***

PRPHA should take reasonable steps to assure meaningful access by persons with limited Spanish proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166.

### **OWNER SELECTION OF TENANTS**

The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection [24 CFR 983.253(b)]. PRPHA will periodically review the owner's selection of tenants to ensure compliance with the Administrative Plan and the owner's tenant selection procedures.



### **Leasing [24 CFR 983.253(A)]**

During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by PRPHA from PRPHA's waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on PRPHA's subsidy standards.

### **Filling Vacancies [24 CFR 983.254(A)]**

The owner must notify PRPHA in writing (mail, fax or email) within 5 business days of learning of any vacancy or expected vacancy in a contract unit. After receiving such notice, PRPHA will make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies within 30 business days of receiving notice from the owner. PRPHA and the owner must make reasonable efforts to minimize the likelihood and length of any vacancy.

### **Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(B)]**

If any contract units has been vacant for 120 days, PRPHA will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. PRPHA will provide the notice to the owner within 10 business days of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of PRPHA's notice.

### **Tenant Screening [24 CFR 983.255]**

#### **PRPHA Responsibility**

PRPHA is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. PRPHA will not conduct screening to determine a PBV applicant family's suitability for tenancy.

PRPHA must provide the owner with an applicant family's current and prior address (as shown in PRPHA records) and the name and address (if known by PRPHA) of the family's current landlord and any prior landlords. PRPHA will inform owners of their responsibility to screen prospective tenants and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. PRPHA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

#### **Owner Responsibility**

The owner is responsible for screening and selection of the family to occupy the owner's unit.

When screening families the owner may consider a family's background with respect to the following factors:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and



- Compliance with other essential conditions of tenancy.

## Part VII: Occupancy

### **OVERVIEW**

After an applicant has been selected from the waiting list, determined eligible by PRPHA, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

### **Lease [24 CFR 983.256]**

The tenant must have legal capacity to enter a lease under state and local law. Legal capacity means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

### **Form of Lease [24 CFR 983.256(B)]**

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a PRPHA model lease. PRPHA will not review the owner's lease for compliance with state or local law. PRPHA recommends that the owner seek legal advice for this purpose.

### **Lease Requirements [24 CFR 983.256(C)]**

The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provided by the owner; and
- The amount of any charges for food, furniture, or supportive services.

### **Tenancy Addendum [24 CFR 983.256(D)]**

The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The composition of the household as approved by PRPHA (the names of family members and any PRPHA-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease.



The terms of the tenancy addendum prevail over other provisions of the lease.

***Initial Term and Lease Renewal [24 CFR 983.256(F)]***

The lease will automatically renew unless the owner terminates for cause or the owner and the tenant mutually agree to terminate the lease. A new lease does not have to be signed annually.

***Changes in the Lease [24 CFR 983.256(E)]***

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give PRPHA a copy of all changes. The owner must notify PRPHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by PRPHA and in accordance with the terms of the lease relating to its amendment.

PRPHA must re-determine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The re-determined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

***Owner Termination of Tenancy [24 CFR 983.257]***

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (24 CFR 982.310). In the PBV program, terminating tenancy for "good cause" does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

***Tenant Absence from the Unit [24 CFR 983.256(G) AND 982.312(A)]***

The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by PRPHA policy. According to program requirements, the family's assistance must be terminated if they are absent from the unit for more than 180 consecutive days.

***Security Deposits [24 CFR 983.259]***

The owner may collect a security deposit from the tenant. PRPHA will allow the owner to collect a security deposit amount the owner determines is appropriate, but not to exceed one month rent.

When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant 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 used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant. If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek



to collect the balance from the tenant. PRPHA has no liability or responsibility for payment of any amount owed by the family to the owner.

## **MOVES**

### ***Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.260]***

If PRPHA determines that a family is occupying a wrong size unit, based on PRPHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, PRPHA must promptly notify the family and the owner of this determination, and PRPHA must offer the family the opportunity to receive continued housing assistance in another unit.

PRPHA will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within 10 business days of PRPHA's determination. PRPHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

- PBV assistance in the same building or project;
- PBV assistance in another project; and
- Tenant-based voucher assistance.

If PRPHA offers the family a tenant-based voucher, PRPHA must terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by PRPHA).

If PRPHA offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by PRPHA, or both, PRPHA must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by PRPHA.

When PRPHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, PRPHA will terminate the housing assistance payments at the expiration of this 30-day period. PRPHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member or declared natural disaster.

### ***Family Right to Move [24 CFR 983.260]***

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to PRPHA. If the family wishes to move with continued tenant-based assistance, the family must contact PRPHA to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, PRPHA is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, PRPHA must give the family priority to receive the next available opportunity for continued tenant-based assistance.





If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

Where the total number of PBV units under HAP contract administered by PRPHA exceeds 20 percent of PRPHA's authorized units under its HCV ACC, and/or the additional 10 percent authorized under HOTMA, PRPHA will not be required to provide more than three-quarters of its turnover vouchers in any single year to the tenants of PBV properties. PRPHA will maintain a waiting list to order PBV resident requests to receive tenant-based vouchers.

### **Exceptions to the Occupancy Cap [24 CFR 983.262]**

PRPHA may not pay housing assistance under a PBV HAP contract for more than 25 units or 25 percent of the number of dwelling units in a building unless the units are [24 CFR 983.56]:

- Units exclusively serving elderly families.
- Units housing households eligible for supportive services available to all families receiving PBV assistance in the project.
- Units in projects that are in a census tract with a poverty rate of 20 percent or less are subject to a higher (40%) cap

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received supportive services or any other service as defined as defined by PRPHA and successfully completes the program or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

A family that becomes ineligible for the supportive services during its tenancy cannot be terminated from the program or evicted from the unit. If the unit loses its excepted status, and the PRPHA does not want to reduce the number of excepted units in its project-based portfolio, PRPHA may:

- Substitute the excepted unit for a non-excepted unit if it is possible to do so in accordance with 24 CFR §983.207(a). A PHA may wish to consider whether adding units to the HAP contract is an appropriate strategy to allow for the substitution of units; or
- Remove the unit from the PBV HAP contract and provide the family with tenant-based assistance.

Once the family has moved from the unit, the unit may be added back to the contract in accordance with 24 CFR §983.207(b), as amended by HOTMA. Any family newly admitted to the unit must be eligible for supportive services in order for the unit to retain its excepted status.

## Part VIII: Determining Rent to Owner

### **OVERVIEW**

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is re-determined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.



### **Rent Limits [24 CFR 983.301]**

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by PRPHA, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

### **Certain Tax Credit Units [24 CFR 983.301(C)]**

For certain tax credit units, the rent limits are determined differently than for other PBV units. These different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same building, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds a PRPHA-determined amount (not to exceed 110 percent of the fair market rent or any approved exception payment standard);

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

### **Definitions**

A qualified census tract is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

Tax credit rent is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

### **Use of FMRS, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(F)]**

When determining the initial rent to owner, PRPHA must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When re-determining the rent to owner, PRPHA must use the most recently published FMR and the utility allowance schedule in effect at the time of re-determination.

At its discretion, PRPHA may for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for re-determinations of rent, the 30-day period immediately before the re-determination date. The



owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. PRPHA will review and make a decision based on the circumstances and merit of each request.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment stand amount for use in the PBV program.

Likewise, PRPHA may not establish or apply different utility allowance amounts for the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs. In addition to considering a written request from an owner, PRPHA may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or re-determination of rent, if PRPHA determines it is necessary due to PRPHA budgetary constraints.

### ***Re-Determination of Rent [24 CFR 983.302]***

PRPHA must re-determine the rent to owner upon the owner's request or when there is a five percent or greater decrease in the published FMR. If an owner wishes to request an increase in the rent to owner from PRPHA, it must be requested at least 60 days prior to the annual anniversary of the HAP contract and must include the new rent amount the owner is proposing. The request must be in writing and in the form and manner required by PRPHA. PRPHA may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

PRPHA may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

### ***Tenant Rent to Owner [24 CFR 983.353]***

The participant rent is the portion of the rent to owner paid by the family. PRPHA determines the participant rent in accordance with HUD requirements. Changes in the participant rent will be effective on the date stated in a notice from PRPHA to the family and owner.

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by PRPHA in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in PRPHA notice to the family and owner. The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by PRPHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by PRPHA. The owner must immediately return any excess payment to the tenant.



The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by PRPHA.

Likewise, PRPHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. PRPHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. PRPHA may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

### ***Rent Decrease***

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment.

### ***Notice of Rent Change***

The rent to owner is re-determined by written notice by PRPHA to the owner specifying the amount of the re-determined rent. PRPHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract. PRPHA will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

### ***PRPHA-Owned Units [24 CFR 983.301(G)]***

For PRPHA-owned PBV units, the initial rent to owner and the annual re-determination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD. PRPHA must use the rent to owner established by the independent entity.

### ***Reasonable Rent [24 CFR 983.303]***

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by PRPHA.

### ***When Rent Reasonable Determinations are Required***

PRPHA must re-determine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- PRPHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;



- The HAP contract is amended to substitute a different contract unit in the same building; or
- There is any other change that may substantially affect the reasonable rent.

### **How to Determine Reasonable Rent**

The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, PRPHA must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

### **Comparability Analysis**

For each unit, the comparability analysis must use at least three comparable units in the private unassisted market as a unit to unit comparison or a unit to market comparison. This may include units in the premises or project that is receiving project based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by PRPHA. The comparability analysis may be performed by PRPHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

### **Reasonable Rent for PRPHA-owned Units**

For PRPHA-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity must provide a copy of the determination of reasonable rent for PRPHA-owned units to PRPHA and to the HUD field office where the project is located.

### **Owner Certification of Reasonable Rent**

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, PRPHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

### **EFFECT OF OTHER SUBSIDY AND RENT CONTROL**

In addition to the rent limits discussed above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not eligible to receive PBV assistance.

### **Other Subsidy [24 CFR 983.304]**

At its discretion, a PRPHA may reduce the initial rent to owner because of other governmental subsidies, including tax credit or tax exemption, grants, or other subsidized financing.



For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- A project receiving low-income housing tax credits;
- Any other type of federally subsidized project specified by HUD.

### **Combining Subsidy**

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

### **Rent Control [24 CFR 983.305]**

In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

## **PAYMENTS TO OWNER**

### **Housing Assistance Payments [24 CFR 983.351]**

During the term of the HAP contract, PRPHA will make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment will be paid to the owner on or about the first day of the month for which payment is due, unless the owner and PRPHA agree on a later date.

Except for discretionary vacancy payments, PRPHA may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit). The amount of the housing assistance payment by PRPHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

### **Vacancy Payments [24 CFR 983.352]**

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if PRPHA determines that the vacancy is the owner's fault. If PRPHA determines that the owner is responsible for a vacancy and, as a result, is not entitled to the



keep the housing assistance payment, PRPHA will notify the owner of the amount of housing assistance payment that the owner must repay.

At the discretion of PRPHA, the HAP contract may provide for vacancy payments to the owner. PRPHA may only make vacancy payments if:

- The owner gives PRPHA prompt, written notice certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);
- The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by PRPHA to verify that the owner is entitled to the vacancy payment.

The owner must submit a request for vacancy payments in the form and manner required by PRPHA and must provide any information or substantiation required by PRPHA to determine the amount of any vacancy payment.

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified PRPHA of the vacancy. In order for a vacancy payment request to be considered, it must be made within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and PRPHA may require the owner to provide documentation to support the request. If the owner does not provide the information requested by PRPHA within 10 business days of PRPHA's request, no vacancy payments will be made.

### ***Utility Reimbursements***

If the amount of the utility allowance exceeds the total tenant payment, PRPHA will pay the amount of such excess as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero. PRPHA will pay the utility reimbursement directly to the utility supplier on behalf of the family. If PRPHA chooses to pay the utility supplier directly, PRPHA must notify the family of the amount paid to the utility supplier.

### ***Other Fees and Charges [24 CFR 983.354]***

#### ***Meals and Supportive Services***

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.



### **Other Charges by Owner**

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

## **Section XIV. Housing Opportunity Through Modernization Act of 2016 (HOTMA)**

### A. HOTMA Implementation

The Housing Opportunity Through Modernization Act of 2016 Section 102 and 104 are effective January 1, 2024 and are required to be fully implemented no later than January 1, 2025. The PRPHA is amending its Housing Choice Voucher Administrative Plan to comply with HOTMA by adding this chapter to its Administrative Plan. HOTMA allows HCV program administrators discretion relative to implementing some HOTMA provisions. The Final rule is effective January 1, 2024; however housing administrators are authorized to establish an alternative effective date that is between January 2024 and January 2025. PRPHA will establish an effective date prior and notify affected constituencies accordingly.

PR will initially adopt HOTMA policies that minimize burdens for program applicants and participants. However, PR will periodically evaluate program data and modify policies to ensure prudent use of housing assistance payments funding and to ensure PRPHA continues to meet the needs of program participants to extent feasible and possible.

**HOTMA** significantly changes regulatory requirements of the HCV programs and how housing administrators interact with and report program information/data to HUD. This rule applies to tenant-based and project-based voucher programs. PRPHA must continue to comply with federal fair housing and civil rights requirements, including reasonable accommodation requirements when implementing HOTMA rules. All the policies included in this Chapter are effective on the date PRPHA identifies as the HOTMA compliance effective date. The policies included in this HOTMA Chapter of the PRPHA Administrative Plan will, over time, be incorporated into the applicable chapters of the PRPHA Administrative Plan.

#### **HOTMA includes *mandatory* and *discretionary* policies.**

- ***Mandatory*** are those prescribed in statues and by HUD, for which PHAs have no flexibility.
- ***Discretionary*** are areas where the PHA has flexibility to define policies, typically within a given set of parameters. They may be unique to the PHA and based on industry best practices or local community needs. These policies must still comply with federal, state, and local laws as well as HUD guidance. Discretionary policy decisions must be included in the Administrative Plan, as applicable.

### B. Definition of Family (24 CFR 5.403)

The definition of *Family* now includes a single person who:

- Is an otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age;
- Has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)); and
- Is homeless or is at risk of becoming homeless at age 16 or older.





C. Self-Certification of Net Family Assets 24 CFR 5.603(b) "Net Family Assets" para. (2); 5.618(b)

Net family assets include all assets except those specifically excluded in 24 CFR 5.603(b)(3)

**1. It is the policy of PRPHA to determine each family's net family assets at the time of admission and at annual and interim reexaminations.**

PRPHA will determine net family assets and anticipated income earned from assets at new admission [based solely on a family self-certification that their net family assets are equal to or less than \$50,000. / by fully verifying the information reported by the family, regardless of the family having assets that are equal to or less than \$50,000]. After a family's assets of \$50,000 or less have been self-certified for two years in a row, at the next annual reexamination, PRPHA will fully verify net family assets and anticipated income earned from assets. After fully verifying the family's net family assets, PRPHA will resume accepting self-certification until the third annual reexam following the most recent full verification. If net family assets are greater than \$50,000, assets will be fully verified. When fully verifying assets, PRPHA will obtain a minimum of [one] account statement to verify the balance and any interest on accounts, including any checking and savings accounts.

**2. When calculating Net Family Assets, the PHA must include the value of non-necessary items of personal property if the combined value exceeds \$50,000.**

When determining Net Family Assets, PRPHA will take the following steps:

Provide the family with a description of non-necessary personal property and ask the family to estimate the total value of their non-necessary personal property. If the family estimates that their non-necessary personal property is valued under \$50,000 (as adjusted annually for inflation) then the PHA will not ask the family to report the individual items of non-necessary personal property, except every third year when the PHA is fully verifying all assets.

If the family's non-necessary personal property has a net value over \$50,000, PRPHA will ask the family to report a full list of their non-necessary personal property. The PHA will assess the list to determine if any of the items are necessary personal property. The PHA will make a determination as to each item identified, based on HUD (or PRPHA) guidance, and if the item is determined to be necessary, or otherwise excluded from net family assets, it will be excluded from the family's net assets.

**3. Discretionary Policy on what constitutes necessary and non-necessary personal property. PRPHA has the discretion to define the types of items that constitute necessary and non-necessary personal property, as long as the policy does not conflict with any guidance from HUD on what constitutes necessary vs. non-necessary personal property.**

PRPHA will consider the following to be necessary items of personal property:

- Any automobile regularly used by a member of the family to commute to work, school, or childcare
- Any computer or electronic device (such as laptop, tablet, monitor, or cellphone) that is used by any family member to work, look for work, or study
- • Any item used for religious purposes (such as a historic book of scripture).
- • Any furniture used in the family's home



- Jewelry or other keepsakes which hold religious or cultural value, or deep family significance. For example, a watch which has been in the family and passed down from generation to generation.

PRPHA will consider the following to be non-necessary items of personal property:

- Bank accounts and other financial investments (e.g., checking account, savings account, stocks/bonds)
- Any automobile that is used purely for recreation (such as an RV or camping trailer) and not for any of the defined “necessary” uses, is a “non-necessary” item of personal property and is included in the calculation of net family assets
- Collectible items (such as sports cards or trading cards) that are not used for a work-related purpose by a family member PRPHA may make case-specific determinations of other “necessary” items.

#### D. HARDSHIP EXEMPTIONS

##### Hardship Exemptions for Health/Medical Care Expenses & Reasonable Attendant Care & Auxiliary Apparatus Expenses – General Relief

There are two types of hardship exemptions to the ten percent threshold for deducting unreimbursed health and medical care expenses (for elderly and disabled families) and reasonable attendant care and auxiliary apparatus expenses (for families that include a person with disabilities).

#### 1. Phased-in Relief

All families who received a deduction for unreimbursed health and medical care and/or reasonable attendant care or auxiliary apparatus expenses based on their most recent income examination prior to January 1, 2024, will begin receiving the 24-month phased-in relief at their next annual or interim reexamination, whichever occurs first after the PHA implements HOTMA (this date will be publicly announced when available).

- Families who receive this phased-in relief will have eligible expenses deducted as follows:

◇ 1st twelve months– in excess of 5% of annual income.

◇ 2nd twelve months – in excess of 7.5% of annual income.

◇ After 24 months – in excess of 10% threshold will phase in and remain in effect unless the family qualifies for general hardship relief.

- Once a family chooses to obtain General Relief, a family may no longer receive the phased-in relief.

#### 2. General Relief

A family may request a hardship exemption for health or medical care expenses, reasonable attendant care, or auxiliary apparatus expenses.

- Eligibility: A family must demonstrate that their applicable expenses increased or they experienced a change in circumstances that resulted in a financial hardship, as defined below, that would not otherwise trigger an interim reexamination. This relief is available regardless of whether the family previously received health and



medical deductions or is currently receiving, or previously received, a phased-in hardship exemption under 5.611(c) (1).

- A change in circumstances includes the need for new, qualifying, health/medical, reasonable attendant care and auxiliary apparatus expenses or an increase in the cost of qualifying expenses so that qualifying expenses exceed 5% of the family's annual income. • The exemption ends when the circumstances that made the family eligible for the exemption no longer apply or after 90 days, whichever comes earlier.
- If the family wishes to request a successive 90-day period for the exemption, they must make that request within [5] days of the end of the current eligibility period and must demonstrate to the PHA why an additional period of exemption is warranted. If PRPHA determines that the expense giving rise to the hardship exemption will not end within 90 days, PRPHA may grant one or more 90-day extensions in advance. PRPHA will not consider more than four (4) consecutive requests for this hardship exemption.

Verification: PRPHA must obtain third-party verification of the family's inability to pay rent or must document in the file the reason third-party verification was not available. PRPHA must attempt to obtain third-party verification prior to the end of the 90-day period.

PRPHA must comply with the Health Insurance Portability and Accountability Act (HIPAA) (Pub. L. 104-191, 110 Stat. 1936) and the Privacy Act of 1974 (Pub. L. 93-579, 88 Stat. 1896) when requesting documentation to determine eligibility for a financial hardship exemption for unreimbursed health and medical care expenses. PRPHA may not request documentation beyond what is sufficient to determine anticipated health and medical care and/or reasonable attendant care and auxiliary apparatus costs or when a change in circumstances took place. Before placing bills and documentation in the tenant file, PRPHA will redact all personally identifiable information. PRPHA will comply with all federal nondiscrimination and civil rights statutes and requirements, including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act, Section 504, and the Americans with Disabilities Act, as applicable. Among other obligations, this includes providing for reasonable accommodations that may be necessary for persons with disabilities. Attendant Care PRPHA will accept written third-party documents provided by the family. If family-provided documents are not available, PRPHA will provide a third-party verification form directly to the care provider requesting the needed information. Expenses for attendant care will be verified through:

- Written third-party documents provided by the family, such as receipts or canceled checks.
- Third-party verification form signed by the provider if family-provided documents are not available.
- If third-party verification is not possible, written family certification as to costs anticipated to be incurred and the anticipated period. Auxiliary apparatus expenses will be verified through:
- Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the period for which the hardship is requested.
- Third-party verification form signed by the provider, if family-provided documents are not available.



- If third-party or document review is not possible, written family certification of estimated apparatus costs for the period for which the hardship is requested. In addition, PRPHA will verify that:
- The family member for whom the expense is incurred is a person with disabilities.
- The expense permits a family member, or members, to work.
- The expense is not reimbursed from another source.

Family member(s) permitted to work:

- PRPHA will verify that the expenses claimed enable a family member, or members, including the person with disabilities, to work.
- PRPHA will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work.
- This documentation may be provided by the family. If third-party verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense enables a family member, or members (possibly including the family member receiving the assistance), to work.

3. Unreimbursed Expenses

- To be eligible, the costs must not be reimbursed by another source.
- The family is required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

E. Hardship Exemption To Continue Child Care Expenses Deduction (24 CFR 5.611(a)(4))

Families must report if the circumstances that made the family eligible for the hardship exemption are no longer applicable. If the family reports the change in circumstances in a timely manner within 30 days PRPHA will provide the family with 30 days advance notice of any rent increase, and such rent increase will be effective the first day of the month beginning after the end of that 30 day notice period. If the family does not report the change in a timely manner, the adjustment will be made retroactive to the date it would have been effective had the information been provided on a timely basis. The family will be responsible for any underpaid rent and may be offered a repayment agreement.

1. Extensions

It is the policy of PRPHA to extend the child care expense deduction for additional 90-day periods if the family demonstrates that they are unable to pay their rent because of loss of the child care expense deduction, and the child care expense is still necessary even though the family member is no longer employed, looking for work, or furthering his or her education.

- PRPHA may extend the hardship exemption for additional 90-day periods based on family circumstances.
- PRPHA may terminate the hardship exemption if it is determined that the family no longer needs the exemption.
- The child care deduction may continue to be necessary when the family has a hardship so that they continue to need child care.



#### F. Policy for Determination of the Family's Inability to Pay Rent

It is the policy of PRPHA to offer general hardship relief for the regular health and medical expenses deduction and the child care deduction. Hardship includes the following situations:

##### 1. Child care

- A death has occurred in the family. In order to qualify under this provision, a family must describe how the death has created a need for child care.
- A health/ medical issue in the family which has created the need for child care. In order to qualify under this provision, a family must describe how the health or medical issues have created a need for child care. A family is considered to have a hardship when:
  - The household's family share of total housing costs exceeds 35 percent of adjusted household income.
  - Or when the family would be evicted because it is unable to pay the tenant portion of the rent. Family health and medical expenses
- A change in circumstances includes the need for new, qualifying, health / medical, reasonable attendant care and auxiliary apparatus expenses or an increase in the cost of qualifying expenses so that qualifying expenses exceed 5% of the family's annual income.
- For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost.
- For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.
- The family may receive a deduction of all eligible expenses exceeding 5% of their annual income.
- The exemption ends when the circumstances that made the family eligible for the exemption no longer apply or after 90 days, whichever comes earlier.

#### G. Addition (Permissive) Deductions

However, if PRPHA at some time in the future chooses to adopt one or more permissive deductions. The PRPHA policy will be as follows:

1. Permissive deductions apply to the first 12 months of new or increased employment and will be spread out over the immediate 12-month period to eligible adult household members. The permissive deductions listed below are a one-time per lifetime exclusion to be applied to adult household members who:
  - Have been unemployed for at least six (6) months and seek and secure employment; or
  - Are employed but increase their gross monthly income by at least \$200 per month; or
  - Continue their education.
2. The one (1) time per lifetime deductions are as follows:



- The actual amount needed for the purchase of uniforms, tools and/or equipment required for the specific employment, which are not paid for or reimbursed by the employer
  - Reasonable cost of child care for older children who would not otherwise be eligible for child care deductions, if the employed family member works nights
3. The un-reimbursed costs of tuition, books, supplies, and fees
  4. On-going permissive deductions are as follows:
    - The actual cost of court-ordered child support paid for a child that is not in the resident's custody
    - The actual cost of court-ordered child support paid to an individual that is not a member of the same household
    - The actual cost of court-ordered alimony paid to an individual that is not a member of the same household
  5. PRPHA will deduct child support payments up to \$480 annually, per child, made by any member of the family for the support and maintenance of any child who does not reside in the household. To verify payment, such payments must be tendered through an appropriate, governing child support collection entity. Payments must be verifiable by PRPHA.

H. De Minimis Errors (24CFR Part 5.609©(4); 982.516(f))

De minimis errors occur when a PHA's determination of a family's income deviates from the correct income determination by no more than \$30 per month in monthly adjusted income (or \$360 in annual adjusted income). HUD may revise the amount of de minimis error through rulemaking.

Once the PRPHA becomes aware of the existence of an income calculation error, the error(s) will be corrected retroactive to the effective date of the action resulting in an error regardless of the dollar amount associated with the error.

Families will not be required to repay PRPHA in instances where PRPHA miscalculated income resulting in a family being undercharged for rent. Once PRPHA becomes aware of the error the family will be provided with a 30-day notice of the increase to their rent portion.

PRPHA will take corrective action to credit or repay a family if the family was overcharged tenant rent, including di minimis errors, in the income determination.

In the case of HCV residents, the family's rent portion will be temporarily adjusted down with additional HAP going to the property owner. PRPHA will send a letter to the family and the landlord prior to the change in payments notifying them of the change and the duration of the change. If the participant has vacated the unit, the credit will be mailed or provided to the family within [1 month] of becoming aware of the error.

I. Interim Reexaminations (24 CFR Part 982.516(c)(4))

Families must report all changes in family income or composition within 30 calendar days from the effective date of the change to be considered "timely."

1. Timely reporting related to an increase in rent:



- When a family reports a change in family income or composition that will result in an increase in tenant rent, the family must be provided a minimum of 30 calendar days' notice of the rent increase. The rent increase will be effective on the first of the month following the end of the 30-day notice.
- Timely reporting related to a decrease in rent: Families that report changes in family income or composition within 30 calendar days from the effective date of the change that results in a decrease in tenant rent, the decrease will be effective the first day of the month after the date of the actual change leading to the interim reexamination of family income.
- Untimely reporting related to an increase in rent: Families that do not report changes in family income or composition within 30 calendar days from the effective date of the change, that will result in an increase to tenant rent, will have the rent increase implemented retroactively to the first of the month following the date of the change leading to the interim reexamination. The family will owe a one-time payment equal to the difference in the rent paid and the new increased rent for each monthly rental period from the time of the change in circumstances through the date of the interim reexamination.
- Untimely reporting related to a decrease in rent: When a family does not report a change in a timely manner that will result in a decrease in tenant rent, PRPHA will implement the decrease no later than the first of the month following completion of the reexamination.

◇ However, PRPHA may make a determination that the late report was due to circumstances outside of the family's control and that the decrease will be implemented retroactively. Situations that may warrant a retroactive rent decrease might include late reporting due to (but not limited to):

- Medical emergency.
- Natural disaster.
- Wage theft by the employer.
- Disruptions to PHA operations.

◇ When the determination is made that the late report was outside of the family's control, then a retroactive decrease may be applied beginning on the later of the first of the month following the date of the actual decrease in income or the effective date of the most recent admission, interim, or annual income examination. A rent adjustment cannot be retroactive to a date prior to the last income examination.

- In case of any rent adjustment, the family will be provided with clear, written communication after the interim reexamination that shows:
  - ◇ Any one-time charge or credit due to a retroactive adjustment.
  - ◇ The new monthly rent due.
  - ◇ The date that rent is due.
- ◇ The date of the family's next annual income reexamination.
- In the case of an HCV family, funds will be returned to the housing provider. Funds will only be provided directly to a family if they no longer reside in the unit.

## J. Decreases in Income



An interim reexamination will be conducted when PRPHA becomes aware that the family's adjusted income has changed by an amount that is estimated to result in a decrease of at least 10% of the family's annual adjusted income.

PRPHA is required by HUD to process interim reexaminations for all decreases in adjusted income when a family member permanently moves out of the unit.

PRPHA, by discretion, may set an income reduction threshold that is lower than 10%. Calculated percentage decrease less than 10% will be rounded using regular rounding practices.

K. Increases in Income

PRPHA will perform an interim reexamination when the family reports a change in income that will result in an increase of 10% or more in annual adjusted income. Families are required to report all increases within 30-days of the occurrence. PRPHA will exercise discretion and will not process interim reexaminations due to increases in annual adjusted income in the three (3) months before the next regular annual examination.

L. Forms HUD-9886 (CFR 5.230)

PRPHA requires that each family member above the age of 18 sign a HUD-9886 form to authorize the release of certain information to the PHA on admission. At each annual or interim reexamination, PRPHA will determine if any family member turned 18 and has not yet signed the HUD-9886 form. Such a family member will be required to sign the appropriate form at the reexamination.

The executed consent form (Form HUD-9886) will remain effective until the family is denied assistance, the assistance is terminated, or if the family provides written notification to the PHA to revoke consent. Families have the right to revoke consent by notice to PRPHA, however, revoking consent will result in termination or denial of assistance.

M. HUD's Enterprise Income Verification (EIV) System (CFR 5.233)

PRPHA will use HUD's verification hierarchy when verifying each household's income, assets, deductions, and expenses. PRPHA will access the EIV system and obtain an Income Report for each household during annual recertifications. PRPHA will not use the EIV system during interim reexaminations.

PRPHA will advise families that if it is later determined that a family inaccurately reported income during an interim reexamination, the family may owe the PRPHA for any miscalculation in rent based on the family's incorrect reporting.

N. Determination of Income Using Other Means Tested Public Assistance, I.E., "Safe Harbor" (24 CFR 5.609(c)(3))

PRPHA may determine the family's income prior to the application of any deductions based on income calculation information from other means-tested forms of federal public assistance programs or agencies, listed below, made within the previous 12-month period. The PRPHA will use third-party verification, which must include the family size and composition and state the family's annual income. The verification must be dated within





the time frame specified for the type of verification, including within the previous 12-month period for purposes of the specified means-tested forms of federal public assistance. The family members listed in the third-party verification must match the family composition in the assisted unit. The annual income need not be broken down by family members nor income type.

Given that annual income includes income earned from assets, when using Safe Harbor to verify a family's income, PRPHA will not inquire as to a family's net family assets, nor the income earned from those assets except with respect to whether the family owns assets which exceed the asset limitation in 24 CFR § 5.618.

If multiple determinations are available that meet all of the minimum verification criteria, PRPHA will use the most recent determination (if completed more than 3 months apart). If determinations were completed within 3 months, PRPHA will use them in the following order:

1. The Low-Income Housing Tax Credit program (26 U.S.C. 42).
2. The Supplemental Nutrition Assistance Program (42 U.S.C. 2011 et seq.).
3. The Special Supplemental Nutrition for Women, Infants, and Children (42 U.S.C. 1786).
4. The Temporary Assistance for Needy Families block grant (42 U.S.C. 601, et seq.).
5. Medicaid (42 U.S.C. 1396 et seq.).
6. Supplemental Security Income (42 U.S.C. 1381 et seq.).
7. The Earned Income Tax Credit (26 U.S.C. 32).

If PRPHA cannot obtain the required third-party verification, or if the family disputes the determination, the PRPHA will calculate the family's annual income using the methods established in 5.609(c)(1) and (2) or in the applicable program regulations.

O. Verification of Social Security Number (SSN)

PRPHA requires that each family member (excepting non-eligible family members in mixed families) provide their Social Security number (SSN) and proof that the SSN belongs to that person.

If a member of the family is unable to provide a Social Security card or other evidence of their SSN, PRPHA will accept a document stating the person's name and a declaration from the person stating 1) why they cannot obtain their Social Security card and 2) what their SSN is.

If PRPHA has accepted any declarations as evidence of a SSN, PRPHA will review the Failed SSA Identity Report monthly to quickly identify any participants whose identity is not verified.

P. Zero Income Reviews (24 CFR 5.609(b)(24)(vi); 5.657(c)(3); 982.516(c)(3))

PRPHA is not required to conduct periodic zero income reviews. However, PRPHA may continue to conduct such reviews, as recommended by HUD.

PRPHA will no longer conduct zero income reviews for zero income families. Instead, ABC Housing Agency will monitor zero income families in EIV to identify increases in income.



## **Section XV. Definitions of Terms Used in This Administrative Plan**

1. Applicant – an individual or a family that has applied for admission to housing.
2. Area of Operation – Jurisdiction of PRPHA is the entire Commonwealth of Puerto Rico as described in state law.
3. Assets – Assets means “cash (including checking accounts), stocks, bonds, savings, equity in real property, or the cash value of life insurance policies. Assets do not include the value of personal property such as furniture, automobiles and household effects or the value of business assets.” See the definition of Net Family Assets, for assets used to compute annual income. **24 CFR § 5.603**
4. Auxiliary Aids – means services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs or activities. **24 CFR § 8.3**
5. Bifurcate – means to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact. See **24 CFR Part 5, 5.2003 Subpart L: Protection for Victims of Domestic Violence**
6. Care attendant – a person that regularly visits the apartment of a PRPHA resident to provide supportive or medical services. Care attendants are not live-in aides, since they have their own place of residence (and if requested by PRPHA must demonstrate separate residence) and do not live in the public housing or HCV apartment. Care attendants have no rights of tenancy.
7. Citizen – Citizen (by birth or naturalization) or national of the United States. **24CFR § 5.504**
8. Co-head of household – One of two persons held responsible and accountable for the family.
9. Covered Families for Welfare/Public Assistance Benefits – Families who receive public assistance benefits from a state or other public agency (public assistance agency) under a program for which federal, state or local law requires that a member of the family participate in an economic self-sufficiency program as a condition for such assistance.
10. Covered Person – For the purposes of lease enforcement, covered person means a tenant, any member of the tenant's household, a guest or another person under the tenant's control. **24 CFR § 5.A**
11. Dating Violence – for purposes of interpreting the Violence Against Women Act, Violence committed by a person:  
  
Who is or has been in a social relationship of a romantic or intimate nature with the victim; and  
  
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.
12. Dependent – A member of the household, other than head, spouse, sole member, foster child, or Live-in Aide, who is under 18 years of age, or 18 years of age or older and disabled, or a full-time student. **24 CFR § 5.603**
13. Development – The whole of one or more residential structures and appurtenant structures, equipment, roads, walks, and parking lots that are covered by a single contract for federal



financial assistance, or are treated as a whole for processing purposes, whether or not located on a common site. **24 CFR § 5.603**

14. Disability Assistance Expenses – Reasonable expenses that are anticipated during the period for which annual income is computed for attendant care or auxiliary apparatus for a disabled family member that are incurred to permit an adult family member (including the person with disability) to be employed, provided that the expenses are not paid to a family member, reimbursed by an outside source, and exceed 3 percent of Annual Income.
15. Disabled Family - A family whose head, spouse or sole member is a person with disabilities. (Person with disabilities is defined later in this section.) The term includes two or more persons with disabilities living together, and one or more such persons living with one or more persons including live-in aides determined to be essential to the care and well-being of the person or persons with disabilities. A disabled family may include persons with disabilities who are elderly. **24 CFR § 5.403**
16. Divestiture Income - Imputed income from assets, including business assets, disposed of by applicant or resident in the last two years at less than fair market value. (See the definition of Net Family Assets **24 CFR § 5.603** in this section.)
17. Domestic Violence - for purposes of interpreting the Violence Against Women Act, 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 cohabits 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 person's acts under the domestic or family violence laws of the jurisdiction.
18. Drug-Related Criminal Activity – The illegal manufacture, sale, distribution, use or possession of a controlled substance with intent to manufacture, sell, distribute, or use the drug. **24 CFR § 5.A**
19. Elderly Family - A family whose head or spouse (or sole member) is at least 62 years of age. It may include two or more elderly persons living together, and one or more such persons living with one or more persons, including live-in aides, determined to be essential to the care and well-being of the elderly person or persons. An elderly family may include elderly persons with disabilities and other family members who are not elderly. **24 CFR § 5.403**
20. Elderly Person - A person who is at least 62 years of age. **42 USC 1437a(b)(3)**
21. Eligible Immigration Status – For a non-citizen, verification of immigration status eligible for assisted housing consisting of a signed certification and the original copy of an acceptable INS document.
22. Emancipated Minor – A person under age 21 who does not live or intend to live with his/her parents, and who has been declared “emancipated” by a court of competent jurisdiction. An emancipated minor is eligible to be a head of household and sign a PRPHA lease.
23. Extremely Low Income Family – A Family whose Annual Income is equal to or less than 30% of Area Median Income, as published by HUD adjusted for family size.
24. Family - Two or more persons (with or without children) regularly living together, related by blood, marriage, adoption, guardianship or operation of law who will live together in the PRPHA's HCV housing; OR two or more persons who are not so related, can verify shared income or resources who will live together in the PRPHA's HCV housing.



The term family also includes: elderly family, near elderly family disabled family, displaced person, single person, the remaining member of a tenant family, or a kinship care arrangement. Other persons, including members temporarily absent (e.g. a child temporarily placed in foster care or a student temporarily away at college), may be considered a part of the applicant family's household if they are living or will live regularly with the family.

24 CFR §§ 5 and 960

Live-in Aides may also be considered part of the applicant's/participant's household. However, live-in aides are not family members (even if related) and have no rights as "remaining family members".

Foster Care Arrangements include situations in which the family is caring for a foster adult, child or children in their home who have been placed there by a public child placement agency, or a foster adult or adults placed in the home by a public adult placement agency. These individuals are household members but are not family members and have no rights as "remaining family members".

For purposes of continued occupancy: the term family also includes the remaining member of a resident family with the capacity to execute a lease.

26. Foster Adult – An adult (usually a person with disabilities) who is placed in someone's home by a governmental agency so the family can help with his/her care. Foster adults may be members of PRPHA households, but they have no rights as remaining family members. The income received by the family for the care of a Foster Adult is excluded from Annual Income.
27. Full-Time Student - A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. Educational institution shall include but not be limited to: college, university, secondary school, vocational school or trade school. **24 CFR 5.603**
28. Guest – For the purposes of resident selection and lease enforcement, a guest is a person temporarily staying in the unit with the consent of the resident or other member of the household who has express or implied authority to so consent on behalf of the resident. **24CFR § 5.A**
29. Head of the Household - Head of the household means the family member (identified by the family) who is held responsible and accountable for the family.
30. Immediate Family Member – for purposes of interpreting the Violence Against Women Act, 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.
31. Imputed Welfare Income – The amount of Annual Income by which a resident's welfare grant has been reduced because of welfare fraud or failure to comply with economic self-sufficiency requirements that is, nonetheless, included in Annual Income for determining rent. **24 CFR § 5.615(b)**
32. Individual with Disabilities - Section 504 definition **24 CFR § 8.3**

Section 504 definitions of Individual with Handicaps and Qualified Individual with disabilities are not the definitions used to determine program eligibility. Instead, use the definition of "Person with Disabilities" as defined later in this section. Note: the Section 504, Fair Housing, and Americans with Disabilities Act (ADA) definitions are similar. ADA uses the term "individual with a disability".



Individual with disabilities means any person who has:

A physical or mental impairment that:

- a. substantially limits one or more major life activities;
- b. has a record of such an impairment; or
- c. is regarded as having such an impairment.

For purposes of housing programs, the term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others.

Definitional elements:

"physical or mental impairment" means any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: Neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or

Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term "physical or mental impairment" includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

"Major life activities" means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

"Has a record of such an impairment" means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

"Is regarded as having an impairment" means has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation; or

Has a physical or mental impairment that substantially limits one or more major life activities only as result of the attitudes of others toward such impairment; or

Has none of the impairments defined in this section but is treated by a recipient as having such an impairment.

NOTE: A person would be covered under the first item if PRPHA refused to serve the person because of a perceived impairment and thus "treats" the person in accordance with this perception. The last two items cover persons who are denied the services or benefits of PRPHA's housing program because of myths, fears, and stereotypes associated with the disability or perceived disability.

The 504 definition of disability does not include homosexuality, bisexuality, or transvestitism. Note: These characteristics do not disqualify an otherwise disabled applicant/resident from being covered.



The 504 definition of individual with disabilities is a civil rights definition. To be considered for admission to public housing a person must meet the program definition of person with disabilities found in this section.

33. Kinship care - an arrangement in which a relative or non-relative becomes the primary caregiver for a child or children but is not the biological parent of the child or children. The primary caregiver need not have legal custody of such child or children to be a kinship caregiver under this definition. (Definition provided by the Kinship Care Project, National Association for Public Interest Law). The primary caregiver must be able to document kinship care, which is usually accomplished through school or medical records.
34. Live-in Aide - A person who resides with an elderly person(s), near elderly person(s) or person(s) with disabilities and who: (a) is determined by PRPHA to be essential to the care and well-being of the person(s); (b) is not obligated to support the family member; and (c) would not be living in the apartment except to provide the necessary supportive services **24 CFR 5.403**  

A family member can qualify as a live-in aide, although a family member who already lives with the family cannot qualify as a live-in aide since they are already living in the unit.

Before admitted a live-in aide to an HCV family, PRPHA shall verify through a qualified medical practitioner:

  - a. That the person requesting the live-in aide meets the definition in the Section of "individual with a disability; and
  - b. The live-in aide is needed because of the family member's disability; and
  - c. That the live-in aide selected (whether a family member or not) is capable of providing the services the family member with a disability needs.
  - d. At no time will PRPHA request information related to the nature, extent, diagnosis or treatment of an HCV participant.
35. Lower-Income Household - A family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD with adjusted for smaller family size. **42 USC 1437a(b)**
36. Mainstream Voucher Program - The Mainstream Voucher Program is limited to families that include a non-elderly person with disabilities, defined as any family that includes a person with disabilities who is at least 18 years old and not yet 62 years old. Upon turnover of a Mainstream Voucher, the voucher will be re-issued to another eligible Mainstream Voucher family, first to families with preferences as defined in Section V.H.3.
37. Medical Expense Allowance - For purposes of calculating adjusted income for elderly or disabled families only, medical expenses mean the medical expense not compensated for or covered by insurance in excess of 3% of Annual Income. **24 CFR § 5.603**
38. Minor - A minor is a person less than 18 years of age. An unborn child will not be considered as a minor. (See definition of dependent.) Some minors are permitted to execute contracts, provided a court declares them "emancipated".
39. Mixed Family - a family with both citizen or eligible immigrant members and members that are neither citizens nor eligible immigrants. Such a family will be charged a pro-rated rent. **24 CFR § 5.504**
40. Multifamily housing project - For purposes of Section 504, means a project containing five or more dwelling units. **24 CFR § 8.3**



41. National – A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession or birth in a foreign country to parents who are US citizens. **24 CFR § 5.504**
42. Near-elderly family - means a family whose head, spouse, or sole member is a near-elderly person who may be a person with a disability. The term includes two or more near-elderly persons living together, and one or more such persons living with one or more persons who are determined to be essential to the care or well-being of the near-elderly person or persons. A near-elderly family may include other family members who are not near-elderly. **24 CFR § 5.403**
43. Near-elderly person - means a person who is at least 50 years of age but below 62, who may be a person with a disability **42 USC 1437a(b)(3)**
44. Net Family Assets - The net cash value, after deducting reasonable costs that would be incurred in disposing of: **24 CFR § 5.603**
- Real property (land, houses, mobile homes)
- Savings (CDs, IRA or KEOGH accounts, checking and savings accounts, precious metals)
- Cash value of whole life insurance policies
- Stocks and bonds (mutual funds, corporate bonds, savings bonds)
- Other forms of capital investments (business equipment)
- Net cash value is determined by subtracting the reasonable costs likely to be incurred in selling or disposing of an asset from the market value of the asset. Examples of such costs are: brokerage or legal fees, settlement costs for real property, or penalties for withdrawing saving funds before maturity.
- Net Family assets also include the amount in excess of any consideration received for assets disposed of by an applicant or resident for less than fair market value during the two years preceding the date of the initial certification or reexamination. This does not apply to assets transferred as the result of a foreclosure or bankruptcy sale.
- In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be less than fair market value if the applicant or resident receives important considerations not measurable in dollar terms
45. Other Person Under the Voucher Client's Control - for the purposes of resident selection and lease enforcement means that the person, although not staying as a guest in the unit is, or was at the time of the activity in question, on the premises because of an invitation from the resident or other member of the household who has express or implied authority to so consent on behalf of the resident. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not "under the resident's control". **24CFR § 5.A**
46. Person with disabilities<sup>3</sup> 42 USC 1437a(b)(3) means a person<sup>4</sup> who —
- Has a disability as defined in Section 223 of the Social Security Act **42 USC 423** ; or,
  - Has a physical or mental impairment that:
    - Is expected to be of long continued and indefinite duration;
    - Substantially impedes his/her ability to live independently; and,

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<sup>3</sup> NOTE: this is the program definition. The 504 definition does not supersede this definition for eligibility or admission. **24 CFR 8.4 (c) (2)**

<sup>4</sup> A person with disabilities may be a child



- Is of such nature that such disability could be improved by more suitable housing conditions; or,
- c. Has a developmental disability as defined in **Section 102 (5)(b)** of the Developmental Disabilities Assistance and Bill of Rights Act **42 USC 6001 (5)**.

This is the definition that is used for eligibility and granting deductions for rent.

47. PRPHA Employee – Includes current and past employees of PRPHA as well as employees who previously were employed by the Puerto Rico Department of Housing and/or the Puerto Rico Housing Finance Administration.
48. Refusal of Housing – An applicant's choice not to accept a PRPHA offer of housing without good cause.
49. Rejection for Housing – PRPHA's determination not to accept an applicant either because of ineligibility or failing applicant screening.
50. Remaining Family Member - A remaining family member is defined as a family member listed on the most recent recertification who is 21 years of age or older, who meets all other eligibility criteria, and is a member of an Authority tenant family, but not a signatory to the lease and who continues to live in the unit after all other family members have left.
51. Qualified Individual with Disabilities, Section 504 - means an individual with disabilities who meets the essential eligibility requirements and who can achieve the purpose of the program or activity without modifications in the program or activity that the PRPHA can demonstrate would result in a fundamental alteration in its nature.
- a. Essential eligibility requirements include: ...stated eligibility requirements such as income as well as other explicit or implicit requirements inherent in the nature of the program or activity, such as requirements that an occupant of multifamily housing be capable of meeting the recipient's selection criteria and be capable of complying with all obligations of occupancy with or without supportive services provided by persons other than the PRPHA.
  - b. For example, a chronically mentally ill person whose particular condition poses a significant risk of substantial interference with the safety or enjoyment of others or with his or her own health or safety in the absence of necessary supportive services may be "qualified" for occupancy in a project where such supportive services are provided by the PRPHA as a part of the assisted program. The person may not be 'qualified' for a project lacking such services. **24 CFR § 8.3**
52. Service Provider - a person or organization qualified and experienced in the provision of supportive services, that is in compliance with applicable licensing requirements imposed by state or local law for the type of service to be provided. The service provider may be either a for-profit or a non-profit entity.
53. Single Person - A person who is not an elderly person, a person with disabilities, a displaced person, or the remaining member of a resident family.
54. Spouse - Spouse means the husband or wife of the head of the household.
55. Stalking – for purposes of interpreting the Violence Against Women Act, 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.

56. Tenant Rent - The amount payable monthly by the Family as rent to PRPHA. If all utilities (except telephone) and other essential housing services are supplied by the PRPHA, Tenant Rent equals Total Tenant Payment. If some or all utilities (except telephone) and other essential housing services are not supplied by the PRPHA the cost thereof is not included in the amount paid as rent, and Tenant Rent equals Total Tenant Payment less the Utility Allowance **24 CFR § 5.6**.
57. Total Tenant Payment (TTP) - The TTP is calculated using the following formula:  
The greater of 30% of the monthly Adjusted Income (as defined in these policies) or 10% of the monthly Annual Income (as defined in these policies), but never less than the Minimum Rent. If the Voucher Client pays utilities directly to the utility supplier, the amount of the Utility Allowance is deducted from the TTP. **24 CFR §5.6** See definition for Tenant Rent
58. Uniform Federal Accessibility Standards - Standards for the design, construction, and alteration of publicly owned residential structures to ensure that physically disabled persons will have ready access to and use of such structures. The standards are set forth in Appendix A to 24 CFR Part 40. See cross reference to UFAS in 504 regulations, **24 CFR § 8.32 (a)**.
59. Utilities - Utilities means water, electricity, gas, other heating, refrigeration and cooking fuels, trash collection, and sewerage services. Telephone service is not included as a utility **24 CFR § 965.473**
60. Utility Reimbursement - Families paying Flat rent do not receive Utility Allowances and, consequently, will never qualify for utility reimbursements.
61. Very Low-Income Family - A very low-income family has an Annual Income less than 50 percent of the median Annual Income for the area, adjusted for family size, as determined by HUD.
62. Welfare/Public Assistance- Welfare or other public assistance payments to families or individuals based on need, that are made under programs, separately or jointly, by federal, state or local governments.
63. Work Activities - As used in the HUD definitions at **24 CFR § 5.603** the term work activities means:
  - a. Unsubsidized employment;
  - b. Subsidized private sector employment;
  - c. Subsidized public sector employment;
  - d. Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;
  - e. On-the-job training;
  - f. Job search and job readiness programs;
  - g. Community service programs;
  - h. Vocational educational training (< 12 months)
  - i. Job skills training directly related to employment;
  - j. Education directly related to employment, in the case of a recipient who has not received a high school diploma or certificate of high school equivalency;
  - k. Satisfactory attendance at a secondary school or in a course of study leading to a certificate of general equivalency;





GOVERNMENT OF PUERTO RICO  
PUBLIC HOUSING ADMINISTRATION

**ADDENDUM OF THE ADMINISTRATIVE PLAN  
FOR THE  
PUERTO RICO PUBLIC HOUSING ADMINISTRATION  
EMERGENCY HOUSING VOUCHER PROGRAM**



Effective Date: 6/30/2022



## **Puerto Rico Public Housing Administration Emergency Housing Vouchers**

### SECTION I. INTRODUCTION

#### A. INTRODUCTION

On May 5, 2021, the Department of Housing and Urban Development (“HUD”) published a notice allocating approximately 70,000 emergency housing vouchers (EHVs) to public housing agencies (PHAs) as part of the American Rescue Plan Act of 2021 (P.L. 117-2, hereafter referred to in this notice as “the ARP”). The Puerto Rico Public Housing Administration (“PRPHA”) was granted 203 of these vouchers.

PRPHA’s objective in administering EHVs is to provide subsidy for rental payments to private landlords for families within one of the eligible four categories. Through this program, PRPHA can help low-income families obtain quality housing within Puerto Rico and optimize self-sufficiency among individuals and families experiencing homelessness. The PRPHA will work with its Continuum of Care (“CoC”) partners to administer the Emergency Housing Vouchers (“EHV”) in accordance with all program requirements. The PRPHA will work with their community partners to determine the best use for the EHV’s along with other resources available to the community.

### SECTION II. GENERAL REQUIREMENTS OF EHV PROGRAM

The EHV program is meant to assist individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family’s homelessness or having high risk of housing instability.

The PRPHA is required to work with CoCs and community partners to determine the best use and targeting for the vouchers along with other resources available in the community to ensure that the EHVs assist families who are most in need.

Partnering organizations, such as CoCs, certifying whether applicants lack the resources or support networks to obtain other permanent housing must establish procedures of documentation of the evidence relied upon to establish and verify status at intake. The procedures must establish the order of priority for obtaining evidence in the following order: (1) third-party documentation first; (2) Intake worker observations second; and (3) Certification from the person seeking assistance third.

The following are acceptable forms of documentation in the event that there is a lack of resources or support networks for immediate verification: (1) Certification by the individual or head of household that no residence has been identified; and (2) Certification or other



written documentation that the individual or family lacks the resources and support networks needed to obtain other permanent housing.

Similar to the procedures for tenancy in HCV program, after an EHV family has submitted a Request for Tenancy Approval (RFTA), the PRPHA will contact the landlord to schedule an inspection. The PRPHA must: confirm the unit is eligible, determine the unit meets the Housing Quality Standards (HQS) set by HUD, and determine that the rent being charged is reasonable in accordance with the standards established by the PRPHA.

EHVs follow most of the normal portability rules of the HCV program. The PRPHA may not restrict an EHV family from exercising portability as a non-resident applicant. Therefore, all EHV families may immediately move under portability.

### SECTION III. DEFINITIONS

#### 1. Individuals and families who are homeless

Homeless means:

(1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

(i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;

(ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, State, or local government programs for low-income individuals); or

(iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

(2) An individual or family who will imminently lose their primary nighttime residence, provided that:

(i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance,

(ii) No subsequent residence has been identified; and

(iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing.

(3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:



(i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42

U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);

(ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;

(iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and

(iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities; chronic physical health or mental health conditions; substance addiction; histories of domestic violence or childhood abuse (including neglect); the presence of a child or youth with a disability; or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment.

The meaning of "at-risk of homelessness" is as such term is defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(1)), which is codified in HUD's Continuum of Care Program regulations at 24 CFR 578.3 and reads as follows:

2. Individuals or families who are at-risk of homelessness  
*At risk of homelessness.*

(1) An individual or family who:

(i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;

(ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the "Homeless" definition above; and

(iii) Meets one of the following conditions:

(A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;

(B) Is living in the home of another because of economic hardship;

(C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days of the date of application for assistance;



- (D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;
- (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons, or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
- (F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
- (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan.

(2) A child or youth who does not qualify as "homeless" under this section, but qualifies as "homeless" under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

(3) A child or youth who does not qualify as "homeless" under this section, but qualifies as "homeless" under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

3. Individuals or families who are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking

This category is composed of any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking. This includes cases where a HUD-assisted tenant reasonably believes that there is a threat of imminent harm from further violence if they remain within the same dwelling unit, or in the case of sexual assault, the HUD-assisted tenant reasonably believes there is a threat of imminent harm from further violence if they remain within the same dwelling unit that they are currently occupying, or the sexual assault occurred on the premise during the 90- day period preceding the date of the request for transfer.

**Domestic violence** includes felony or misdemeanor crimes of violence committed by:

1. a current or former spouse or intimate partner of the victim (the term "spouse or intimate partner of the victim" includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship),
2. a person with whom the victim shares a child in common,
3. a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner,



4. a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or
5. any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

**Dating violence** means violence committed by a person:

1. Who is or has been in a social relationship of a romantic or intimate nature with the victim; and
2. Where the existence of such a relationship shall be determined based on a consideration of the following factors:
  1. The length of the relationship;
  2. The type of relationship; and
  3. The frequency of interaction between the persons involved in the relationship.

**Sexual assault** means any nonconsensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.

**Stalking** means engaging in a course of conduct directed at a specific person that would cause a reasonable person to:

(1) Fear for the person's individual safety or the safety of others; or (2) Suffer substantial emotional distress.

**Human trafficking** includes both sex and labor trafficking, as outlined in the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. § 7102). These are defined as:

*Sex trafficking* means the recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purpose of a commercial sex act, in which the commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; (and)

*Labor trafficking* means the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

D. Individuals or families who are recently homeless

This category is composed of individuals and families determined by the CoC or its designee to meet the following definition.

**Recently homeless** is defined as individuals and families who have previously been classified by a member agency of the CoC as homeless but are not currently homeless as a result of homeless assistance (financial assistance or services), temporary rental assistance or some type of other assistance, and where the CoC or its designee determines that the loss of such assistance would result in a return to homelessness or the family having a high risk of housing instability. Examples of households that may be defined as recently homeless by the CoC include, but are not limited to, participants in rapid rehousing, and permanent supportive housing.





Individuals and families classified as recently homeless must be referred by the CoC or its designee.

#### SECTION IV. ROLES

##### A. COC PARTNERS

It is the CoC's responsibility to refer eligible individuals and families to the PRPHA using the community's coordinated entry system and provide documentation that the family qualifies under one of the four eligible categories for EHV assistance. The CoCs will ensure equitable access to coordinated entry system and assess eligibility and prioritized households. This coordinated entry system process helps coordinate and manage a crisis response system's resources that allows users to make consistent decisions based on available information to connect people to housing and service interventions efficiently and effectively. The CoC'S will designate and maintain a lead EHV liaison to communicate with the PRPHA.

The CoC shall use the coordinated entry system to help coordinate and manage crisis response system's resources in order to allow users to make consistent decisions based on available information to connect people to housing and service interventions efficiently and effectively. The CoC will also promote communitywide commitment to the goal of ending homelessness.

The CoC will support eligible individuals and households in completing and applying for supportive documentation to accompany admissions application to the PRPHA (i.e., Self-certifications, birth certificate, social security card, etc.). The CoC may even attend EHV participant briefings when needed and aid family through the admissions process. The CoC may also assess all households referred for EHV for mainstream benefits and supportive services available to support eligible individuals and families through their transition.

The CoC will help to identify and provide supportive services to EHV families. While EHV participants are not required to participate in services, the CoC should assure that services are available and accessible. Furthermore, the CoC will provide funded services which may include street outreach, emergency shelter, transitional housing, rapid rehousing, and permanent supportive housing. The CoC may even provide a written policies and procedures that include a process by which individuals and families may appeal coordinated entry decisions.

##### B. PRPHA ROLES

The PRPHA is required to work with community partners to determine the best use and targeting for EHV along with other resources available in the community. The PRPHA may choose to establish local preferences for EHV admissions, which would then prioritize the order that families are issued EHV from the EHV waiting list when the number of referrals to the PRPHA exceeds the available EHV. However, the establishment of EHV local preferences by the PRPHA must be done in coordination with the CoC and any other referral partners.



The PRPHA will coordinate and consult with the CoC to develop the services and assistance to be offered under the EHV services fees. The PRPHA will accept direct referrals for eligible individuals and families through the CoC Coordinated Entry System or from Victim Service Provider ("VSP"). The PRPHA may take direct referrals from outside the CoC if, (a) the Coordinated Entry System does not have sufficient number of eligible families to refer to the PRPHA for the EHV program; or (b) the Coordinated Entry System does not identify families that may be eligible for EHV assistance because they are fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking. The PRPHA will also, maintain a separate wait list for EHV referrals.

The PRPHA will inform households on the waiting list of the availability of EHV by either posting the information to the website or providing public notice in the respective communities. The PRPHA will use EHV, if necessary, to facilitate an emergency transfer in accordance with the Violence Against Women Act ("VAWA") as outlined in the PRPHA's emergency transfer plan. Furthermore, the PRPHA will work with CoCs to manage preferences for EHV admissions. In order to do so, the PRPHA will commit a sufficient number of staff and necessary resources to ensure that the application, certification, and voucher issuance processes are completed in a timely manner. The PRPHA will review applications for EHV, certifying program eligibility, and conduct annual recertifications for continued eligibility.

The PRPHA is responsible for all the administrative responsibilities for the EHV program in accordance with the EHV Operating Requirements Notice and the applicable HCV program regulations, including but not limited to reviewing applications for EHV, certify program eligibility, and conducting annual recertifications for continued eligibility.

The PRPHA will also determine if units meet Housing Quality Standards and approve units for leasing contracts or contract with other qualified entities to perform the HQS inspection, which may include the CoC. The PRPHA will designate staff to serve as the lead EHV liaison. Additionally, the PRPHA will ensure housing search assistance is made available to EHV families during their initial housing search.

The PRPHA shall accept self-certifications as the highest form of verification of admission when involving identity or income verification of applicants. The PRPHA will explain and provide information about policies and procedures to current and prospective landlords and participants. The PRPHA will also provide a monitoring program for performance and compliance of EHV participants and owners.

The PRPHA will help create customized plans to address or mitigate barriers that individual families may face in renting a unit with an EHV. This includes providing owner recruitment and outreach. The PRPHA will also collaborate with CoC on strategies by establishing payment standards that increase pool of available high-quality units. The PRPHA may provide landlord incentives to persuade landlords to lower barriers of race, gender, and disability.

## SECTION V. MEMORANDUM OF UNDERSTANDING REQUIREMENT

### A. MEMORANDUM OF UNDERSTANDING

The PRPHA will comply with HUD's alternative requirement for the EHV program under which the PRPHA must enter into an MOU with all referring agencies to establish a



partnership for the administration of EHV. The PRPHA may have a single MOU or multiple MOUs with referring agencies.

The PRPHA will enter into an MOU with a partnering CoC within 30 days of the effective date of the ACC funding increment for EHV. The MOU is meant to establish a partnership for the administration of the EHV. The primary responsibility of the CoC under the MOU is to make direct referrals of qualifying individuals and families to the PRPHA.

The PRPHA may enter into an agreement, through the MOU for the EHV program, to reimburse the CoC or other partnering service agencies for eligible expenses. For example, housing search assistance is required to be made available to EHV families during their initial housing search. Housing search assistance may be provided directly by the PRPHA or through the CoC or another agency or entity. Where housing search assistance is being provided by the CoC or another agency or entity, the PRPHA may reimburse that entity for the eligible activities as defined in the agreement.

The intent of the MOU is to ensure that all parties are aware of the policies governing referrals and defining the roles and responsibilities of each involved entity. MOUs may additionally address local protocols and procedures that are consistent and equitable in designating clear EHV distribution criteria.

#### SECTION VI. FEES

HUD provides funding for fees for the costs of administering the EHV and other eligible expenses to prevent, prepare for and respond to coronavirus to facilitate the leasing of the emergency housing vouchers, such as security deposit assistance and other costs related to retention and support of participating owners.

The PRPHA will be allocated administrative fee funding for EHV administrative costs and for other eligible expenses. These fees may only be used for EHV administration and other eligible expenses and must not be used for or applied to other PRPHA programs or vouchers (e.g., regular HCVs, Mainstream vouchers, etc.). As is the case with Mainstream vouchers, the PRPHA must maintain separate financial records from its regular HCV funding for all EHV funding, both HAP and administrative fee amounts.

The PRPHAs will be allocated administrative fees as follows:

- A. **PRELIMINARY FEE.** The PRPHA will receive a single, one-time preliminary fee of \$400 per EHV allocated to the PRPHA once the PRPHA's CACC is amended to reflect the EHV funding obligation. This fee amount will support the anticipated immediate start-up costs that the PRPHA will incur in implementing the EHV alternative requirements, such as the outreach to and coordination with the CoC and other potential partnering agencies and planning and development. This fee may be used for any eligible administrative expenses related to the EHV. This fee may also be used to pay for any of the eligible activities under the EHV services fee.
- B. **PLACEMENT FEE/EXPEDITED ISSUANCE REPORTING FEE.** This fee amount will support initial lease-up costs as well as the added cost and effort required to expedite the leasing of the EHV. Initial lease-up costs are expected to include the PRPHA's costs to establish and refine the direct referral process with its partners and to expedite income determinations, family



briefings, and voucher issuance. It also supports the PRPHA's costs to report the issuance of the EHV to HUD ahead of the normally applicable reporting deadlines, which will allow HUD access to EHV issuance data in as timely a manner as possible. The PRPHA will receive \$100 for each EHV that is initially leased upon the effective leasing date of that voucher if the PRPHA reported the voucher issuance date in the Public Housing Information Center-Next Generation (PIC-NG) system within 14 days of the later of the voucher issuance date or the date when the system becomes available for reporting.

The PRPHA will receive an additional placement fee of \$500 for each EHV family placed under a HAP contract that is effective no later than four months after the effective date of the ACC funding increment for that EHV, or \$250 for each EHV family placed under a HAP contract with an effective date that is after 4 months but no later than six months after the effective date of the ACC funding increment for that EHV. This bifurcated fee structure is based on the anticipated extra costs the PRPHA will experience in its efforts to expedite the leasing of the EHV's and the expectation that those costs should start to diminish as the PRPHA gains more experience operating the EHV program and resolving leasing challenges for EHV families.

In cases where the PRPHA received more than one EHV allocation and the funding increments have different dates, HUD will determine the PRPHA's eligibility for the placement fee based on the effective date of the PRPHA's initial increment. EHV's from the initial increment are expected to be issued and leased first for purposes of calculating the placement fee. Once the number of EHV's under lease equals the total number of vouchers allocated under the initial increment, HUD will use the effective date of the PRPHA's subsequent allocation to determine the PRPHA's eligibility for the \$500 or \$250 placement fee.

The placement/expedited issuance reporting fee is only applicable to the initial time the voucher is leased by the PRPHA. The placement/expedited issuance reporting fee is not paid for subsequent lease-ups (e.g., the family moves to another unit or the EHV participant leaves the program and the voucher is reissued to another family prior to the prohibition on reissuance of turnover vouchers after September 30, 2023).

This placement fee may be used for any eligible administrative expenses related to the EHV's. This fee may also be used to pay for any of the eligible activities under the EHV services fee (see paragraph d below).

C. ON-GOING ADMINISTRATIVE FEE. The on-going administrative fee for EHV's is calculated in the same manner as the on-going administrative fee that the PRPHA receives for its regular HCV program. The PRPHA will be allocated the full administrative fee amount for each EHV that is under HAP contract as of the first day of each month.

HUD will make the EHV ongoing administrative fees available to the PRPHA each month based on actual leasing reported by the PRPHA for prior months. HUD will reconcile the PRPHA's EHV's administrative fees on a periodic basis and at the end of each calendar year (commencing with CY 2022). For each of the first three months following the ACC funding increment effective date, HUD will advance the PRPHA ongoing administrative fees equal to the amount of ongoing administrative fees the PRPHA would receive for that month if all EHV's allocated to the PRPHA were fully leased so that the PRPHA also has ongoing administrative fees available to meet the initial costs of EHV administration. The advanced ongoing administrative fees will be taken into account when HUD first reconciles the PRPHA's EHV administrative fees. EHV ongoing administrative fees may be used for any eligible



administrative expenses related to the EHV. These fees may also be used to pay for any of the eligible activities under the EHV services fee (see paragraph d below).

- D. **SERVICE FEE.** A PRPHA will be allocated a one-time services fee to support its efforts in implementing and operating an effective EHV services program that will best address the needs of EHV eligible individuals and families in its jurisdiction. This fee will be allocated to the PRPHA once the PRPHA's CACC is amended to reflect the EHV funding obligation. The amount allocated to the PRPHA will be equal to \$3,500 for each EHV allocated to the PRPHA. Note that the services fee amount is not tied to each voucher, but instead is the combined total of the services fees are available to the PRPHA to design a menu of services that will best address the leasing challenges faced by the EHV eligible families in the PRPHA's community. The PRPHA may use the services fee to provide any or all of the defined eligible uses to assist families to successfully lease units with the EHV. The PRPHA is strongly encouraged to consult with its CoC and its other homeless services/victim services referral partners in establishing which activities it will undertake in support of EHV and any parameters or requirements regarding the application of those activities. For example, if the PRPHA is working with several direct referral partners and one partner is able to provide security deposit assistance and the other is not, the PRPHA may provide security deposit assistance for direct referral families from the latter agency but not for families who are already eligible for and receiving security deposit assistance from the partnering agency. The PRPHA may limit the amount of assistance that it provides for any of the eligible uses and place other restrictions on those uses. However, the services fee funding must be initially used for these defined eligible uses and not for other administrative expenses of the EHV. Service fee funding may never be used for the HCV program.

The eligible uses implemented by the PRPHA and the parameters/requirements established by the PRPHA must be described in the PRPHA's administrative plan. Any services fee assistance that is returned to the PRPHA after its initial or subsequent use (such as security deposits/utility deposits/other assistance that may be wholly or partly returned to the PRPHA by the owner/utility supplier/family) may only be applied to the eligible services fee uses defined by this notice (or subsequent notice) or other EHV administrative costs. Any amounts not expended for these eligible uses when the PRPHA's EHV program ends must be remitted to HUD.

The eligible uses are designed to prevent and respond to coronavirus by facilitating the leasing of the EHV, which will provide vulnerable individuals and families a much safer housing environment to minimize the risk of coronavirus exposure or spread. Individuals and families who are homeless or at-risk of homelessness are often living in conditions that significantly increase the risk of exposure to coronavirus in addition to other health risks.

The services fees fall into four main components comprised of specific activities:

i. **Housing Search Assistance.**

The PRPHA is required to ensure housing search assistance is made available to EHV families during their initial housing search. The PRPHA may use the services fee funding to provide this required housing search assistance to EHV families during their initial housing search. Housing search assistance is a broad term which may include many activities such as but not limited to helping a family identify and visit potentially available units during their housing search, helping to find a unit that meets the household's disability-related needs,



providing transportation and directions, assisting with the completion of rental applications and PRPHA forms, and helping to expedite the EHV leasing process for the family.

ii. Security Deposit/Utility Deposit/Rental Application/Holding Fee Uses.

A. Application fees/non-refundable administrative or processing fees/refundable application deposit assistance. The PRPHA may choose to assist the family with some or all these expenses.

B. Holding fees. In some markets, it is not uncommon for an owner to request a holding fee that is rolled into the security deposit after an application is accepted but before a lease is signed. The PRPHA may cover part or all of the holding fee for units where the fee is required by the owner after a tenant's application has been accepted but before the lease signing. The PRPHA and owner must agree how the holding fee gets rolled into the deposit, and under what conditions the fee will be returned. In general, owners need to accept responsibility for making needed repairs to a unit required by the initial housing quality standards (HQS) inspections and can only keep the holding fee if the client is at fault for not entering into a lease.

C. Security deposit assistance. The PRPHA may provide security deposit assistance for the family. The amount of the security deposit assistance may not exceed the lesser of two months' rent to owner, the maximum security deposit allowed under applicable state and/or local law, or the actual security deposit required by the owner. The PRPHA may choose to pay the security deposit assistance directly to the owner or may pay the assistance to the family, provided the PRPHA verifies the family paid the security deposit. The PRPHA may place conditions on the security deposit assistance, such as requiring the owner or family to return the security deposit assistance to the PRPHA at the end of the family's tenancy (less any amounts retained by the owner in accordance with the lease). Security deposit assistance returned to the PRPHA must be used for either services fee eligible uses or other EHV administrative costs.

D. Utility deposit assistance/utility arrears. The PRPHA may provide utility deposit assistance for some or all of the family's utility deposit expenses. Assistance can be provided for deposits (including connection fees) required for the utilities to be supplied by the tenant under the lease. The PRPHA may choose to pay the utility deposit assistance directly to the utility company or may pay the assistance to the family, provided the PRPHA verifies the family paid the utility deposit. The PRPHA may place conditions on the utility deposit assistance, such as requiring the utility supplier or family to return the utility deposit assistance to the PRPHA at such time the deposit is returned by the utility supplier (less any amounts retained by the utility supplier). In addition, some families may have large balances with gas, electric, water, sewer, or trash companies that will make it difficult if not impossible to establish services for tenant-supplied utilities. The PRPHA may also provide the family with assistance to help address these utility arrears to facilitate leasing. Utility deposit assistance that is returned to the PRPHA must be used for either services fee eligible uses or other EHV administrative costs.

iii. Owner-related uses.

A. Owner recruitment and outreach. The PRPHA may use the service fee funding to conduct owner recruitment and outreach specifically for EHV's. In addition to traditional owner recruitment and outreach, activities may include conducting pre-inspections or



otherwise expediting the inspection process, providing enhanced customer service, and offering owner incentive and/or retention payments.

B. Owner incentive and/or retention payments. The PRPHA may make incentive or retention payments to owners that agree to initially lease their unit to an EHV family and/or renew the lease of an EHV family. The PRPHA may design the owner incentive payment to meet its specific needs (such as, for example, limiting the incentive payments to new owners or owners in high opportunity neighborhoods, or structuring all or part of the payment as a damages or unpaid rent mitigation fund, where the owner receives the mitigation payment only if the security deposit is insufficient to cover damages and other amounts owed under the lease). The PRPHA may condition the offer of the owner incentive payment on the owner's agreement to abide by certain terms and conditions. For example, the PRPHA could require the owner to agree to contact and work with the family's CoC case manager or other intervention services (assuming such services are available) should lease violations or other tenant-related issues arise during the assisted tenancy before taking action to evict the tenant.

HUD anticipates that owner incentive/retention payments would typically be made as a single payment at the beginning of the assisted lease term (or lease renewal if a retention payment). However, regardless of the frequency that the PRPHA chooses to make such payments, owner incentive/retentions payments are not housing assistance payments and are not part of the rent to owner. Owner incentive/retention payments are not taken into consideration when determining whether the rent for the unit is reasonable.

C. Moving expenses (including move-in fees and deposits). The PRPHA may provide assistance for some or all of the family's reasonable moving expenses when they initially lease a unit with the EHV. The PRPHA may not provide moving expenses assistance for subsequent moves unless the family is required to move for reasons other than something the family did or failed to do (e.g., the PRPHA is terminating the HAP contract because the owner did not fulfill the owner responsibilities under the HAP contract or the owner is refusing to offer the family the opportunity to enter a new lease after the initial lease term, as opposed to the family choosing to terminate the tenancy in order to move to another unit), or a family has to move due to domestic violence, dating violence, sexual assault, or stalking, for example.

D. Tenant-readiness services. The PRPHA may use the services fee funding to help create customized plans to address or mitigate barriers that individual families may face in renting a unit with an EHV, such as negative credit, lack of credit, negative rental or utility history, or to connect the family to other community resources (including COVID-related resources) that can assist with rental arrears.

E. Essential household items. The PRPHA may use the services fee funding to assist the family with some or all of the costs of acquiring essential household items as defined by the PRPHA (e.g., tableware, bedding, etc.).

F. Renter's insurance if required by the lease. The PRPHA may use the services fee funding to assist the family with some or all of the cost of renter's insurance, but only in cases where the purchase of renter's insurance is a condition of the lease.



## SECTION VII. SERVICES

### A. SERVICES

The PRPHA and CoCs will work together to provide applicants with the transition services and support services. Transition services are individualized services that assist the household to transition from their homeless or at-risk living situation into housing. Supportive services are voluntary, ongoing services that provide individualized support for the household for as long as needed. The type and amount of support can change over time with changes in needs and preferences.

It is the goal of the PRPHA that all the EHV participants will have access to the supportive services they require, if any. Thus, the PRPHA and CoCs will ensure certain services are provided to EHV participants which include but are not limited to, supporting family stability such as counseling, job training programs, employment assistance, and financial literacy courses. PRPHA will expedite EHV referrals and result in a successful -lease-up within 60-90 days of voucher issuance. As such, the referrals received will be scheduled for an eligibility appointment within three business days of receipt of the referral. All of the eligible EHV participants who complete all required tasks (attending appointments/providing required documents) will be issued a voucher within the same week in which eligibility for participation is determined by the PRPHA. Requests for tenancy approvals received by the PRPHA will be scheduled for inspection within three (3) business days of the receipt of all completed documentation.

PRPHA will maximize lease-up of the EHV program within 12 months from award. The EHV participants requiring financial assistance to successfully lease-up an approved unit will be provided with the required assistance. The EHV families will receive housing search assistance if needed including, but not limited to assistance with security deposits and/or utility arrears. The PRPHA will ensure that housing provided to participating families is decent, safe, and sanitary through HQ inspections. It is the PRPHA's hope to seek and maintain the engagement of the participants by providing these supportive services in order to contribute to the participating family's stability and to better their lives.

## SECTION VIII. PROCESSING OF APPLICATIONS AND ELIGIBILITY FOR ADMISSION

The PRPHA must use a single waiting list for admission to the EHV program. Thus, the PRPHA shall maintain a separate list for EHV referrals/applicants. The separate waiting list is meant to expedite the leasing process. The separate waiting list requirement applies to initial leasing and for any turnover vouchers issued prior to September 30, 2023.

Additionally, the PRPHA will not be required to give public notice when opening and closing the EHV waiting list. Thus, the PRPHA will work with the CoC/VSP to manage the number of referrals and the size of the EHV waiting list. The PRPHA must inform families on the HCV waiting list of the availability of EHV's. At a minimum, the PRPHA will post the information to website or provide public notice in respective communities. This public notice must describe the eligible populations to which the EHV's are limited and clearly state that the availability of these EHV's is managed through a direct referral process.





Upon verification of applicant information by CoCs, a final determination of qualification for admission is made. If found ineligible for housing, the PRPHA shall notify the family of the grounds for denial of admission. Applicants will have the opportunity to explain mitigating circumstances and provide additional information. Only families that meet PRPHA eligibility criteria for EHV and pass applicant screening will receive a unit offer for public housing. PRPHA will house applicants in accordance with the available housing stock. Other than birth, adoption or court-awarded custody of a child, the PRPHA must approve additional family members and may apply its regular screening criteria in doing so.

A. Qualifying for Admission Eligibility

1. PRPHA will **only** admit applicants who are qualified according to the following criteria:
  - a. experiencing homelessness;
  - b. at risk of experiencing homelessness;
  - c. fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or
  - d. were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.
2. PRPHA **will not** admit applicants who have met one of the following criteria:
  - a. any household member convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing
  - b. any household member subject to a lifetime registration requirement under a State sex offender registration program
  - c. If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program within the previous 12 months.
  - d. The PRPHA must still deny assistance to the program if any member of the family fails to submit consent forms for obtaining information in accordance with 24 CFR Part 5 (consent forms regarding disclosure of SSN and verification of income)

B. Eligibility Determination

The PRPHA will accept self-certification as the highest form of certification. The PRPHA does not need to obtain and verify SSN documentation and documentation evidencing eligible noncitizen status before admitting the family to the EHV program. Accepting self-certifications and delaying the receipt of documentation and/or third-party verification will allow the PRPHA to assist EHV families more quickly and give families time to obtain the necessary documentation.

The Social Security number and citizenship status of applicants must be obtained within 180 days of admission to the EHV program. The PRPHA may provide extensions based on evidence from the family or CoC/VSP/partnering agency that good faith efforts are being made to obtain the information. The PRPHA may accept self-certification of date of birth and disability status if a higher level of verification is not immediately available. The PRPHA must obtain a higher level of verification within 90 days if self- certification is used at



admission or verify the information in EIV. If the PRPHA later determines that an ineligible family received assistance, the PRPHA must terminate the family.

### C. Income Calculations

The PRPHA may accept income calculations and verifications from third-party providers or from an examination that the PRPHA conducted on behalf of the family for another subsidized housing program in lieu of conducting an initial examination of income as long as:

1. Income was calculated according to the rules in 24 CFR Part 5 within the last six months
  2. The family certifies there has been no change in income or family composition in the interim
  3. At annual re-certification the PRPHA must conduct the annual re-exam of income.
  4. The PRPHA must review the EIV Income and IVT Reports to confirm/validate family-reported income within 90 days of the PIC submission date
  5. The PRPHA must print and maintain copies of the EIV Income and IVT reports in the tenant files
- D. The PRPHA must resolve any income discrepancy with the family within 60 days of the EIV income or IVT Report dates

## SECTION IX. MANDATORY & PERMISSIVE PROHIBITIONS

The PRPHA will abide by HUD's standards for mandatory and permissive waivers with regards to EHV's. The PRPHA will make use of these COVID-19 Waivers and any other additional waivers/alternative requirements applicable to the EHV program. The waivers or alternative requirements incorporated are exceptions to the normal HCV requirements. Some waivers or alternative requirements are mandatory while others are optional. This will help to expedite and facilitate the use of the EHV funding.

### A. Mandatory Prohibitions

The PRPHA **will deny** an applicant entrance to the EHV program in the following cases:

- a. The PRPHA must use a single waiting list for admission to the EHV program. Under this waiver, the PRPHA shall maintain a separate list for EHV referrals/applicants in order to expedite the leasing process. This applies to initial leasing and for any turnover vouchers issued prior to September 30, 2023
- b. The PRPHA must inform families on the HCV waiting list of the availability of EHV's. At minimum, PRPHA will post the information to website or provide public notice in respective communities. Notice must describe the eligible populations to which the EHV's are limited and clearly state that the availability of these EHV's is managed through a direct referral process
- c. The PRPHA may not apply residency requirements to EHV applicants
- d. The PRPHA may not restrict an EHV family from using portability because they are a non-resident applicant



- e. The initial search term for an EHV must be at least 120 days. Any extensions, suspensions, and progress report will remain under the PRPHA's administrative plan but will apply until after the minimum 120-day initial search term
- f. The PRPHA must grant reasonable accommodation requests to extend the search term that may be necessary for individuals with disabilities to find a unit that meets their disability-related needs
- g. The PRPHA may not deny admission to families with no income and must consider hardship circumstances before charging a minimum rent
- h. Other than birth, adoption or court-awarded custody of a child, the PRPHA must approve additional family members and may apply its regular screening criteria in doing so
- i. The PRPHA must still deny assistance to the program if any member of the family fails to submit consent forms for obtaining information in accordance with 24 CFR Part 5 (consent forms regarding disclosure of SSN and verification of income). However, PRPHAs should notify the families of the limited EHV grounds for denial of admission first.

#### B. Permissive Prohibitions

The PRPHA **may accept** an applicant in the following cases:

- a. Any household member that is currently engaged in, or has engaged in within the previous 12 months:
  - i. Violent criminal activity
  - ii. Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity
- b. If the family engaged in or threatened abusive or violent behavior toward the PRPHA personnel within the previous 12 months.
- c. The initial lease term for an EHV family may be less than 12 months
- d. Applicants may provide third-party documentation which represents the applicant's income within the 60-day period prior to admission or voucher issuance but is not dated within 60 days of the PRPHA's request

#### C. Unallowable Prohibitions

PHAs **may not deny** an EHV applicant admission for any of the following reasons:

1. Any member of the family has been evicted from federally assisted housing in the last five years
2. The PRPHA has ever terminated assistance under the program for any member of the family
3. The family currently owes rent or other amounts to the PRPHA or to another PRPHA in connection with Section 8 or public housing assistance under the 1937 Act
4. The family has not reimbursed any PRPHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease



5. The family breached an agreement with the PRPHA to pay amounts owed to a PRPHA, or amounts paid to an owner by a PRPHA
6. The family would otherwise be prohibited admission under alcohol abuse standards established by the PRPHA in accordance with § 982.553(a)(3)
7. The PRPHA determines that any household member is currently engaged in or has engaged in during a reasonable time before admission, drug-related criminal activity

#### SECTION X. PAYMENT STANDARD

The PRPHA will establish a separate higher payment standard amount for each designated part of the Fair Market Rent area in order to increase the amount of available units. The PRPHA will set the payment standard amount for each unit size at 120% of the HUD published Small Area FMR for that zip code. If the PRPHA increases the regular HCV payment standard the PRPHA must also include the EHV payment standard if it would be otherwise lower than the new regular HCV payment standard. All rent reasonableness requirements continue to apply to EHV's.



GOVERNMENT OF PUERTO RICO  
PUBLIC HOUSING ADMINISTRATION

**ADDENDUM II OF THE ADMINISTRATIVE PLAN  
FOR THE  
PUERTO RICO PUBLIC HOUSING ADMINISTRATION  
NSPIRE**



Effective Date: April 11, 2024



## SECTION I. NSPIRE

### **Governing regulations:**

- **24 CFR Part 5.701 & 703**
- **24 CFR Parts 982.401 and 405**

HUD has established National standards for the condition of HUD housing. (National Standards for the Physical Inspection of Real Estate (NSPIRE). The HUD established a compliance date of October 1, 2024. PRPHA will notify HUD when INSPIRE is implemented as required in PIH Notice 2023-28, Implementation of National Standards for the Physical Inspection of Real Estate (NSPIRE) Administrative Procedures for the housing choice Voucher (HCV) Programs.

These inspection standards are applicable to tenant-based and project-based units that are occupied or will be occupied by HCV or PBV participants; and require the inside and outside of units to be inspected. This includes common areas and exterior areas which either service or are associated with these units. HUD may approve inspection criteria variations in cases where local housing codes or other codes are adopted by the PHA; or variations because of local climatic or geographic conditions. HUD will not approve any variation to criteria if HUD believes the variation is likely to adversely affect the health or safety of participant families or severely restrict housing choice. Any approved variation must be included in this Administrative Plan.

Under HOTMA HUD has identified life-threatening (LT) conditions. This list is mandatory for HCV programs upon NSPIRE implementation. This list is provided below and does not prevent PRPHA from adding items to the LT conditions list for Puerto Rico. These additions would have to be included on the list below.

HUD allows flexibility for what is considered an appropriate correction for mold and moisture, and pest infestations within 24 hours. These conditions may take a significant time to permanently control. PRPHA will consider this when addressing immediate and longer-term owner remediation efforts.

### **HOTMA – LIFE THREATENING CONDITIONS**

- **Call-for-Aid System** System is blocked, or pull cord is higher than 6 inches off the floor. System does not function properly.
- **Carbon Monoxide Alarm** Carbon monoxide alarm is missing, not installed, or not installed in a proper location. Carbon monoxide alarm is obstructed. Carbon monoxide alarm does not produce an audio or visual alarm when tested.
- **Chimney** A visually accessible chimney, flue, or firebox connected to a fireplace or wood-burning appliance is incomplete or damaged such that it may not safely contain fire and convey smoke and combustion gases to the exterior. Chimney exhibits signs of structural failure.
- **Clothes Dryer Exhaust Ventilation** Electric dryer transition duct is detached or missing. Gas dryer transition duct is detached or missing. Electric dryer exhaust ventilation system has restricted airflow. Dryer transition duct is constructed of unsuitable material. Gas dryer exhaust ventilation system has restricted airflow.
- **Door - Entry Entry** door is missing.



- **Door - Fire Labeled** Fire labeled door is missing.
- **Egress** Obstructed means of egress. Sleeping room is located on the 3rd floor or below and has an obstructed rescue opening. Fire escape is obstructed.
- **Electrical - Conductor, Outlet, and Switch** Outlet or switch is damaged. Exposed electrical conductor. Water is currently in contact with an electrical conductor.
- **Electrical - Service Panel** The overcurrent protection device is damaged.
- **Exit Sign** Exit sign is damaged, missing, obstructed, or not adequately illuminated.
- **Fire Escape** Fire escape component is damaged or missing.
- **Fire Extinguisher** Fire extinguisher pressure gauge reads over or under-charged. Fire extinguisher service tag is missing, illegible, or expired. Fire extinguisher is damaged or missing.
- **Flammable and Combustible Items** Flammable or combustible item is on or within 3 feet of an appliance that provides heat for thermal comfort or a fuel-burning water heater. OR Improperly stored chemicals.
- **Guardrail** Guardrail is missing or not installed. Guardrail is not functionally adequate.
- **Heating, Ventilation, and Air Conditioning (HVAC)** The inspection date is on or between October 1 and March 31 and the permanently installed heating source is not working or the permanently installed heating source is working and the interior temperature is below 64 degrees Fahrenheit. Unvented space heater that burns gas, oil, or kerosene is present. Combustion chamber cover or gas shutoff valve is missing from a fuel burning heating appliance. Fuel burning heating system or device exhaust vent is misaligned, blocked, disconnected, improperly connected, damaged, or missing.
- **Leak - Gas or Oil** Natural gas, propane, or oil leak.
- **Mold-like Substance** Presence of mold-like substance at extremely high levels is observed visually.
- **Smoke Alarm** Smoke alarm is not installed where required. Smoke alarm is obstructed. Smoke alarm does not produce an audio or visual alarm when tested.
- **Sprinkler Assembly** Sprinkler head assembly is encased or obstructed by an item or object that is within 18 inches of the sprinkler head. Sprinkler assembly component is damaged, inoperable, or missing and it is detrimental to performance. Sprinkler assembly has evidence of corrosion. Sprinkler assembly has evidence of foreign material that is detrimental to performance. Structural System Structural system exhibits signs of serious failure.
- **Toilet Only** 1 toilet was installed, and it is missing.
- **Water Heater** Chimney or flue piping is blocked, misaligned, or missing. Gas shutoff valve is damaged, missing, or not installed.

### NSPIRE HCV/PBV INSPECTION CHECKLIST

PHA:	Address of Unit:
Family Identifier:	Owner:
Any children under 6 reside or expected to reside in the unit? (Y/N):	Owner Contact Information:
Inspector:	Housing Type:
Date of Inspection:	Year Constructed:
Type of Inspection:	Number of Bedrooms:

**Summary Decision on Unit (Pass/Fail):**

Health & Safety Designation	Correction Timeframe (P/F)
LT	Life-Threatening - 24 Hours (Fail)
S	Severe - 30 Days (Fail)
M	Moderate - 30 Days (Fail)
L	Low - N/A (Pass)

\*Affirmative Habitability Requirement per 24 CFR 5.703(d) and NSPIRE Final Rule

**Mark all that apply:**

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Address and Signage	Address, signage, or building identification codes are broken, illegible, or not visible.	<input type="checkbox"/>	<input type="checkbox"/>	M <input type="checkbox"/>	
Bathtub and Shower	Only 1 bathtub or shower is present and it is inoperable or does not drain.	S <input type="checkbox"/>	L <input type="checkbox"/>	<input type="checkbox"/>	
	A bathtub or shower is inoperable or does not drain and at least 1 bathtub or shower is present elsewhere that is operational.	M <input type="checkbox"/>	L <input type="checkbox"/>	<input type="checkbox"/>	
	Bathtub component or shower component is damaged, inoperable, or missing such that it may limit the resident's ability to maintain personal hygiene.	M <input type="checkbox"/>	L <input type="checkbox"/>	<input type="checkbox"/>	
	Bathtub component or shower component is damaged, inoperable, or missing and it does not limit the resident's ability to maintain personal hygiene.	L <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Bathtub or shower cannot be used in private.*	* M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
Cabinet and Storage	Food storage space is not present.*	* M <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Storage component is damaged, inoperable, or missing.	M <input type="checkbox"/>	L <input type="checkbox"/>	<input type="checkbox"/>	
Call-For-Aid System	<b>System is blocked, or pull cord is higher than 6 inches off the floor.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	<input type="checkbox"/>	
	<b>System does not function properly.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	<input type="checkbox"/>	
Carbon Monoxide	<b>Carbon monoxide alarm is missing, not installed, or not installed in a proper location.*</b>	LT <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<b>Carbon monoxide alarm is obstructed.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	<input type="checkbox"/>	
	<b>Carbon monoxide alarm does not produce an audio or visual alarm when tested.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	<input type="checkbox"/>	
Ceiling	Ceiling has an unstable surface.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Ceiling has a hole.	M <input type="checkbox"/>	M <input type="checkbox"/>	<input type="checkbox"/>	
	Ceiling component(s) is not functionally adequate.	S <input type="checkbox"/>	S <input type="checkbox"/>	<input type="checkbox"/>	
Chimney	<b>A visually accessible chimney, flue, or firebox connected to a fireplace or wood-burning appliance is incomplete or damaged such that it may not safely contain fire and convey smoke and combustion gases to the exterior.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	<b>Chimney exhibits signs of structural failure.</b>	<input type="checkbox"/>	<input type="checkbox"/>	LT <input type="checkbox"/>	



Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Clothes Dryer Exhaust Ventilation	Electric dryer transition duct is detached or missing.	LT <input type="checkbox"/>	LT <input type="checkbox"/>		
	Gas dryer transition duct is detached or missing.	LT <input type="checkbox"/>	LT <input type="checkbox"/>		
	Electric dryer exhaust ventilation system has restricted airflow.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	Dryer transition duct is constructed of unsuitable material.	LT <input type="checkbox"/>	LT <input type="checkbox"/>		
	Gas dryer exhaust ventilation system has restricted airflow.	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	Exterior dryer vent cover, cap, or a component thereof is missing.			L <input type="checkbox"/>	
Cooking Appliance	Cooking range, cooktop, or oven does not ignite or produce heat.	S <input type="checkbox"/>	L <input type="checkbox"/>		
	Cooking range, cooktop, or oven component is damaged or missing such that the device is unsafe for use.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Primary cooking appliance is missing.*	* M <input type="checkbox"/>			
	A microwave is the primary cooking appliance and it is damaged.	S <input type="checkbox"/>			
	A burner does not produce heat, but at least 1 other burner is present on the cooking range or cooktop and does produce heat.	M <input type="checkbox"/>	M <input type="checkbox"/>		
Door - Entry	Entry door will not open.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Entry door will not close.	S <input type="checkbox"/>	M <input type="checkbox"/>		
	Entry door self-closing mechanism is damaged, inoperable, or missing.	S <input type="checkbox"/>	M <input type="checkbox"/>		
	Hole, split, or crack that penetrates completely through entry door.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	<b>Entry door is missing.</b>	LT <input type="checkbox"/>	S <input type="checkbox"/>		
	Entry door surface is delaminated or separated.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Entry door frame, threshold, or trim is damaged or missing.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Entry door seal, gasket, or stripping is damaged, inoperable, or missing.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Entry door component is damaged, inoperable, or missing and it does not limit the door's ability to provide privacy or protection from weather or infestation.	L <input type="checkbox"/>	L <input type="checkbox"/>		
Entry door cannot be secured.	S <input type="checkbox"/>	M <input type="checkbox"/>			
Door - Fire	Fire labeled door does not open.	S <input type="checkbox"/>	S <input type="checkbox"/>		
	Fire labeled door does not close and latch or the self-closing hardware is damaged or missing such that the door does not self-close and latch.	S <input type="checkbox"/>	S <input type="checkbox"/>		
	Fire labeled door assembly has a hole of any size or is damaged such that its integrity may be compromised.	S <input type="checkbox"/>	S <input type="checkbox"/>		
	Fire labeled door seal or gasket is damaged or missing.	S <input type="checkbox"/>	S <input type="checkbox"/>		
	An object is present that may prevent the fire labeled door from closing and latching or self-closing and latching.	S <input type="checkbox"/>	S <input type="checkbox"/>		
	Fire labeled door cannot be secured.	S <input type="checkbox"/>	M <input type="checkbox"/>		
	<b>Fire labeled door is missing.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>		
Door - General	A passage door does not open.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	A passage door component is damaged, inoperable, or missing and the door is not functionally adequate.	L <input type="checkbox"/>	L <input type="checkbox"/>		
	A door that is not intended to permit access between rooms has a damaged, inoperable, or missing	L <input type="checkbox"/>			
	An exterior door component is damaged, inoperable, or missing.			M <input type="checkbox"/>	

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Drain	Drain is fully blocked.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
Egress	<b>Obstructed means of egress.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	<b>Sleeping room is located on the 3rd floor or below and has an obstructed rescue opening.</b>	LT <input type="checkbox"/>			
	<b>Fire escape access is obstructed.</b>	LT <input type="checkbox"/>			
Electrical - Conductor, Outlet, and Switch	<b>Outlet or switch is damaged.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	Testing indicates a three-pronged outlet is not properly wired or grounded.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	Outlet does not have visible damage and testing indicates it is not energized.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	<b>Exposed electrical conductor.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	<b>Water is currently in contact with an electrical conductor.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>		
Electrical - GFCI/AFCI	GFCI outlet or GFCI breaker is not visibly damaged and the test or reset button is inoperable.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	AFCI outlet or AFCI breaker is not visibly damaged and the test or reset button is inoperable.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	An unprotected outlet is present within six feet of a water source.*	*S <input type="checkbox"/>	*S <input type="checkbox"/>	*S <input type="checkbox"/>	
Electrical - Service Panel	Electrical service panel is not readily accessible.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	<b>The overcurrent protection device is damaged.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	The overcurrent protection device is contaminated.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
Elevator	Elevator is inoperable.		M <input type="checkbox"/>		
	Elevator door does not fully open and close.		M <input type="checkbox"/>		
	Elevator cab is not level with the floor.		M <input type="checkbox"/>		
	Safety edge device has malfunctioned or is inoperable.		M <input type="checkbox"/>		
Exit Sign	<b>Exit sign is damaged, missing, obstructed, or not adequately illuminated.</b>		LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Fence and Gate	Fence component is missing.			M <input type="checkbox"/>	
	Gate does not open, close, latch, or lock.			M <input type="checkbox"/>	
	Fence demonstrates signs of collapse.			M <input type="checkbox"/>	
Fire Escape	<b>Fire escape component is damaged or missing.</b>			LT <input type="checkbox"/>	
Fire Extinguisher	<b>Fire extinguisher pressure gauge reads over or under-charged.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	<b>Fire extinguisher service tag is missing, illegible, or expired.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	<b>Fire extinguisher is damaged or missing.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Flammable and Combustible Item	<b>Flammable or combustible item is on or within 3 feet of an appliance that provides heat for thermal comfort or a fuel-burning water heater.</b> <b>OR</b> <b>Improperly stored chemicals.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Floor	Floor substrate is exposed.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Floor component(s) is not functionally adequate.	M <input type="checkbox"/>	M <input type="checkbox"/>		
Food Preparation	Food preparation area is not present.*	* M <input type="checkbox"/>			
	Food preparation area is damaged or is not functionally adequate.	M <input type="checkbox"/>	M <input type="checkbox"/>		

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Foundation	Foundation is cracked.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Foundation has exposed rebar or foundation is spalling, flaking, or chipping.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Foundation is infiltrated by water.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Foundation support post, column, beam, or girder is damaged.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Foundation vent cover is missing or damaged.			M <input type="checkbox"/>	
Garage Door	Garage door has a hole.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Garage door does not open, close, or remain open or closed.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
Guardrail	Grab bar is not secure.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	<b>Guardrail is missing or not installed.*</b>	*LT <input type="checkbox"/>	*LT <input type="checkbox"/>	*LT <input type="checkbox"/>	
	<b>Guardrail is not functionally adequate.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Handrail	Handrail is missing.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Handrail is not secure.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Handrail is not functionally adequate.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Handrail is not installed where required.		L <input type="checkbox"/>	L <input type="checkbox"/>	
HVAC	<b>The inspection date is on or between October 1 and March 31 and the permanently installed heating source is not working or the permanently installed heating source is working and the interior temperature is below 64 degrees Fahrenheit.*</b>	*LT <input type="checkbox"/>			
	The inspection date is on or between October 1 and March 31 and the permanently installed heating source is working and the interior temperature is 64 to 67.9 degrees Fahrenheit.*	*S <input type="checkbox"/>			
	Air conditioning system or device is not operational.	M <input type="checkbox"/>	L <input type="checkbox"/>		
	<b>Unvented space heater that burns gas, oil, or kerosene is present.*</b>	*LT <input type="checkbox"/>	*LT <input type="checkbox"/>		
	<b>Combustion chamber cover or gas shutoff valve is missing from a fuel burning heating appliance.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>		
	Heating system or device safety shield is damaged or missing.	S <input type="checkbox"/>	S <input type="checkbox"/>		
	The inspection date is on or between April 1 and September 30 and a permanently installed heating source is damaged, inoperable, missing, or not installed.*	*M <input type="checkbox"/>	*M <input type="checkbox"/>		
	<b>Fuel burning heating system or device exhaust vent is misaligned, blocked, disconnected, improperly connected, damaged, or missing.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
The inspection date is on or between October 1 and March 31 and the permanently installed heating source is inoperable.		M <input type="checkbox"/>			
Infestation	Evidence of cockroaches.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Extensive cockroach infestation.	S <input type="checkbox"/>	M <input type="checkbox"/>		
	Evidence of bedbugs.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Extensive bedbug infestation.	S <input type="checkbox"/>	M <input type="checkbox"/>		
	Evidence of mice.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Extensive mouse infestation.	S <input type="checkbox"/>	M <input type="checkbox"/>		
	Evidence of rats.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Extensive rat infestation.	S <input type="checkbox"/>	S <input type="checkbox"/>		
	Evidence of other pests.	M <input type="checkbox"/>	M <input type="checkbox"/>		

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Leak - Gas/Oil	<b>Natural gas, propane, or oil leak.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Leak - Sewage	Blocked sewage system.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	Leak in sewage system.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	Cap to the cleanout or pump cover is detached or missing.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Cleanout cap or riser is damaged.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
Leak - Water	Environmental water intrusion.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Plumbing leak.	M <input type="checkbox"/>	M <input type="checkbox"/>	L <input type="checkbox"/>	
	Fluid is leaking from the sprinkler assembly.	M <input type="checkbox"/>	M <input type="checkbox"/>	L <input type="checkbox"/>	
Lighting - Auxiliary	Auxiliary lighting is damaged, missing, or fails to illuminate when tested.		S <input type="checkbox"/>	S <input type="checkbox"/>	
Lighting - Exterior	A permanently installed light fixture is damaged, inoperable, missing, or not secure.			M <input type="checkbox"/>	
Lighting - Interior	A permanently installed light fixture is inoperable.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	A permanently installed light fixture is not secure.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	At least one (1) permanently installed light fixture is not present in the kitchen and bathroom.*	* M <input type="checkbox"/>	* M <input type="checkbox"/>		
Litter	Litter is accumulated in an undesignated area.		M <input type="checkbox"/>	L <input type="checkbox"/>	
Minimum Electrical and Lighting	At least two (2) working outlets are not present within each habitable room. OR At least one (1) working outlet and one (1) permanently installed light fixture is not present within each habitable room.*	* M <input type="checkbox"/>			
Mold-Like Substance	Presence of mold-like substance at moderate levels is observed visually.	M <input type="checkbox"/>	L <input type="checkbox"/>		
	Presence of mold-like substance at high levels is observed visually.	S <input type="checkbox"/>	M <input type="checkbox"/>		
	<b>Presence of mold-like substance at extremely high levels is observed visually.</b>	LT <input type="checkbox"/>	S <input type="checkbox"/>		
	Elevated moisture level.	M <input type="checkbox"/>	L <input type="checkbox"/>		
Parking Lot	Parking lot has any one pothole that is 4 inches deep and 1 square foot or greater.			M <input type="checkbox"/>	
	Parking lot has ponding.			M <input type="checkbox"/>	
Potential Lead-Based Paint Hazards - Visual Assessment	Paint in a Unit or Inside the target property is deteriorated – below the level required for lead-safe work practices by a lead-certified firm or for passing clearance.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Paint in a Unit or Inside the target property is deteriorated – above the level required for lead-safe work practices by a lead-certified firm and passing clearance.	S <input type="checkbox"/>	S <input type="checkbox"/>		
	Paint Outside on a target property is deteriorated – below the level required for lead-safe work practices by a lead-certified firm or for passing clearance.			M <input type="checkbox"/>	
	Paint Outside on a target property is deteriorated – above the level required for lead-safe work practices by a lead-certified firm and passing clearance.			S <input type="checkbox"/>	
Private Roads and Driveways	Road or driveway access to the property is blocked or impassable for vehicles.			S <input type="checkbox"/>	
	Road or driveway has any one pothole that is 4 inches deep and 1 square foot or greater.			M <input type="checkbox"/>	
Refrigerator	Refrigerator is inoperable such that it may be unable to safely and adequately store food.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Refrigerator component is damaged such that it impacts functionality.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Refrigerator is missing.*	* M <input type="checkbox"/>			

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Retaining Wall	Retaining wall is leaning away from the fill side.			M <input type="checkbox"/>	
	Retaining wall is partially or completely collapsed.			M <input type="checkbox"/>	
Roof Assembly	Restricted flow of water from a roof drain, gutter, or downspout.			M <input type="checkbox"/>	
	Gutter component is damaged, missing, or unfixed.			M <input type="checkbox"/>	
	Roof surface has standing water.			M <input type="checkbox"/>	
	Substrate is exposed.			M <input type="checkbox"/>	
	Roof assembly has a hole.			M <input type="checkbox"/>	
	Roof assembly is damaged.			M <input type="checkbox"/>	
Sharp Edges	A sharp edge that can result in a cut or puncture hazard is present.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
Sidewalk, Walkway, Ramp	Sidewalk, walkway, or ramp is blocked or impassable.			M <input type="checkbox"/>	
	Sidewalk, walkway, or ramp is not functionally adequate.			M <input type="checkbox"/>	
Sink	Sink or sink component is damaged or missing and the sink is not functionally adequate.	M <input type="checkbox"/>	L <input type="checkbox"/>		
	Water is directed outside of the basin.	L <input type="checkbox"/>	L <input type="checkbox"/>		
	Sink is not draining.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Sink is improperly installed, pulling away from the wall, leaning, or there are gaps between the sink and wall.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Sink component is damaged or missing and the sink is functionally adequate.	L <input type="checkbox"/>	L <input type="checkbox"/>		
	Cannot activate or deactivate hot and cold water.*	* M <input type="checkbox"/>	M <input type="checkbox"/>		
	Sink is missing or not installed within the primary kitchen.*	* M <input type="checkbox"/>			
Site Drainage	Water runoff is unable to flow through the site drainage system.			L <input type="checkbox"/>	
	Erosion is present.			L <input type="checkbox"/>	
	Grate is not secure or does not cover the site drainage system's collection point.			M <input type="checkbox"/>	
Smoke Alarm	<b>Smoke alarm is not installed where required.*</b>	*LT <input type="checkbox"/>	*LT <input type="checkbox"/>		
	<b>Smoke alarm is obstructed.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>		
	<b>Smoke alarm does not produce an audio or visual alarm when tested.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>		
Sprinkler Assembly	<b>Sprinkler head assembly is encased or obstructed by an item or object that is within 18 inches of the sprinkler head.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	<b>Sprinkler assembly component is damaged, inoperable, or missing and it is detrimental to performance.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>		
	<b>Sprinkler assembly has evidence of corrosion.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
	<b>Sprinkler assembly has evidence of foreign material that is detrimental to performance.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
Stairs	Tread is missing or damaged.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	Stringer is damaged.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
Steps and Stairs	Step or stair is not functionally adequate.			M <input type="checkbox"/>	
Structure	<b>Structural system exhibits signs of serious failure.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	

Area	Deficiency Description	Unit	Inside	Outside	Inspector Comments
Toilet	<b>Only 1 toilet was installed, and it is missing.</b>	LT <input type="checkbox"/>	M <input type="checkbox"/>		
	A toilet is missing and at least 1 toilet is installed elsewhere that is operational.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Only 1 toilet was installed, and it is damaged or inoperable.	S <input type="checkbox"/>	M <input type="checkbox"/>		
	A toilet is damaged or inoperable and at least 1 toilet is installed elsewhere that is operational.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Toilet component is damaged, inoperable, or missing such that it may limit the resident's ability to safely discharge human waste.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Toilet is not secured at the base.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Toilet component is damaged, inoperable, or missing and it does not limit the resident's ability to discharge human waste.	L <input type="checkbox"/>	L <input type="checkbox"/>		
	Toilet cannot be used in private.*	* M <input type="checkbox"/>	M <input type="checkbox"/>		
Trash Chute	Chute door does not open or self-close and latch.		M <input type="checkbox"/>		
	Chute is clogged.		M <input type="checkbox"/>		
Trip Hazard	Trip hazard on walking surface.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
Ventilation	Exhaust system does not respond to the control switch.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Exhaust system has restricted airflow.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Exhaust system component is damaged or missing.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Bathroom does not have proper ventilation or dehumidification.	M <input type="checkbox"/>	M <input type="checkbox"/>		
Wall - Exterior	Exterior wall covering has missing sections of at least 1 square foot per wall.			M <input type="checkbox"/>	
	Exterior wall has peeling paint of 10 square feet or more.			M <input type="checkbox"/>	
	Exterior wall component(s) is not functionally adequate.			M <input type="checkbox"/>	
Wall - Interior	Interior wall has a loose or detached surface covering.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Interior wall component(s) is not functionally adequate.	M <input type="checkbox"/>	M <input type="checkbox"/>		
	Interior wall has a hole that is greater than 2 inches in diameter or there is an accumulation of holes that are cumulatively greater than 6 inches by 6 inches.	M <input type="checkbox"/>	M <input type="checkbox"/>		
Water Heater	Temperature pressure relief (TPR) valve has an active leak or is obstructed or relief valve discharge piping is damaged, capped, has an upward slope, or is constructed of unsuitable material.	S <input type="checkbox"/>	S <input type="checkbox"/>	S <input type="checkbox"/>	
	No hot water.	S <input type="checkbox"/>	L <input type="checkbox"/>		
	The relief valve discharge piping is missing or terminates greater than 6 inches or less than 2 inches from waste receptor flood-level.	M <input type="checkbox"/>	M <input type="checkbox"/>	M <input type="checkbox"/>	
	<b>Chimney or flue piping is blocked, misaligned, or missing.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	
<b>Gas shutoff valve is damaged, missing, or not installed.</b>	LT <input type="checkbox"/>	LT <input type="checkbox"/>	LT <input type="checkbox"/>		
Window	Window will not open or stay open.	M <input type="checkbox"/>	L <input type="checkbox"/>		
	Window cannot be secured.	M <input type="checkbox"/>	L <input type="checkbox"/>		
	Window will not close.	S <input type="checkbox"/>	M <input type="checkbox"/>		
	Window component is damaged or missing and the window is not functionally adequate.	M <input type="checkbox"/>	M <input type="checkbox"/>		

Note: This checklist is not a standards form and is not required for use. The form or its data should not be submitted to HUD, and will not be collected or maintained by HUD. No PII data should be submitted, nor will it be collected. The housing authority or owner is responsible for compliance with the HUD NSPIRE Standards per the NSPIRE Final Rule (88 FR 30442) and accompanying Federal Register Notices (88 FR 40832, 88 FR 66882).