

Resolution 2021-05 Exhibit A

Annual PHA Plan <i>(Standard PHAs and Troubled PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 02/29/2016
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

Applicability. Form HUD-50075-ST is to be completed annually by **STANDARD PHAs** or **TROUBLED PHAs**. PHAs that meet the definition of a High Performer PHA, Small PHA, HCV-Only PHA or Qualified PHA do not need to submit this form.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A.	PHA Information.																				
A.1	<p> PHA Name: <u>Northwest Oregon Housing Authority</u> PHA Code: <u>OR028</u> PHA Type: <input type="checkbox"/> Standard PHA <input checked="" type="checkbox"/> Troubled PHA PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/1/2021</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Public Housing (PH) Units <u>0</u> Number of Housing Choice Vouchers (HCVs) <u>1,043</u> Total Combined Units/Vouchers <u>1,043</u> PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission </p> <p> Availability of Information. PHAs must have the elements listed below in sections B and C readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans. </p> <ul style="list-style-type: none"> The Northwest Oregon Housing Authority will post a copy of its Proposed FY 2022 Annual plan to its website. Additionally, copies of the plan will be available for review at NOHAs administrative offices, located at 147 Main Ave, Warrenton, OR Copies of the plan will be forwarded to all public library branches in Clatsop, Columbia and Tillamook Counties. <p> <input type="checkbox"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below) </p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th rowspan="2" style="width: 25%;">Participating PHAs</th> <th rowspan="2" style="width: 10%;">PHA Code</th> <th rowspan="2" style="width: 25%;">Program(s) in the Consortia</th> <th rowspan="2" style="width: 20%;">Program(s) not in the Consortia</th> <th colspan="2" style="width: 20%;">No. of Units in Each Program</th> </tr> <tr> <th style="width: 10%;">PH</th> <th style="width: 10%;">HCV</th> </tr> </thead> <tbody> <tr> <td>Lead PHA:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA:											
Participating PHAs	PHA Code					Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program													
		PH	HCV																		
Lead PHA:																					

B. Annual Plan Elements

B.1 Revision of PHA Plan Elements.

(a) Have the following PHA Plan elements been revised by the PHA?

Y N

- Statement of Housing Needs and Strategy for Addressing Housing Needs
- Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
- Financial Resources.
- Rent Determination.
- Operation and Management.
- Grievance Procedures.
- Homeownership Programs.
- Community Service and Self-Sufficiency Programs.
- Safety and Crime Prevention.
- Pet Policy.
- Asset Management.
- Substantial Deviation.
- Significant Amendment/Modification

(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):

As a part of NOHAs ongoing strategy to improve HCV program operations, NOHA will be adopting a rewritten administrative plan. The priority of the new plan is to streamline processes and increase program accountability. A draft plan will be presented for public comment in March 2021.

(c) The PHA must submit its Deconcentration Policy for Field Office review.

Please see Attachment B.1 for additional information about the Elements of NOHAs Annual Plan.

B.2 New Activities.

(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?

Y N

- Hope VI or Choice Neighborhoods.
- Mixed Finance Modernization or Development.
- Demolition and/or Disposition.
- Designated Housing for Elderly and/or Disabled Families.
- Conversion of Public Housing to Tenant-Based Assistance.
- Conversion of Public Housing to Project-Based Assistance under RAD.
- Occupancy by Over-Income Families.
- Occupancy by Police Officers.
- Non-Smoking Policies.
- Project-Based Vouchers.
- Units with Approved Vacancies for Modernization.
- Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project based units and general locations, and describe how project basing would be consistent with the PHA Plan.

In December 2020, HUD authorized NOHA to project base up to 200 units. During FY 2022, NOHA intends to award PBVs for projects in each of the three (3) counties within the NOHA jurisdiction.

B.3	<p>Civil Rights Certification.</p> <p>Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
B.4	<p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, please describe:</p> <p>NOHAs audit for Fiscal Year 2020 is not yet complete. The report has been delayed, in part due to COVID-19. The auditor anticipates having a draft report to NOHA by March 31, 2021. If there are any findings identified by the auditor, NOHA will update this document during the public comment period.</p>
B.5	<p>Progress Report.</p> <p>Provide a description of the PHA’s progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan.</p> <p>NOHA’s 5 Year and Annual plan for the periods beginning on July 1, 2020 were submitted to HUD on January 7, 2021. Since the start of FY 2021, NOHA has outsourced the management of its HCV program. NOHA has worked to resolve SEMAP deficiencies and restore the program status to Standard or High performer.</p>
B.6	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) provide comments to the PHA Plan?</p> <p>Y N <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(c) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p> <p>NOHA does not have an active RAB. One of the goals for the upcoming plan period will be to form a Resident Advisory Board.</p>
B.7	<p>Certification by State or Local Officials.</p> <p>Form HUD 50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
B.8	<p>Troubled PHA.</p> <p>(a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place?</p> <p>Y N N/A <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p> <p>For the Fiscal Year ending June 30, 2019, NOHA had a confirmed SEMAP score rating NOHA as “Troubled.” NOHA has a corrective action plan with HUD and is working to resolve all outstanding findings. It is projected that NOHA will be in substantial compliance with its voucher program management duties by the start of Fiscal Year 2022 on July 1, 2021.</p>
C.	<p>Statement of Capital Improvements. Required for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).</p>
C.1	<p>Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan (HUD-50075.2) and the date that it was approved by HUD.</p> <p>NOHA does not own or operate public housing. This section does not apply to NOHA.</p>

B.1 PHA PLAN ELEMENTS

Statement of Housing Need

The table below provides summary level data of the families who have applied for HCV program assistance through NOHA. While not identical to the need addressed in the Consolidated Plan, these numbers support the critical need for affordable housing in the Coastal Region that is serviced by NOHA.

Northwest Oregon Housing Authority					
Waiting List Statistical Summary					
Income Limits					
Range		Number of Families		Percentage of Families	
Extremely Low Income (<= 30% AMI)		812		81.12%	
Very Low Income (> 30% but <= 50% AMI)		153		15.28%	
Low Income (> 50% but <= 80% AMI)		34		3.40%	
Over 80%		2		0.20%	
Total Families		1001			
Race			Ethnicity		
Primary Race	Number of Families	Percentage of Families	Ethnicity	Number of Families	Percentage of Families
White	415	41.46%	Hispanic	27	2.70%
Black	8	0.80%	Not Hispanic	974	97.30%
Indian	20	2.00%	Total Families	1001	
Asian	5	0.50%			
Hawaiian	0	0.00%			
Other	553	55.24%			
Total Families	1001				
Bedroom Size			Family Type		
Bedroom	Number of Families	Percentage of Families	Type	Number of Families	Percentage of Families
0	61	6.09%	Has Children	175	17.48%
1	696	69.53%	Near Elderly Families	53	5.29%
2	210	20.98%	Elderly Families	286	28.57%
3	32	3.20%	Single Occupancy	717	71.63%
4	2	0.20%	Disabled Families	217	21.68%
5+	0	0.00%			
Total Families	1001				
<i>End of Report</i>					

Strategies to Address Housing Needs

The current NOHA waiting list is open and accepting new applications. Based upon the current number of applicants, NOHA estimates the average wait time for an applicant to be between 2 – 3 years. To address this need and the long waiting time, NOHA is continuing to make improvements to its HCV program by assuring that payment standards and utility allowances are accurate and representative of the communities we serve. Additionally, NOHA is actively partnering in new construction development projects that will add new affordable housing in each of the three (3) counties serviced by NOHA. For these developments, NOHA is prepared to offer project based vouchers to help assure long term access and affordability in these communities.

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions

NOHAs deconcentration and other policies that govern eligibility, selection and admissions are located in the HCV Administrative Plan. Policies specific to deconcentration are located in Part I, Sections B, C and F. Additional information regarding to deconcentration can be found in Part III, Section E. Policies that govern eligibility, selection and admission are located in Section II of the Administrative Plan. No changes to these sections of the Administrative Plan are proposed.

Financial Resources

NOHA relies entirely on funding from HUD to provide housing assistance payments to landlords and support the ongoing administration of the program. Only the funds appropriated by Congress and distributed to NOHA by HUD. Because of increasing costs and other administrative challenges, NOHA did experience a shortfall in available funding to cover the cost of currently assisted vouchers during Calendar Year 2020. With the assistance of HUD and the shortfall prevention team, NOHA was awarded funding from the CARES Act to help offset the shortfall through the end of the calendar year. NOHA continues to monitor its expenditures and has ceased issuing new vouchers until its funding is stabilized.

Operation and Management

The policies specific to the operations of the HCV program by NOHA can be found in the HCV Administrative Plan. Topics specific to the Annual Plan include:

- Rent Determination – Part IX
- Grievance Procedures – Part XVII
- Homeownership Programs – Part XX

Instructions for Preparation of Form HUD-50075-ST Annual PHA Plan for Standard and Troubled PHAs

A. PHA Information. All PHAs must complete this section.

A.1 Include the full PHA Name, PHA Code, PHA Type, PHA Fiscal Year Beginning (MM/YYYY), PHA Inventory, Number of Public Housing Units and or Housing Choice Vouchers (HCVs), PHA Plan Submission Type, and the Availability of Information, specific location(s) of all information relevant to the public hearing and proposed PHA Plan. ([24 CFR §903.23\(4\)\(e\)](#))

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. ([24 CFR §943.128\(a\)](#))

B. Annual Plan. All PHAs must complete this section.

B.1 Revision of PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.” ([24 CFR §903.7](#))

Statement of Housing Needs and Strategy for Addressing Housing Needs. Provide a statement addressing the housing needs of low-income, very low-income and extremely low-income families and a brief description of the PHA’s strategy for addressing the housing needs of families who reside in the jurisdiction served by the PHA. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income), (ii) elderly families and families with disabilities, and (iii) households of various races and ethnic groups residing in the jurisdiction or on the waiting list based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. ([24 CFR §903.7\(a\)\(1\)](#)) Provide a description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. ([24 CFR §903.7\(a\)\(2\)\(ii\)](#))

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. PHAs must submit a Deconcentration Policy for Field Office review. For additional guidance on what a PHA must do to deconcentrate poverty in its development and comply with fair housing requirements, see [24 CFR 903.2](#). ([24 CFR §903.23\(b\)](#)) Describe the PHA’s admissions policy for deconcentration of poverty and income mixing of lower-income families in public housing. The Deconcentration Policy must describe the PHA’s policy for bringing higher income tenants into lower income developments and lower income tenants into higher income developments. The deconcentration requirements apply to general occupancy and family public housing developments. Refer to 24 CFR §903.2(b)(2) for developments not subject to deconcentration of poverty and income mixing requirements. ([24 CFR §903.7\(b\)](#)) Describe the PHA’s procedures for maintain waiting lists for admission to public housing and address any site-based waiting lists. ([24 CFR §903.7\(b\)](#)). A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV. ([24 CFR §903.7\(b\)](#)) Describe the unit assignment policies for public housing. ([24 CFR §903.7\(b\)](#))

Financial Resources. A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA operating, capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. ([24 CFR §903.7\(c\)](#))

Rent Determination. A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units, including applicable public housing flat rents, minimum rents, voucher family rent contributions, and payment standard policies. ([24 CFR §903.7\(d\)](#))

Operation and Management. A statement of the rules, standards, and policies of the PHA governing maintenance and management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA. ([24 CFR §903.7\(e\)](#))

Grievance Procedures. A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants. ([24 CFR §903.7\(f\)](#))

Homeownership Programs. A description of any Section 5h, Section 32, Section 8y, or HOPE I public housing or Housing Choice Voucher (HCV) homeownership programs (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval. ([24 CFR §903.7\(k\)](#))

Community Service and Self Sufficiency Programs. Describe how the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. ([24 CFR §903.7\(l\)](#)) A description of: **1)** Any programs relating to services and amenities provided or offered to assisted families; and **2)** Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS. ([24 CFR §903.7\(l\)](#))

Safety and Crime Prevention. Describe the PHA’s plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must provide development-by-development or jurisdiction wide-basis: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities. ([24 CFR §903.7\(m\)](#)) A description of: **1)** Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; **2)** Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and **3)** Any activities, services, or programs

provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families. (24 CFR §903.7(m)(5))

Pet Policy. Describe the PHA's policies and requirements pertaining to the ownership of pets in public housing. (24 CFR §903.7(n))

Asset Management. State how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory. (24 CFR §903.7(q))

Substantial Deviation. PHA must provide its criteria for determining a "substantial deviation" to its 5-Year Plan. (24 CFR §903.7(r)(2)(i))

Significant Amendment/Modification. PHA must provide its criteria for determining a "Significant Amendment or Modification" to its 5-Year and Annual Plan. Should the PHA fail to define 'significant amendment/modification', HUD will consider the following to be 'significant amendments or modifications': a) changes to rent or admissions policies or organization of the waiting list; b) additions of non-emergency CFP work items (items not included in the current CFP Annual Statement or CFP 5-Year Action Plan) or change in use of replacement reserve funds under the Capital Fund; or c) any change with regard to demolition or disposition, designation, homeownership programs or conversion activities. See guidance on HUD's website at: [Notice PIH 1999-51](#). (24 CFR §903.7(r)(2)(ii))

If any boxes are marked "yes", describe the revision(s) to those element(s) in the space provided.

B.2 New Activities. If the PHA intends to undertake any new activities related to these elements in the current Fiscal Year, mark "yes" for those elements, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake these activities, mark "no."

Hope VI or Choice Neighborhoods. 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Choice Neighborhoods; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI or Choice Neighborhoods is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>. (Notice PIH 2010-30)

Mixed Finance Modernization or Development. 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Mixed Finance Modernization or Development is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>. (Notice PIH 2010-30)

Demolition and/or Disposition. Describe any public housing projects owned by the PHA and subject to ACCs (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and (2) A timetable for the demolition or disposition. This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed as described in the PHA's last Annual and/or 5-Year PHA Plan submission. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm. (24 CFR §903.7(h))

Designated Housing for Elderly and Disabled Families. Describe any public housing projects owned, assisted or operated by the PHA (or portions thereof), in the upcoming fiscal year, that the PHA has continually operated as, has designated, or will apply for designation for occupancy by elderly and/or disabled families only. Include the following information: 1) development name and number; 2) designation type; 3) application status; 4) date the designation was approved, submitted, or planned for submission, and; 5) the number of units affected. **Note:** The application and approval process for such designations is separate from the PHA Plan process, and PHA Plan approval does not constitute HUD approval of any designation. (24 CFR §903.7(i)(C))

Conversion of Public Housing. Describe any public housing building(s) (including project number and unit count) owned by the PHA that the PHA is required to convert or plans to voluntarily convert to tenant-based assistance; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>. (24 CFR §903.7(j))

Conversion of Public Housing. Describe any public housing building(s) (including project number and unit count) owned by the PHA that the PHA plans to voluntarily convert to project-based assistance under RAD. See additional guidance on HUD's website at: [Notice PIH 2012-32](#)

Occupancy by Over-Income Families. A PHA that owns or operates fewer than two hundred fifty (250) public housing units, may lease a unit in a public housing development to an over-income family (a family whose annual income exceeds the limit for a low income family at the time of initial occupancy), if all the following conditions are satisfied: (1) There are no eligible low income families on the PHA waiting list or applying for public housing assistance when the unit is leased to an over-income family; (2) The PHA has publicized availability of the unit for rental to eligible low income families, including publishing public notice of such availability in a newspaper of general circulation in the jurisdiction at least thirty days before offering the unit to an over-income family; (3) The over-income family rents the unit on a month-to-month basis for a rent that is not less than the PHA's cost to operate the unit; (4) The lease to the over-income family provides that the family agrees to vacate the unit when needed for rental to an eligible family; and (5) The PHA gives the over-income family at least thirty days notice to vacate the unit when the unit is needed for rental to an eligible family. The PHA may incorporate information on occupancy by over-income families into its PHA Plan statement of deconcentration and other policies that govern eligibility, selection, and admissions. See additional guidance on HUD's website at: [Notice PIH 2011-7](#). (24 CFR 960.503) (24 CFR 903.7(b))

Occupancy by Police Officers. The PHA may allow police officers who would not otherwise be eligible for occupancy in public housing, to reside in a public housing dwelling unit. The PHA must include the number and location of the units to be occupied by police officers, and the terms and conditions of their tenancies; and a statement that such occupancy is needed to increase security for public housing residents. A "police officer" means a person determined by the PHA to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a Federal, State or local government or by any agency of these governments. An officer of an accredited police force of a housing agency may qualify. The PHA may incorporate information on occupancy by police officers into its PHA Plan statement of deconcentration and other policies that govern eligibility, selection, and admissions. See additional guidance on HUD's website at: [Notice PIH 2011-7](#). (24 CFR 960.505) (24 CFR 903.7(b))

Non-Smoking Policies. The PHA may implement non-smoking policies in its public housing program and incorporate this into its PHA Plan statement of operation and management and the rules and standards that will apply to its projects. See additional guidance on HUD's website at: [Notice PIH 2009-21](#). (24 CFR §903.7(e))

Project-Based Vouchers. Describe any plans to use Housing Choice Vouchers (HCVs) for new project-based vouchers, which must comply with PBV goals, civil rights requirements, Housing Quality Standards (HQS) and deconcentration standards, as stated in 983.57(b)(1) and set forth in the PHA Plan statement of deconcentration and other policies that govern eligibility, selection, and admissions. If using project-based vouchers, provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan. (24 CFR §903.7(b))

Units with Approved Vacancies for Modernization. The PHA must include a statement related to units with approved vacancies that are undergoing modernization in accordance with [24 CFR §990.145\(a\)\(1\)](#).

Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

For all activities that the PHA plans to undertake in the current Fiscal Year, provide a description of the activity in the space provided.

B.3 Civil Rights Certification. Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulation*, must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o))

B.4 Most Recent Fiscal Year Audit. If the results of the most recent fiscal year audit for the PHA included any findings, mark "yes" and describe those findings in the space provided. (24 CFR §903.7(p))

B.5 Progress Report. For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year PHA Plan. (24 CFR §903.7(r)(1))

B.6 Resident Advisory Board (RAB) comments. If the RAB provided comments to the annual plan, mark "yes," submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. (24 CFR §903.13(c), 24 CFR §903.19)

B.7 Certification by State or Local Officials. Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15). Note: A PHA may request to change its fiscal year to better coordinate its planning with planning done under the Consolidated Plan process by State or local officials as applicable.

B.8 Troubled PHA. If the PHA is designated troubled, and has a current MOA, improvement plan, or recovery plan in place, mark "yes," and describe that plan. If the PHA is troubled, but does not have any of these items, mark "no." If the PHA is not troubled, mark "N/A." (24 CFR §903.9)

C. Statement of Capital Improvements. PHAs that receive funding from the Capital Fund Program (CFP) must complete this section. (24 CFR 903.7 (g))

C.1 Capital Improvements. In order to comply with this requirement, the PHA must reference the most recent HUD approved Capital Fund 5 Year Action Plan. PHAs can reference the form by including the following language in Section C. 8.0 of the PHA Plan Template: "See HUD Form- 50075.2 approved by HUD on XX/XX/XXXX."

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year and Annual PHA Plan.

Public reporting burden for this information collection is estimated to average 9.2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

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

PART IX

PAYMENT STANDARDS, OWNERS RENT AND RENT REASONABLENESS

INTRODUCTION

The Payment Standard is used to calculate the housing assistance payment that NOHA pays to the owner on behalf of the family leasing a qualified unit. This PART explains the procedures NOHA will undergo for establishing and revising its Payment Standard Schedule initially, as well as annually, and how it will determine and handle housing assistance payments to owners, and how it will ensure that rents charged by owners to housing choice voucher program participants are reasonable and in line with unassisted market rents.

A. PAYMENT STANDARD

[24 CFR § 982.503]

The Payment Standard for each unit size will be set at 90% to 110% of the published Fair Market Rent (FMR) for each new housing choice voucher program funding increment authorized under a new Annual Contributions Contract (ACC). In addition, NOHA will monitor the local rental market conditions and will adjust its Payment Standard Schedule, up or down, depending on what the conditions reveal to NOHA about actual rental market costs. There may be an exception to the Housing Payment Standard for participants in the Homeownership Program, see PART XX for more information.

Annual Adjustment to Payment Standard

At least annually, NOHA will review its Payment Standard to determine whether adjustments are needed for some or all unit sizes. The Payment Standard will be reviewed according to HUD's requirements. The Payment Standard may be adjusted 90% to 110% of current FMR without prior HUD approval in order to increase/decrease contract rents in accordance with local rental housing market conditions.

NOHA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standard.

1. Rent Burdens to Assisted Families; and
2. Availability of Suitable Vacant Units and Rents Below the Payment Standard Amounts; and
3. Size and Quality of Units Selected; and
4. Time to Locate Housing; and
5. Vouchers Expired without Leasing; and
6. Large Number of Families Moving Out of NOHA Jurisdiction.

Lowering of the Payment Standard

The Payment Standard may be lowered when studies or analysis reveal that the Payment Standard should be lower, in which case, the Payment Standard will not be less than 90% of the current FMR. If the FMR is lowered, the Payment Standard may not exceed the FMR except in those cases where families are held harmless until they move to a different dwelling unit or have a change in family composition, which would affect their Voucher size.

Documentation of Review of Payment Standards

NOHA will maintain documentation of its review of its Payment Standard schedule to support its determination to change or not to change the payment standard amounts on the schedule.

Financial Feasibility

Before increasing the Payment Standards, NOHA may review the annual budget to determine the impact projected subsidy increases would have on funding available for the program versus the number of families served.

Application of the Payment Standard

NOHA will use the payment standard to calculate the monthly housing assistance payment for a family under the housing choice voucher program. The HAP is determined by taking the lower of the:

- Payment standard minus the TTP or
- Gross rent for the unit minus the TTP

If the gross rent is lower than the payment standard, the family will pay the full TTP. If the gross rent is higher than the payment standard, the family will pay the TTP plus the amount by which the gross rent exceeds the payment standard. In any case, the family's TTP may not exceed 40% of adjusted income in the initial year of the lease.

Payment Standard Amount for the Family

The payment standard amount for a family is the lower of:

- Payment standard amount for the family voucher size, or
- Payment standard amount for the size of the unit actually leased by the family.

Higher Payment Standard Amount as a Reasonable Accommodation

The payment standard is set by NOHA between 90% and 110% of the HUD published Fair Market Rent. NOHA will review the payment standard at least annually to determine whether an adjustment should be made. As a reasonable accommodation, NOHA may establish an exception payment standard of not more than 120% of the published FMR.

B. HOUSING ASSISTANCE PAYMENTS TO OWNERS

When NOHA has determined that the unit meets the minimum HQS as defined in Part VIII of this Plan, and that the lease is approvable and that the rent is reasonable, it will then execute the Housing Assistance Payments (HAP) Contract with the owner.

The maximum subsidy for each family is determined by the Payment Standard, less 30% of the family's Monthly Adjusted Income. The actual subsidy level could be less if the family is required to pay the Minimum Total Tenant Payment (10% of the family's monthly gross income, or 30% of the family adjusted monthly income, or the Minimum Rent of \$50.00 whichever is greater).

The Payment Standard for the family is based on the lesser of the Payment Standard for the Voucher size issued and the Payment Standard for unit selected.

The Housing Assistance Payment to the owner is the lesser of the subsidy described above or the rent charged by the owner.

C. MAKING PAYMENTS TO OWNERS

NOHA will begin processing payments to the landlord once the HAP Contract and Lease is executed. When there are changes in the amount of housing assistance payment, the effective date and the amount of NOHA payment is communicated through a “rent adjustment notice” mailed to both parties. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Normally, payment checks are processed and disbursed to owners twice each month. Exceptions may be made with the approval of the Section 8 Supervisor in cases of hardship.

Checks that are not received by an owner will not be re-issued until every effort has been made to locate the missing check. NOHA will issue a stop payment with the bank after 15 days on the missing check and a new check will be issued to the owner at the next scheduled payment processing cycle.

D. RENT INCREASE REQUESTS FROM OWNERS

Owners may not request rent increases under the Housing Choice Voucher Program prior to the expiration of the first or subsequent year(s) of the lease.

Owner must request the rent increase in writing and must submit the request to NOHA at least 60 days prior to annual recertification date of the HAP Contract. This will allow for the thirty-day notice required by the Oregon Revised Statutes in reference to Notice to Tenant of Rent Increase. **There will be no exceptions to the 60 days rent increase request notice from owner requirement.**

The approval or disapproval decision regarding the owner’s rent increase request will be based on Rent Reasonableness determination. The rent adjustment may be an increase or decrease, but may not result in a contract rent lower than initial contract rent on the current HAP Contract.

Disapproval of Owners Rent Increase Request

If NOHA rejects the owner’s request for rent increase on the basis that the request fails the rent reasonableness test and the owner rejects NOHA’s determination, the owner may offer the tenant a new lease without housing assistance, or give the tenant a thirty day notice to terminate the lease. If the tenant wishes to remain in the unit unassisted NOHA will terminate the family’s Housing Choice Voucher.

E. RENT REASONABLENESS DETERMINATIONS

[24 CFR 982.4; § 982.54(d) (15); § 982.158(f) (7); § 982.507]

NOHA will make every effort to ensure that rents charged by owners to housing choice voucher program participants are reasonable. Rent reasonableness determinations are made:

- a. when units are placed under HAP Contract for the first time
- b. when owners request a rent increase
- c. if there is a ten percent decrease in the published FMR
- c. at the direction of HUD.

NOHA will compare, document, and certify on a case-by-case basis that the approved rent:

- Does not exceed the rents charged for similar sized unassisted units in the marketplace; and

The owner will be required to document and certify the following:

- The subject rental unit does not exceed rents charged by the owner for equivalent assisted or unassisted units in the same building or complex, and will make the certifications on both the RTA and HAP Contract Addendum.

Up to 3 comparable units will be used when available for each rent determination. All comparables must be based on the rent that the unit would command for other comparable unassisted units.

F. PHA RENT REASONABLENESS METHODOLOGY

NOHA will determine whether the [rent to owner](#) is a [reasonable rent](#) in comparison to rent for other comparable unassisted units. To make this determination, NOHA will consider:

- (1) The location, quality, size, unit type, and age of the contract unit; and
- (2) Any amenities, housing services, maintenance and utilities to be provided by the [owner](#) in accordance with the [lease](#)
- (3) NOHA will accept *owner certification of rents charged for other units* when the [owner](#) certifies that the [rent to owner](#) is not more than rent charged by the [owner](#) for comparable unassisted units in the [premises](#) or elsewhere.

How rents are determined

NOHA uses 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. Geocoded maps will be used to identify the unsubsidized units in closest proximity to the subject unit, and unit data information will be used to select the most similar units.

In comparing rents, NOHA will take into account critical market factors that impact rent, including the location, quality, size, unit type and age of the contract provided by the owner in accordance with the lease.

Where comparable units differ from the unit proposed for HCV assistance, the PHA will determine whether those differences impact rent. Where they do, the PHA will adjust the rental value of the comparable units, up or down, based on assistance will be compared to the *adjusted* rents for the comparable units, enabling a fair, accurate, market based determination of rent reasonableness.

NOHA will notify the owner of the rent NOHA can approve 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. The PHA will consider this information when making rent determinations. The owner must submit any additional information within 5 business days of NOHA s' notification.

PART XVII

COMPLAINTS, APPEALS AND INFORMAL REVIEWS

INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of NOHA. This PART describes the policies, procedures and standards to be used when families disagree with a NOHA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of NOHA to ensure that all families have the benefit of all protections due to them under the law.

NOHA will provide a copy of the Informal Hearing procedures in the family briefing packet at the time of initial issuance of a Housing Choice Voucher and upon the family's request.

A. COMPLAINTS

NOHA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. NOHA may require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone.

Categories of Complaints

Complaints from Families

When a family disagrees with an action or the inaction of NOHA or owner, these complaints will be referred to the Housing Specialist Inspector assigned to their case.

Complaints from Owners

When an owner disagrees with an action or the inaction of NOHA or a family, these complaints will be referred to the Section 8 Housing Specialist Inspector.

Complaints from the General Public

Complaints or referrals received from persons in the community in regards to NOHA, an assisted family, or a participating owner will be referred to the Section 8 Housing Specialist Inspector. If the complaint cannot be resolved at that level, the complaint will be referred to the Section 8 Supervisor.

B. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

[24 CFR §982.54 (d) (12), and § 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP Contract.

The exception is that when an applicant is denied assistance for citizen or eligible immigrant status, the applicant is entitled to an informal hearing.

When NOHA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain the following:

1. The reason(s) they are ineligible,
2. The procedure for requesting a review if the applicant does not agree with the decision, and;
3. The time limit for requesting a review

NOHA must provide applicants with the opportunity for an Informal Review of decisions denying:

1. Qualification for preference
2. Placement of applicant on NOHA's waiting list
3. Issuance of a Housing Choice Voucher
4. Participation in the program

Informal Reviews are not required for established policies and procedures and NOHA determinations such as:

1. Discretionary administrative determinations by NOHA
2. General policy issues or class grievances
3. A determination of the family unit size under NOHA subsidy standards
4. Refusal to extend or suspend a Housing Choice Voucher
5. Determination not to grant approval of a tenancy
6. Determination that the unit is not in compliance with HQS
7. Determination that unit is not in compliance with HQS due to family size or composition

Procedure for Informal Review

A request for an Informal Review must be received *in writing* by the close of the business day, no later than 10 days from the date of NOHA's notification of denial of assistance. The informal review will be scheduled within 30 days from the date the request was received.

The Informal Review may not be presided over by the individual who made or the person who approved the decision under review, nor a subordinate of that person.

The Informal Review (i.e., meeting) may be presided over by the Section 8 Supervisor and/or his/her designee.

The applicant will be given the option of presenting oral or written objections to the decision. Both NOHA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

A Notice of the Informal Review findings will be provided in writing to the applicant within 10 working days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

C. INFORMAL HEARING PROCEDURES

[24 CFR § 982.555 (a-f), § 982.54 (d) (13)]

When NOHA makes a decision regarding the eligibility and/or the amount of assistance, applicants and current participants must be notified in writing. NOHA will give the family prompt notice of such determinations, which will include:

1. The proposed action or decision determination by NOHA;
2. The date the proposed action or decision will take place,
3. The family's right to an explanation of the basis for NOHA decision;
4. The procedures for requesting an informal hearing, if the family disputes the action or decision;
5. Time limit for requesting the hearing;
6. To whom the request for hearing should be addressed; and
7. That the tenant has the right to review relevant documents.

NOHA must provide participants with the opportunity to request in writing an Informal Hearing for decisions related to any of the following NOHA determinations:

1. Determination of the family's annual or adjusted income and the computation of the housing assistance payment;
2. Appropriate utility allowance used from schedule;
3. Family unit size determination under NOHA subsidy standards;
4. Determination to terminate assistance for any reason; or
5. NOHA decision to terminate a family's FSS Contract or withhold supportive services, or propose forfeiture of the family's escrow account.

Informal Hearings are **not** required for established policies and procedures and NOHA determinations such as:

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

Notification of Hearing

It is NOHA's objective is to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, NOHA will ensure that applicants and participants receive all of the protections and rights afforded by law and by the Federal regulations. If NOHA receives a

request for an informal hearing, NOHA will schedule a hearing date as soon as feasibly possible, and send a notification of hearing to the tenant.

At a minimum the notification of hearing will include:

1. The date and time of the hearing;
2. The location where the hearing will be held;
3. The family's right to bring evidence, witnesses, legal or other representation at the family's expense,
4. The family's right to view any documents or evidence in the possession of NOHA upon which NOHA based the proposed action;
5. The family's right to obtain and make copies of the subject documents at their own expense. Any requests to make copies of subject documents must be received no later than five days prior to the hearing date.
6. Notice to the family that NOHA may also request a copy of any documents or evidence the family proposes to use at the hearing and, that it must be received no later than 5 days before the hearing date by the family or their legal representative.

Hearing Scheduling and “No Show” Rescheduling Procedures

After a hearing date and time is agreed to by the parties and scheduled, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. The Section 8 Supervisor may approve or disapprove the rescheduling of the hearing based on the “good cause” evidence provided by the family.

Family Informal Hearing Rights

During the informal hearing, the family will have the right to:

1. Present written or oral objections to NOHA's determination;
2. Examine the documents in the file that are the basis for NOHA 's action, and all documents submitted to the Hearing Officer,
3. Copy any relevant documents at their expense,
4. Present any information or witnesses pertinent to the issue of the hearing;
5. Request that NOHA staff be available or present at the hearing to answer questions pertinent to the case; and
6. Be represented by legal counsel, advocate, or other designated representation, at their own expense.

If the family requests copies of documents relevant to the hearing, NOHA will make copies for the family. Under no circumstance will the family or their designated representative be permitted to remove the application or tenant file from NOHA's offices.

In addition to other rights contained in this PART, NOHA has a right to:

1. Present evidence and any information pertinent to the issue of the hearing;
2. Be notified if the family intends to be represented by legal counsel, advocate, or another party;
3. Examine and copy any documents to be used by the family prior to the hearing;
4. Be represented by its legal representative; and
5. Have staff persons and other witnesses familiar with the case present.

Focus of the Informal Hearing

At a minimum, the Informal Hearing shall focus on the following criteria:

- The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" include records and regulations.
- The Hearing Officer may ask the family for additional information and/ or might adjourn the Hearing in order to reconvene at a later date, before reaching a decision.
- The Hearing Officer will determine whether the action, inaction or decision of NOHA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the Hearing Findings shall be provided in writing to NOHA and the family within 15 days and shall include:

1. A clear summary of the decision and reasons for the decision;
2. If the decision involves money owed, the amount owed, and;
3. The date the decision goes into effect.

NOHA is not bound by hearing decisions:

1. Concerning matters in which NOHA is not required to provide an opportunity for a hearing;
2. Which conflict with or contradict HUD regulations or requirements,
3. Which conflict with or contradict Federal, State, or local laws; or;
4. Which exceed the authority of the person conducting the hearing.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's case file.

D. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS"

[24 CFR Parts 5, Subpart E]

Assistance to a participant family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the Immigration and Naturalization Service (INS) appeal.

Assistance to a family may not be terminated or denied while NOHA hearing is pending but assistance to an applicant may be delayed pending NOHA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, NOHA will notify the applicant or participant within 10 days of their right to appeal to the INS within 30 days or to request an informal hearing with NOHA, either in lieu of, or subsequent to the INS appeal.

If the family appeals to the INS, they must give NOHA a copy of the appeal and proof of mailing or NOHA may proceed to deny or terminate. The time period to request an appeal may be extended by NOHA for good cause.

The request for a NOHA hearing must be made within ten business days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within ten business days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this Part for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members NOHA will deny the applicant family.

If there are eligible members in the family, NOHA will offer to prorate assistance.

All other complaints related to eligible citizen/alien immigrant status:

- 1) If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide the required documentation, then all family members will be denied or terminated for failure to provide documentation.
- 2) Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing regarding determinations of tenant rent.
- 3) Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any type of fraud.

E. MITIGATING CIRCUMSTANCES FOR APPLICANTS AND PARTICIPANTS WITH DISABILITIES

When applicants are denied placement on the waiting list, or NOHA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.

Part XX

HOME OWNERSHIP

INTRODUCTION

Northwest Oregon Housing Authority recognizes that home ownership can serve as a stepping stone to economic self-sufficiency, helping to break the cycle of poverty. As such, the Home Ownership Voucher is available to Section 8 participants who meet the eligibility criteria set forth below.

FAMILY ELIGIBILITY

(24 CFR 982.627)

- 1) The family must have been a participant in NOHA's Section 8 Program for at least one year and be in good standing with the Housing Authority to begin the Home Ownership Voucher process. Specifically,
 - The family does not owe money to the Housing Authority;
 - The family has not committed any serious or repeated violations of a PHA-assisted lease within the past year;
 - The family has had no family-caused violations of HUD's Housing Quality Standards within the past year.
- 2) The family must qualify as a first-time home owner by HUD's definition. Further, the family may not have defaulted on a mortgage securing purchase of a home under the home ownership option at any point in the past.
- 3) The family must meet minimum income requirements. For a general population participant, the minimum income is equal to the Federal minimum hourly wage multiplied by 2000. For a disabled/ elderly participant, the minimum is equal to an individual SSI benefit multiplied by 12. The sources of income can include:
 - Wages from a job or from self-employment;
 - Child support;
 - Alimony;
 - Worker's compensation;
 - Unemployment benefits;
 - Pension;
 - Social Security;
 - Disability payments from any source;
 - TANF or other cash welfare payments for adult family members who will own the home ONLY for disabled/elderly families.
- 4) A general population family must satisfy the employment requirement by demonstrating that at least one adult who will be on the title of the home has been continuously employed for at least the prior 12 months at an average of 30 hours per week. In the event of self-employment, the net income of the business must equal the equivalent of the State's current minimum wage multiplied by 2000. A disabled/elderly family does not have to meet this eligibility requirement.
- 5) The Home Ownership Program applicant from the general population must have been active in NOHA's Family Self-Sufficiency (FSS) Program for at least six months or have successfully completed any housing authority's FSS Program (successful completion does not require receipt of escrow if escrow was not accrued). This requirement is waived for Elderly/Disabled households.
- 6) A participant in the Housing Choice Voucher Home Ownership Program (HCV-HOP) must pay a minimum down payment of three percent (3%) of the negotiated purchase price. At least one percent (1%) of this amount must be from the participant's family resources. This can include FSS Escrow, the participant's contribution to an Individual Development Account, or other savings. In the event the buyer-participant is involved in a sweat-equity program such as Habitat for Humanity, this program will meet the

family's 1% down payment requirement. The balance of the down payment can come from gifts or down payment assistance programs available at the time of the purchase. In the event of a gift, a notarized statement must be provided by the giver, certifying that the funds are a gift and not a loan.

7) The purchaser(s) must complete a NOHA-approved financial management course and a first-time home buyer course prior to completion of the purchase.

8) The purchaser(s) must be able to qualify for a mortgage from a NOHA-approved financial institution.

SELECTION OF FAMILIES

(24 CFR 982.626)

Upon expression of interest by a participant, the Special Programs Coordinator will complete an Initial Qualifier form with the family. If the family meets initial eligibility, the Information Guide will be sent out and a meeting will be scheduled to discuss the next steps.

If the family does not meet eligibility, the participant will be invited to participate in either NOHA's Family Self-Sufficiency Program or Home Ownership Preparation Program (the latter geared for Elderly/Disabled households)

A Certificate of Home Ownership Eligibility will be issued when the household meets all eligibility requirements.

ELIGIBLE UNITS

(24 CFR 982.628)

NOHA must determine that the selected unit satisfies the following requirements:

- The unit must be a single dwelling, though it can be part of a condominium or multiplex structure;
- The unit must meet HUD's Housing Quality Standards;
- If the unit is a manufactured home, the property on which it sits must be owned or held under a long-term lease of at least 40 years;
- It may not be a Public or Indian Housing unit;
- It cannot be a unit receiving Section 8 project-based assistance;
- It cannot be a nursing home, board and care home, or facility providing continual psychiatric, medical, or nursing services;
- It cannot be a school dormitory;
- It cannot be on the grounds of a penal, reformatory, medical, mental, or similar public or private institution;
- The family cannot purchase a property being sold by someone who is debarred, suspended, or subject to a limited denial of participation by HUD;
- The participant-buyer can purchase from a family member as long as (1) the purchase price is supported by an independent appraisal, (2) the purchase documents are prepared or verified by an attorney, and (3) financing is obtained through an approved financial institution;
- The family can purchase on a Seller-held contract as long as (1) the purchase price is supported by an independent appraisal, (2) the Seller is not a family member, and (3) the purchase and finance documents are prepared or verified by an attorney.

ADDITIONAL REQUIREMENTS FOR SEARCH AND PURCHASE

(24 CFR 982.629)

Once the Certificate of Eligibility is issued, the family will be allowed 120 days to identify a unit and submit a sales contract to NOHA for review. The family will be allowed an additional 120 days to close on the

home. Extensions of either of these periods may be granted for good cause, on a case-by-case basis, but in no case will an extension exceed a total of 125 days. The maximum amount of time a family will be given to locate and complete the purchase of a home under the home ownership option is 365 days.

The only exception to the 365-day timeframe is in the event a participant is enrolled in a sweat equity-type program and there are delays to the project which are beyond the participant's control.

All requests for extensions must be submitted in writing to NOHA prior to the expiration of the period for which the extension is being requested. NOHA will approve or disapprove the extension request within ten (10) working days. The family will be notified of NOHA's decision in writing. The family will be required to report at least monthly to the Special Programs Coordinator regarding their progress on locating and purchasing a home.

During this period the family will continue to receive HCV rental assistance in accordance with any applicable lease and HAP contract until the family vacates the rental unit for its purchased home. If the family cannot complete the purchase of a unit within the maximum timeframe and is not receiving rental assistance under a HAP contract at the time the search and purchase time expires, the family will be issued a voucher to lease a unit.

CONTRACT NEGOTIATION

(24 CFR 982.631)

The following elements must be a part of the Sales Contract. It is the participant's responsibility to ensure they are included. Failure to do so may result in loss of the home ownership voucher.

- The terms of the sale must be clearly delineated, including the purchase price;
- There must be a contingency allowing NOHA to approve of the Seller per 24 CFR 982.306(c);
- There must be a contingency allowing NOHA to conduct a Housing Quality Standards (HQS) inspection and fail the unit until identified defects are corrected;
- Health and Safety issues such as electrical or sewer deficiencies must be corrected and paid for by Seller; other HQS deficiency corrections can be negotiated between Buyer and Seller, but must be approved by NOHA. If Seller opts not to pay for corrections, Buyer may walk away from purchase without penalty and Escrow Deposit will be returned;
- There must be a contingency allowing the buyer to arrange and pay for an independent pre-purchase inspection by an inspector of his/her choice. The contingency must allow time for the independent inspection to be reviewed and approved by NOHA. NOHA can disapprove a unit for assistance based on the independent inspection, even if the unit otherwise meets Housing Quality Standards. The contingency must further allow the buyer to withdraw from the purchase if the results are unsatisfactory to the buyer. Buyer can also walk away if NOHA disapproves of results of inspection;
- A reserve for post-settlement repairs can be negotiated to resolve unacceptable, non-HQS defects identified during the independent pre-purchase inspection;
- Closing can be held once NOHA sends a letter or email to the Title Company confirming all contingencies have been fulfilled.

FINANCING

(24 CFR 982.632)

NOHA will review the Good Faith Estimate and HUD-1 Settlement Statement prior to closing. Balloon payments, adjustable rate mortgages, and higher-than-usual interest rates will not be allowed. The Housing Authority will rely on the lender to determine that the loan will be affordable to program participants.

LEASE-OPTION

NOHA will consider a Lease-Option under very restrictive conditions. All Lease-Option documents must be approved by NOHA in advance of execution and it must be recorded with the County. The 40% rule will apply only to the rental portion of the property.

The following conditions must be met before the Housing Authority will consider approving a Lease-Option:

- 1) The participant must have completed a NOHA-approved first-time home buyer program and a financial management course;
- 2) The participant must have met with a NOHA-approved Lender or financial professional to discuss their current credit status. The financial professional must sign a non-binding statement to the effect that, under the then-current economic climate and without any adverse actions occurring in the meantime, it is believed that the family's credit status will support a mortgage at the time the Lease-Option is expected to conclude;
- 3) If the financial professional sets forth recommended actions for the family to take during the Lease-Option period to ensure their credit status is likely to support a mortgage at the target date, the family must agree to carry out all recommendations and must meet regularly with NOHA's Special Programs Coordinator to discuss the family's progress on such actions;
- 4) The family must submit a budget to NOHA's Special Programs Coordinator showing monthly deposits into savings of the projected lease-option payment;
- 5) The family must provide proof of deposits and a current savings account balance equal to three times the monthly lease-option payment;
- 6) The family must also have in savings at least 50% of the anticipated Lease-Option Down Payment, except that if the family is a current FSS participant, half this portion may come from FSS Escrow;
- 7) The Landlord-Seller must provide to NOHA a current appraisal supporting the asking price set forth in the proposed Lease-Option Agreement;
- 8) A Memorandum of Understanding must be signed by all parties acknowledging that NOHA is not making a commitment at the current time to provide home ownership assistance to the family and that the standards in effect at the time of the execution of purchase documents shall be those applied to the family when determining their eligibility for the Home Ownership Voucher Program.

The following terms must be included in a Lease-Option Agreement:

- The purchase must occur within two years;
- A down payment of no more than \$5,000 in addition to the monthly lease-option payments;
- The rental and lease-option amounts clearly defined; further, if the property under consideration includes a parcel of land larger than a standard lot, the Housing Assistance Payment (HAP) will be restricted to the house and standard lot;
- The Tenant-Buyer's financial obligations clearly set forth as (a) his portion of the rent as determined on a regular basis by NOHA, (b) the lease-option payment, and (c) rent on excess land, if necessary;
- The purchase price of the property at the time the Lease-Option is exercised;
- A contingency allowing for a re-negotiation of the purchase price in the event the appraisal acquired at the behest of the financing Lender does not support the originally agreed-upon price, so long as such drop in value is due to circumstances beyond the Tenant-Buyer's control;
- The contingencies set forth herein and according to 24 CFR 982.631.

MAXIMUM TERM OF HOME OWNER ASSISTANCE

(24 CFR 982.634)

Except in the case of a family that qualifies as an elderly or disabled family, the duration of a Home Ownership Voucher shall be:

- Fifteen (15) years if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
- Ten (10) years in all other cases.

In the case of an elderly family, the exception applies only if the family qualifies as an elderly family at the start of home ownership assistance.

In the case of a disabled family, the exception applies if, at any time during receipt of home ownership assistance, the family qualifies as a disabled family.

If, during the course of home ownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term stated above becomes applicable from the date home ownership assistance commenced. However, such a family must be provided at least six (6) months of home ownership assistance after the maximum term becomes applicable, provided the family is otherwise eligible to receive home ownership assistance.

The home ownership assistance received by a family is cumulative. Therefore, a family porting in with a home ownership voucher shall only receive home ownership assistance until the applicable term stated above expires.

HOME OWNERSHIP ASSISTANCE PAYMENTS AND HOME OWNERSHIP EXPENSES

(24 CFR 982.635)

A baseline payment standard must be established at the time the initial home ownership assistance payment amount is calculated. This is done by using the lower of the HPS for the family unit size OR the HPS for the size of the home. For the duration of home ownership assistance, the payment standard may increase, but it may never drop below this baseline payment standard. (Refer to Housing Choice Voucher Homeownership Program Guidebook prepared by Abt Associates, Inc., pp 31, for examples.)

The monthly home ownership assistance payment is the lower of:

Housing Payment Standard minus Total Tenant Payment

or

Monthly Home Ownership Expenses minus Total Tenant Payment.

The following shall comprise the Home Ownership Expense:

- Monthly principal and interest on the mortgage;
- Monthly amount paid into escrow through the mortgage company for property taxes, home owner's insurance, and, if applicable, mortgage insurance;
- Utility allowance for the unit, based on the current Utility Allowance Schedule for the Section 8 program;
- Monthly maintenance allowance equal to five percent (5%) of the adjusted monthly income or \$25 for an elderly/disabled household (to be deposited into savings — accommodation will be made for disabled families whose savings must be capped at a certain level to maintain full benefits);
- Monthly major repair allowance equal to ten percent (10%) of the adjusted monthly income or \$50 for an elderly/disabled household (to be deposited into savings — accommodation will be made for disabled families whose savings must be capped at a certain level to maintain full benefits);
- Monthly co-op/condominium assessment, if applicable;
- Land lease payment where the family does not own fee title to the real property on which the home is located (see 24 CFR 982.628(b));
- If the family includes a member with disabilities, and the Housing Authority determines that inclusion of the expense is necessary as a reasonable accommodation, the principal and interest on a debt incurred to finance the cost of making the home accessible for the family member may be included in the family's eligible home ownership expenses.

The Housing Authority will pay the home ownership assistance payment directly to the Lender. If the assistance payment exceeds the amount due the Lender, the excess will be paid directly to the family.

CONTINUED ASSISTANCE REQUIREMENTS; FAMILY OBLIGATIONS

(24 CFR 982.633)

Home ownership assistance will only be paid while the family is residing in the home. If the family moves out of the home, the Housing Authority will not continue home ownership assistance after the month in which the family moves out. The family or lender is not required to refund to the Housing Authority home ownership assistance paid for the month in which the family moves out.

Before commencement of home ownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the HCV-HOP. The family must comply with the following obligations:

- The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt;
- The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to 24 CFR 982.551(h) and (i);
- The family must supply information to the Housing Authority or HUD as specified in 24 CFR 982.551(b). The family must further supply any information concerning mortgage financing or refinancing, sale, or transfer of any interest in the home, or home ownership expenses;
- The family must notify NOHA before moving out of the house;
- The family must notify NOHA if the family defaults on the mortgage used to purchase the home;
- No family member may have any ownership interest in any other residential property;
- The family must comply with the obligations of a participant family described in 24 CFR 982.551, except for the following provisions, which do not apply to assistance under the home ownership option — Before commencement of home ownership assistance, the adults who will be on the Title and Mortgage must sign the current version of HUD form 52649, Home Ownership Obligations.

Following commencement of home ownership assistance, the family will still be required to complete annual and interim recertification in accordance with the program policies identified under 24 CFR 982.516 and herein.

With the annual recertification packet the family must include:

- (1) a ledger showing deposits into the savings for the Monthly Maintenance and Major Repairs expenses;
- (2) a copy of the most recent bank statement showing the account's balance;
- (3) receipts for any expenses claimed as maintenance;
- (4) the annual escrow statement from the mortgage company; and
- (5) a copy of the tax statement from the County Tax Assessor.

Per 24 CFR 5.603(d)(4), the value of a home purchased under the HCV-HOP is not included in the family's assets for the first ten years after purchase. Thereafter, the value of the home will be based on the annual statement from the County Tax Assessor.

Unlike the rental assistance program, the payment standard used at the annual recertification is the current Housing Payment Standard that would otherwise apply to the family OR the Housing Payment Standard used at commencement of home ownership assistance, whichever is greater.

The family's Home Ownership Expense will be calculated annually (or when Interims are conducted due to changes in household income) to determine the family's portion of the mortgage and the amounts required to be deposited for maintenance and major repairs.

NOHA requires that the unit pass five consecutive annual HQS inspections following initiation of home ownership assistance. Thereafter, the unit will undergo an HQS inspection every other year, so long as the unit continues to pass inspections. In the event a unit fails inspection, the home owner is responsible to bring the unit back into compliance with Housing Quality Standards within the timeframe established elsewhere in the Administrative Plan for failed HQS inspections. In the event the home owner fails to do so, the unit will go into abatement and the Housing Authority will not pay its portion of the mortgage to the bank; the home owner will be responsible for the full amount of mortgage until the unit is brought back into compliance.

If the home owner does not bring the unit into compliance within 60 days, action will be taken to terminate the family's Section 8 assistance.

Enrollment in NOHA's Section 8 Program shall terminate 180 days after the last home ownership assistance payment is made on behalf of the family, EXCEPT

In the event it is determined that termination at the end of a Zero HAP period would result in extreme hardship for the family, the termination can be held for a maximum of 12 additional months if requested in writing by the family. The request must be addressed to the Special Programs Coordinator, detail the circumstances of the hardship, and steps that are being taken by the family to resolve the matter. The Special Programs Coordinator and Deputy Director will make the determination as to whether the grant the extension and the conditions under which it will be granted. (See HUD's HCV-HOP Guidebook, pg. 135.)

MOVING WITH CONTINUED ASSISTANCE

(24 CFR 982.637)

A family receiving home ownership assistance may move with continued voucher home ownership or voucher rental assistance. Assistance on a new unit cannot begin as long as any family member holds title to the owned home. Requests to move will be approved or denied in accordance with the Housing Authority's policies set forth in Part XI herein. In order for the family to be approved to purchase a second unit with home ownership voucher assistance, the Housing Authority must determine that the family still meets the initial eligibility requirements at the time of new purchase, with the exception of the first-time home owner requirement.

The Housing Authority must deny the family permission to move to a new unit with continued assistance if:

- The family defaulted on an FHA-insured mortgage; and
- The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and the family has moved or will move from the home within the period established or approved by HUD.

PORTABILITY

(24 CFR 982.636, 982.637, 982.353(b) and (c), 982.552, and 982.553)

Subject to the restrictions on portability included in HUD regulations and Housing Authority policies, a family may exercise portability either before or after entering into the home ownership option if the

receiving Housing Authority is administering a voucher home ownership program and accepting new home ownership families. The receiving Housing Authority must absorb the family into its voucher program. The policies in effect related to eligibility, financing, and physical condition of the unit will be those of the receiving Housing Authority.

DENIAL OR TERMINATION OF ASSISTANCE

(24 CFR 982.638)

At any time, NOHA may deny or terminate home ownership assistance in accordance with the Section 8 program requirements in 24 CFR 982.552 or 24 CFR 982.553. The Housing Authority may also deny or terminate assistance for violation of participant obligations as described in 24 CFR 982.551 or 982.633. The Housing Authority must terminate home ownership assistance for any member of the family receiving home ownership assistance who is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA or non-FHA insured) securing debt incurred to purchase the home or any refinancing thereof.

In making its decision to terminate home ownership assistance, the Housing Authority will consider alternatives as described in Part XIIC herein and other factors described in Part XIID. Upon consideration of such alternatives and factors, the Housing Authority may, on a case-by-case basis, choose not to terminate assistance. The decision will be made on a case-by-case basis whether such termination shall cover only home ownership assistance or if it shall extend to the entire Section 8 Program.

Termination notices will be sent in accordance with the requirements and policies set forth in Section 12-IIIE herein.

Exception to Part I-E: Other Authorized Terminations, Insufficient Funding (24 CFR 982.454)

A participant's HAP is taken into consideration by the Lender when calculating the participant's mortgage. While NOHA does not have a contract with the Lender, there is an implicit understanding by the Lender that the Housing Authority will be providing support to the participant during the early years of a mortgage. Therefore, in the event the Housing Authority faces a period of insufficient funding which requires terminating participants' assistance, holders of a Home Ownership Voucher shall be exempt from that termination.