

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

Year 3 HUD Agency Plan

MISSOULA HOUSING AUTHORITY

5 Year Plan for Fiscal Years 2003 - 2007 Annual Plan for Fiscal Year 2003

MHA Plan Agency Identification

HUD 50075
OMB Approval No: 2577-0226
Expires: 03/31/2002

MHA Name: MISSOULA HOUSING AUTHORITY

MHA Number: MT-033

MHA Fiscal Year Beginning: 10/2002

Public Access to Information:

Information regarding any activities outlined in this plan can be obtained by contacting:

**Missoula Housing Authority
Main Administrative Offices
1235 34th Street
Missoula, MT**

Assistance for the hearing impaired is available by Relay Service:

**Voice 1-800
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Display Locations for MHA Plans and Supporting Documents:

The MHA Plans (including attachments) are available for public inspection at:

**Missoula Housing Authority
Main Administrative Offices
1235 34th Street
Missoula, MT.
(406) 549-4113**

5-YEAR PLAN

MHA FISCAL YEARS 2003 - 2007

[24 CFR Part 903.5]

A. Mission

The Mission of the Missoula Housing Authority is to provide decent, safe, affordable housing, and to foster among the residents we serve, self-sufficiency, economic independence, upward mobility, and a sense of participation in the economic and political system. (adopted 5/30/96)

B. Goals

I. MAXIMIZE QUALITY AND REACH OF MHA AFFORDABLE HOUSING PROGRAMS

A. Operate existing housing programs for residents, program participants, and applicants in an efficient, effective, and equitable manner.

1. Develop quality control systems to assure that resident satisfaction is high and that MHA is delivering maintenance in a cost-effective manner.
2. Supplement basic staff complement with open purchase contracts for skilled maintenance services to address mismatches in workload and staffing levels.
3. Develop a system of benchmark performance measurements and standards that provides key comparable indicators to the private sector real estate standards. Train existing and new employees to meet benchmarks in general maintenance.
4. Analyze the feasibility of expanded use of private management companies for different components of MHA's portfolio in terms of overall cost effectiveness and complexity of implementation.
5. Structure a portion of MHA's rental housing so that it will serve populations that the private market cannot provide for, including the elderly, disabled, and smaller households.
6. Standardize physical plant, parts and systems to easy repairs and permit quicker response to maintenance needs.
7. Revise the Housing Quality Standards to increase health and safety requirements that will ensure that Section 8 housing is safe while maintaining a high supply of available rental units.
8. Improve the grievance hearing process by training non-staff members such as students from the University of Montana Law School to serve as hearing officers or provide assistance to residents appearing at hearings.
9. Establish a preventive maintenance program to improve unit competitiveness and decrease the time between vacancy and re-renting units.
10. Establish a protocol to ensure that MHA stays current with program changes and takes advantage of regulatory waivers and other opportunities.
11. Work towards obtaining Moving to Work designation or receiving similar waivers that provide for flexible operations.

B. Implement development-specific strategies that coordinate physical improvements and redesign, market niche, level of affordability, form of ownership and means required to obtain resources to execute strategy.

1. Develop in-house capacity to create redevelopment pro formas that combine multiple sources of funding, especially pro formas that do not rely on Sale and Replacement funds as a major source of funding.

2. Provide ongoing technical assistance to the leadership of the Resident Advisory Board (RAB) for a better understanding of management and mixed finance technical issues.
3. Conduct a portfolio-wide capital needs assessment of MHA's properties to determine the extent of investment necessary to retain those properties and to develop an on-going preventative maintenance and capital replacement schedule.
4. Implement the recommendations of the recently completed accessibility and adaptability study through the renovation of housing units and improvements to sites.
5. Complete a portfolio-wide master plan of MHA's units in conjunction with a review of affordable housing needs in MHA's jurisdiction. If possible, coordinate that master plan with City, County, HRC, and University efforts and programs, including modifying the scope of services to address their concerns, and seek financial participation from them.
6. Partner with the City, County, and State and other entities to improve MHA developments and the surrounding neighborhoods.
7. Pursue partnerships with local supportive service providers to acquire land, purchase existing housing, rehabilitate buildings, demolish structures as needed, and construct new dwelling units.
8. Acquire land, purchase existing buildings, rehabilitate buildings, demolish structures as needed, and construct new dwelling units to build replacement public housing and mixed-use, mixed-financed, and/or mixed-income developments of a size and scale that is in keeping with the neighborhood and of the highest architectural design.
9. Further develop plan for affordable housing to be built on Orchard Promenade site.
10. Further develop plan for affordable housing to be built on Franklin Street site.
11. Complete plans for the substantial modernization of the exterior of the Toole Street project.
12. Complete the renovations and construction of additional units, community space and storage on the Vantage Villa site.
13. Develop a plan for a higher and better use of the Speedway Avenue properties.
14. Seek additional sources of funds from local, State, Federal entities as well as major institutions and foundations in order to add improvements to MHA developments.
15. Work with business and for profit corporation to provide subsidized housing through such mechanisms as tax credits or special governmental and non-governmental sources.
16. Partner with existing providers of subsidized housing to improve the availability of housing units, maintain high quality management and maintenance, and financial solvency.
17. Create alliances with Missoula's neighborhood councils and to foster joint planning and better community relationships.
18. Pursue bond funding to make progress on capital improvement plans for portfolio reengineering.
19. Shift MHA-owned property towards multi-family configuration.
20. Work with the City of Missoula to locate public facilities on or near public housing sites so that Supportive and Community Service agencies can be closer to public housing residents.
21. Partner with local CDC's and others to acquire, renovate, and hold property to enable the use of those properties for affordable homeownership opportunities.
22. Explore constructing or purchasing of homes to sell to Section 8 Homeownership Voucher holders.

23. Provide for sufficient training to enable MHA to become Missoula's tax credit property management specialist for its and other tax credit properties.
24. Negotiate with the City of Missoula and others to obtain tax foreclosed or other publicly held properties that can be rehabilitated to add affordable housing in the community.
25. Establish policies and procedures for a Project-based Section 8 Program to judiciously allot project-based section 8 vouchers to support development and rehabilitate of neighborhoods, promote homeownership, and rehabilitate and build additional affordable housing.
26. Establish loan pools for use by non-profits or to be loaned directly to clients for acquisition and rehabilitation of property, and to fund necessary predevelopment work.
27. Restructure MHA's headquarters building to provide additional office space and a more readily accessible space.
28. Explore a new location for MHA's offices that will permit additional expansion space and that will locate the facility closer to other governmental entities and supportive services including the use of some of the premises for market rate office space to help defer the cost of construction and operation.
29. Continue to assess MHA's scattered site properties to ensure they are meeting the demands for housing and match with our waiting list.
30. Dispose of those MHA properties that no longer support MHA's mission or that, through their disposal, offer expanded opportunities for affordable housing or reinforce MHA's mission, and reuse MHA property that meet the same goal.
31. Locate a new warehouse that will replace the facility located currently at the Toole site and the rental property on Shilling.
32. Supplement staff capacity through the use of consultants, architects and engineers, and fee accountants and other professionals to reduce staff expenses while obtaining the information necessary to make decisions regarding the management and operations of MHA.

C. Develop Client Service Center to assist PHA and Section 8 applicants and program participants with MHA administrative requirements and processing. The Service Center will also serve as ombudsmen for program participants having bureaucratic difficulties and as a liaison to resident organizations.

1. Implement applicant and new resident orientation and training programs that are supported by the MHA lease or condition of lease approval.
2. Create customer service procedures for tracking contacts to identify areas for operational improvement.
3. Complete transition to Central File System within Service Center that will contain all applicant and program participant files and information.
4. Implement the use of technology such as scannable forms and electronic records to reduce data inputting needs and paper files.
5. Seek to create a MHA website to provide information about MHA programs and the ability to contact MHA staff or submit requests for pre-applications through the Internet.
6. Develop comprehensive housing search database covering the city and county that can be accessed via the Internet.
7. Explore use of video, other media to improve communications with customers;
8. Modify the Administrative Plan and Admissions and Continued Occupancy Policies as needed to support these goals and objectives, to match HUD requirements or best practices, or to meet local market needs.

D. Promote deconcentration of poverty and diversity in all aspects of MHA programs while providing the maximum degree of choice to participants. This

will require development of reporting systems that track MHA program demographics by census tract.

1. Expand development-based waiting lists to MHA family developments thus making all MHA properties developments of choice.
2. Use MHA demographic information to coordinate with the Office of Planning and Grants capacity to create GIS maps and other visual tools to assess the relationship of MHA developments and Section 8 Program utilization to each census tract and neighborhood.
3. Develop quarterly reporting system that trends basic demographics for each development and each MHA waiting list.
4. Coordinate with the annual cycle for development of the Housing Agency Plan any modifications to waiting list selection and inter and intra-program transfer policies to promote program diversity.
5. Provide Section 8 vouchers for relocation linked to development or improvement of property that receives MHA investment, or in support of the development or purchase of affordable housing.
6. Revise MHA's lease and tenant handbook.
7. Apply for such additional Section 8 vouchers or other rent subsidies that can be applied in Missoula or a large jurisdiction that promotes deconcentration of poverty.

E. Develop security strategies for each MHA development that assure stable and safe communities

1. Develop, in collaboration with each family development, Resident Advisory Board and the Missoula Police Department, in expanded security awareness program.
2. Continue the development of rapid intervention tools for problem households including non-trespass orders, mandatory training programs for housecleaning, and court-stipulated agreements.
3. Expand relationships with federal and local inter-agency task forces to directly address locations of drug activities including use of undercover operations.
4. Strengthen lease enforcement for drug related and other criminal activity.
5. Continue to support and expand the current Community Police program.
6. Explore the renting of public housing units to police, fire, or other public safety or supportive service governmental personnel who will help to stabilize sites and neighborhoods.

F. Develop MHA affiliated non-profit organizations, including a Community Housing Development Organization (CHDO), to assist Authority with redevelopment activities.

1. Incorporate or assume the administration of such non-profit organizations as may advance MHA's mission.
2. Establish a "Blue Ribbon" Board of Directors for any new CHDO that combines low-income individuals, MHA and City representatives with outside Directors that bring skill sets and networks that can support the major level of redevelopment of MHA's portfolio that must occur over the next decade.
3. Use MHA's Master Plan to determine how the CHDO or other non-profit could assist MHA with implementation of neighborhood housing strategies arising out of site-specific public housing redevelopment actions.
4. Consider development of CHDO or other non-profit resource base by transfer of selected assets such as scattered site developments.

G. Design and implement homeownership programs using Section 8 subsidies to support mortgage payments as well as the conversion of acquired and new construction scattered sites to homeownership opportunities.

1. Consult with City of Missoula and local real estate developers to develop a program using the new statutory ability to use Section 8 to support mortgages. A key issue will be identification of sites and existing residential structures (perhaps tax lien properties) that can provide the "product" for the program. Determine if MHA-owned scattered site developments may be an appropriate starting place.
2. Develop a MOA with Garden City Neighbors to take the lead on construction or rehabilitation of home-ownership product for use in a MHA Section 8 Home-ownership Program.
3. Identify a local entity with the ability to provide home-ownership post-purchase support and contract for these services on a household-by-household basis.
4. Meet with local banks and lenders to explain the new abilities of the Section 8 Program. Determine the feasibility of a loan pool supported by a consortium of banks to share risk and Community Reinvestment Act (CRA) credit.

II. IMPROVE MANAGEMENT SYSTEMS

A. Complete transition to new integrated management information system

1. Continue integration of a new computer system into MHA operations which include refinement of comprehensive reporting on program utilization, performance indicators, income and expense information, program demographics, and a variety of operational activities such as rent collection, eviction process, work-orders, etc.
2. Refine and expand Intranet system to facilitate internal communication and access to approved policies, procedures, forms and other management tools.
3. Complete upgrade to new Windows version of Tenmast Software when available and provide training to staff.

B. Implement and sustain employee evaluation procedures to provide fair and accurate assessments of staff based upon utilization of skills, quality of work, job knowledge, supervisory initiative and aptitude, efficiency of execution, and ability to perform in a manner that supports agency goals and objectives.

1. Refine and expand policy and procedures for annual and interim employee evaluations.
2. Revise MHA's personnel policies to reflect current practices in the industry and to meet local customs and practices.
3. Develop appropriate evaluation criteria for each type of position on an "include but not limited to" basis.
4. Determine the feasibility of a performance based bonus system tied to meeting department goals and objectives and implement such a program if feasible. This system would have to avoid FLSA pay rate complications regarding "quid pro quo" bonus arrangements and also be limited in fiscal years during which the financial position of the Authority makes such payments not prudent.
5. Train supervisors and employees on evaluation system and its objectives.
6. Enroll and offer courses through Nan MacKay and similar vendors to provide update training opportunities through either on-line or on-site venues.
7. Investigate and partner with similar agencies to contract for human resource management services.

C. Increase financial accountability of MHA operations and increase reserves

1. Refine Departmental Budgets and reporting to better define and clarify MHA overhead factors.
2. Develop Service Contract cycles and bidding systems.
3. Develop system to monitor in-house and contract vacancy turnover programs on both cost and quality.
4. Modernize warehouse and inventory controls to account for decentralized staff materials needs.
5. Adjust reserves to meet industry standards.

D. Establish Internal Audit Function

1. Have Deputy Director develop monthly reports to cover SEMAP and MASS items and provide a snapshot of agency status.
2. Formalize an agency performance reporting system that would compile operational and financial information into a series of monthly, quarterly and semi-annual reports that can support analysis of budgets and internal planning activities.
3. Develop file protocols for each department and program that define the data elements to be retained as part of the agency's official files. This would include whether these data elements are paper or electronic, who has right of access or ability to modify this information (which therefore include MIS security), and a procedural system for file purging and long term retention of records. This initiative needs to be coordinated with the implementation of a central files system for the Service Center.
4. Develop capacity for random audit of program files for both Section 8 and Public Housing Programs. This refers to file pulls to review regulatory and procedural compliance of 5% to 10% of a program on an annual basis.

E. Maximize MHA income streams to support core mission to the maximum extent feasible.

1. Continue work on energy performance contracting program to maximize cost savings under PFS incentive program. Use creative finance mechanisms such as performance contracting to finance improvements "off-budget".
2. Explore and implement a tax-credit property management effort to attract contracts from other owners of tax-credit properties.
3. Create system to assess, promote and monitor residents in transition from welfare-to-work or from marginal employment to a living wage.
4. Continue expanding and refining risk management programs and staff safety training in order to mitigate and lessen insurance claims therefore leading to a reduction of insurance premiums.
5. Adjust the Fair Market Rents in Missoula as set by HUD and other budget and payment standards to more correctly reflect the low supply, high demand, and rapidly increasing prices.
6. Identify and develop new revenue producing businesses for the Housing Authority such as bond placement, property investment, or third party property management contracts.
7. Seek public/private partnerships with community businesses and existing social service providers, to leverage MHA resources as well as increase the scope of grantsmanship.
8. Seek corporations or community groups who are interested in "adopting" a MHA development. This to provide stronger relationships between MHA residents and

the Missoula community and would include recreational activities, special projects, mentoring and other programs that develop leadership skills and provide role models to MHA program participants.

III. BUILD COMMUNITY AND SELF-SUFFICIENCY THROUGH MHA PROGRAMS

A. Improve self-sufficiency efforts to help people in public housing move towards employment and homeownership, through coordination with outside agencies, which provide services.

1. Complete initial needs assessment/perception survey.
2. Develop and implement system to track household job readiness and impediments to employment from unit or subsidy offer throughout of the residents' participation in MHA programs.
3. Develop support systems for the transition from welfare to work or from marginal employment to livable wage.
4. Design and implement Individual Savings Accounts (ISA) accounts to assist resident in saving monies that would have otherwise gone to pay rent but are exempted under HUD and MHA policies.
5. Market to program participants the Family Self-Sufficiency Program. Seek to enroll 50 households between public housing and Section 8 programs by end of fiscal year.
6. Develop Memorandums of Agreement with supportive service providers to formalize their assistance to our residents and to provide a mechanism that would enable the development of supportive housing.

B. Utilize non-profit subsidiary to design, implement and administer all MHA social service programs. These programs are to be supportive in nature and rely on established third party entities to provide direct services.

1. Non-profit subsidiary will seek funds on MHA's behalf through grantsmanship and partnering.
2. MHA shall coordinate and facilitate delivery of community-based supportive services to its tenants with emphasis on basic life skills.
3. Non-profit subsidiary will coordinate all social service entities seeking access to MHA's developments including requests for programming space and access to residents.
4. MHA supportive service program shall distinguish between those who can attain independence from public assistance and those are likely to require more permanent housing and design and deliver services accordingly.

C. Strengthen Section 3 efforts

1. Initiate a public information program on Section 3 and its new importance for organizations that want to do business with the Authority. This public information program should be included in a larger initiative to encourage local businesses to respond to MHA procurements.
2. Determine the feasibility of creating a resident-controlled property management entity. This could be implemented as some form of Resident Management Corporation (RMC) or as an actual business that draws on resident participation across developments or programs.
3. Develop program to provide technical assistance to Section 3 businesses.

D. Improve lease enforcement to build communities

1. Develop ongoing education programs for residents, law enforcement personnel, and judicial system on MHA lease requirements, federal

Regulations and the operational issues that MHA must confront to assure its residents their right to quiet and peaceful enjoyment of their housing.

2. Strictly enforce lease evictions that involve criminal activity that include, drugs, guns and violence.
3. Enhance and expand community watch initiatives (Rescue Teams, Operations Safe Homes, etc.).

E. Improve MHA's ability to intervene with at risk families

1. **Formalize referral process of families falling behind in rent to appropriate resource to assist them in budgeting and other matters.**
2. Increase staff capacity to recognize when social service referrals are necessary.
3. Work to strengthen Tenant Resident Councils so that tenants can begin to provide support to each other.

IV. STRENGTHEN MHA'S PRESENCE IN THE MISSOULA COMMUNITY AS A LEADER ON AFFORDABLE HOUSING ISSUES

1. Develop a public relations program that provides periodic press releases and arranges for other forms of access to members of the press to make certain that MHA's turn-around activities are publicly understood.
2. Increase Commissioners' role to include periodic attendance at public forums or press briefings at which topics pertinent to Board action will be discussed (e.g. a press conference concerning MHA's annual modernization program or Housing Agency Plan submission).
3. Advocate for a state-level equivalent to the Low Income Housing Tax Credit. This type of initiative has already been implemented or has pending legislation in several states.
4. Develop an agenda of legislative changes at the federal and state level that would support MHA's redevelopment.
5. Coordinate with the City and County of Missoula toward a unified and consistent public housing policy.
6. Become the local expert on housing policy and affordable housing development by providing the community with quality data on housing and housing needs, educating the community about housing issues and policy, and developing a public relations and media plan focusing on those served and in need rather than on the agency.
7. Champion provision of equitable housing opportunity and development of affordable housing on behalf of those least able to advocate for themselves by actively marketing its programs to the community and advocating for the housing needs of low-income persons in matters of community housing policy and land use regulation.
8. Work with the Missoula Housing Corporation, Missoula Aging Services, the District XI Human Resource Council, Neighborhood Housing Services and others to explore co-development, joint funding, homeownership, staff sharing, and cooperative arrangements with consultants.
9. Maintain and expand participation with the At Risk Housing Coalition to find cooperative solutions to long-term homelessness and temporary housing needs.
10. Join and become active in local organizations that promote affordable housing in Missoula and Montana such as the Chamber of Commerce and Home Builders Association.
11. Become involved at the local and state levels with housing advocates to share information, training, and policies.

**Annual MHA Plan
MHA Fiscal Year 2003**
[24 CFR Part 903.7]

i. Annual Plan Type:

The Missoula Housing Authority is submitting a Streamlined Plan as a High Performer.

ii. Executive Summary of the Annual MHA Plan

[24 CFR Part 903.7 9 (r)]

No longer Required Per HUD

iii. Annual Plan Table of Contents

[24 CFR Part 903.7 9 (r)]

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Attachments

Required Attachments:

- Admissions Policy for Deconcentration
- FY 2003 Capital Fund Program Annual Statement (Attachment A)**
- Most recent board-approved operating budget (Required Attachment for PHAs that are troubled or at risk of being designated troubled ONLY)

Optional Attachments:

- MHA Management Organizational Chart (In Section 18)**
- FY 2003 Capital Fund Program 5 Year Action Plan (Attachment A)**
- Public Housing Drug Elimination Program (PHDEP) Plan
- Comments of Resident Advisory Board or Boards
- Other (List below, providing each attachment name)**

Performance & Evaluation Report	(Attachment B)
Section 8 Home-ownership Capacity Statement & Addenda	(Attachment C)
Section 8 Project-Based Voucher Program Addenda	(Attachment D)
Statement on RASS Security Issues	(Attachment E)
Statement of Accomplishments for FYE 2002	(Attachment F)

Supporting Documents Available for Review

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
X	MHA Plan Certifications of Compliance with the MHA Plans and Related Regulations	5 Year and Annual Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan	5 Year and Annual Plans
X	Fair Housing Documentation: Records reflecting that the MHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing that require the MHA's involvement.	5 Year and Annual Plans
X	Consolidated Plan for the jurisdiction/s in which the MHA is located (which includes the Analysis of Impediments to Fair Housing Choice (AI)) and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
X	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources;
X	Public Housing Admissions and (Continued) Occupancy Policy (A&O), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan –including Homeownership and PBA Addendum.	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public Housing Deconcentration and Income Mixing Documentation: 1. MHA board certifications of compliance with deconcentration requirements (section 16(a) of the US Housing Act of 1937, as implemented in the 2/18/99 <i>Quality Housing and Work Responsibility Act Initial Guidance; Notice</i> and any further HUD guidance) and 2. Documentation of the required deconcentration and income mixing analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public housing rent determination policies, including the methodology for setting public housing flat rents	Annual Plan: Rent Determination
X	Schedule of flat rents offered at each public housing development	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies	Annual Plan: Rent Determination
X	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation).	Annual Plan: Operations and Maintenance
X	Public housing grievance procedures	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures	Annual Plan: Grievance

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
		Procedures
X	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for the active grant year	Annual Plan: Capital Needs
X	Most recent, approved 5 Year Action Plan for the Capital Fund/Comprehensive Grant Program, if not included as an attachment	Annual Plan: Capital Needs
N/A	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans or any other approved proposal for development of public housing	Annual Plan: Capital Needs
N/A	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
N/A	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing
N/A	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act	Annual Plan: Conversion of Public Housing
N/A	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership program <input checked="" type="checkbox"/> check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
X	Any cooperative agreement between the MHA and the TANF agency	Annual Plan: Community Service & Self-Sufficiency
X	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency
N/A	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency
X	The most recent Public Housing Drug Elimination Program (PHEDEP) semi-annual performance report for any open grant and most recently submitted PHDEP application (PHDEP Plan)	Annual Plan: Safety and Crime Prevention
X	The most recent fiscal year audit of the MHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U. S.C. 1437c(h)), the results of that audit and the MHA's response to any findings	Annual Plan: Annual Audit
N/A	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)

1. Statement of Housing Needs

[24 CFR Part 903.7 9 (a)]

A. Housing Needs of Families in the Jurisdiction/s Served by the MHA

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford- ability	Supply	Quality	Access -ibility	Size	Loca- tion
Income <= 30% of AMI	4,800	5	5	2	2	NA	NA
Income >30% but <=50% of AMI	4,160	5	5	2	2	NA	NA
Income >50% but <80% of AMI	5,440	4	4	2	2	NA	NA
Elderly	2,552	5	5	3	3	NA	NA
Families with Disabilities	7,664	4	4	2	4	NA	NA
Race/Ethnicity	NA	NA	NA	NA	NA	NA	NA
Race/Ethnicity	NA	NA	NA	NA	NA	NA	NA
Race/Ethnicity	NA	NA	NA	NA	NA	NA	NA
Race/Ethnicity	NA	NA	NA	NA	NA	NA	NA

What sources of information did the MHA use to conduct this analysis? (Check all that apply; all materials must be made available for public inspection.)

- Consolidated Plan of the Jurisdiction/s
Indicate year: 1996
- U.S. Census data: the Comprehensive Housing Affordability Strategy ("CHAS") dataset
- American Housing Survey data
Indicate year:
- Other housing market study
Indicate year:
- Other sources: (list and indicate year of information)

- **1990 Census Information**

DURING THIS FISCAL YEAR, THE MHA WILL BE UPDATING ITS NEEDS DATA TO ACCOUNT FOR 2000 CENSUS INFORMATION.

B. Housing Needs of Families on the Public Housing and Section 8 Tenant- Based Assistance Waiting Lists

Housing Needs of Families on the Waiting List (as of September 2002)			
Waiting list type: (select one) <input type="checkbox"/> Section 8 tenant-based assistance <input checked="" type="checkbox"/> Public Housing <input type="checkbox"/> Combined Section 8 and Public Housing <input type="checkbox"/> Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	463		32
Extremely low income <=30% AMI	373	81 %	
Very low income (>30% but <=50% AMI)	70	15 %	
Low income (>50% but <80% AMI)	20	4 %	
Families with children	221	48 %	
Elderly families	156	34 %	
Families with Disabilities	141	30 %	
Race/ethnicity			
White	411	89 %	
African-American	1	0 %	
Am. Ind./Asian/Pacific Is./Other	40	9 %	
Hispanic	11	2 %	
Characteristics by Bedroom Size (Public Housing Only)			
1BR	208	45 %	
2 BR	206	45 %	
3 BR	43	9 %	
4 BR	6	1 %	
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If yes: How long has it been closed (# of months)? Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input type="checkbox"/> Yes Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input type="checkbox"/> No <input type="checkbox"/> Yes			

**Housing Needs of Families on the Waiting List
(as of September 2002)**

Waiting list type: (select one)

- Section 8 Housing Choice Voucher Program
 Public Housing
 Combined Section 8 and Public Housing
 Public Housing Site-Based or sub-jurisdictional waiting list (optional)
 If used, identify which development/subjurisdiction:

	# of families	% of total families	Annual Turnover
Waiting list total	719		114
Extremely low income <=30% AMI	453	63 %	
Very low income (>30% but <=50% AMI)	205	29 %	
Low income (>50% but <80% AMI)	61	8 %	
Families with children	370	51 %	
Elderly families	236	33 %	
Families with Disabilities	189	26 %	
Race/ethnicity			
White	640	89 %	
African-American	4	0 %	
Am. Ind./Asian/Pacific Is./Other	69	9 %	
Hispanic	18	2 %	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			

Is the waiting list closed (select one)? XNo Yes

If yes:

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

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

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

**Housing Needs of Families on the Waiting List
(as of September 2002)**

Waiting list type: (select one)
 Section 8 Shelter+Care Program
 Public Housing
 Combined Section 8 and Public Housing
 Public Housing Site-Based or sub-jurisdictional waiting list (optional)
 If used, identify which development/subjurisdiction:

	# of families	% of total families	Annual Turnover
Waiting list total	32		16
Extremely low income <=30% AMI	31	97 %	
Very low income (>30% but <=50% AMI)	1	3 %	
Low income (>50% but <80% AMI)	0		
Families with children	1	3 %	
Elderly families	0		
Families with Disabilities	31	97 %	
Race/ethnicity			
White	29	91 %	
African-American			
Am. Ind./Asian/Pacific Is./Other	1	3 %	
Hispanic	2	6 %	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			

Is the waiting list closed (select one)? X No Yes
 If yes:
 How long has it been closed (# of months)?
 Does the PHA expect to reopen the list in the PHA Plan year? No Yes
 Does the PHA permit specific categories of families onto the waiting list, even if generally closed? No Yes

**Housing Needs of Families on the Waiting List
(as of September 2002)**

Waiting list type: (select one)
 Section 8 Welfare-to-Work Program
 Public Housing
 Combined Section 8 and Public Housing
 Public Housing Site-Based or sub-jurisdictional waiting list (optional)
 If used, identify which development/subjurisdiction:

	# of families	% of total families	Annual Turnover
Waiting list total	53		3
Extremely low income <=30% AMI	42	79 %	
Very low income (>30% but <=50% AMI)	8	15 %	
Low income (>50% but <80% AMI)	3	6 %	
Families with children	51	96 %	
Elderly families	0		
Families with Disabilities	11	4 %	
Race/ethnicity	0		
White	43	81 %	
African-American	0		
Am. Ind./Asian/Pacific Is./Other	8	15 %	
Hispanic	2	4 %	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			

Is the waiting list closed (select one)? X No Yes
 If yes:
 How long has it been closed (# of months)?
 Does the PHA expect to reopen the list in the PHA Plan year? No Yes
 Does the PHA permit specific categories of families onto the waiting list, even if generally closed? No Yes

C. Strategy for Addressing Needs

(1) Strategies

Need: Shortage of affordable housing for all eligible populations

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

- Employ effective maintenance and management policies to minimize the number of public housing units off-line
- Reduce turnover time for vacated public housing units
- Reduce time to renovate public housing units
- Seek replacement of public housing units lost to the inventory through mixed finance development**
- Seek replacement of public housing units lost to the inventory through section 8 replacement housing resources
- Maintain or increase section 8 lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction**
- Undertake measures to ensure access to affordable housing among families assisted by the MHA, regardless of unit size required
- Maintain or increase section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration**
- Maintain or increase section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program**
- Participate in the Consolidated Plan development process to ensure coordination with broader community strategies**
- Other (list below)

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

- Apply for additional section 8 units should they become available**
- Leverage affordable housing resources in the community through the creation of mixed - finance housing**
- Pursue housing resources other than public housing or Section 8 tenant based assistance.**
- Other: (list below)**

Initiate Section 8 Homeownership and Project-Based Voucher Programs.

Need: Specific Family Types: Families at or below 30% of median

Strategy 1: Target available assistance to families at or below 30 % of AMI

- Exceed HUD federal targeting requirements for families at or below 30% of AMI in public housing
- Exceed HUD federal targeting requirements for families at or below 30% of AMI in tenant-based section 8 assistance
- Employ admissions preferences aimed at families with economic hardships
- Adopt rent policies to support and encourage work**
- Other: (list below)

Need: Specific Family Types: Families at or below 50% of median

Strategy 1: Target available assistance to families at or below 50% of AMI

- Employ admissions preferences aimed at families who are working**
- Adopt rent policies to support and encourage work**
- Other: (list below)

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:

- Seek designation of public housing for the elderly
- Apply for special-purpose vouchers targeted to the elderly, should they become available**
- Other: (list below)

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:

- Seek designation of public housing for families with disabilities
- Carry out the modifications needed in public housing based on the section 504 Needs Assessment for Public Housing**
- Apply for special-purpose vouchers targeted to families with disabilities, should they become available**
- Affirmatively market to local non-profit agencies that assist families with disabilities**
- Other: (list below)**

Use a set-aside of Section 8 for PBV that is specifically targeted to supportive service programs.

Need: Specific Family Types: Races or ethnicity with disproportionate housing needs

Strategy 1: Increase awareness of MHA resources among families of races and ethnicity with disproportionate needs:

- Affirmatively market to races/ethnicity shown to have disproportionate housing needs**
- Other: (list below)

Strategy 2: Conduct activities to affirmatively further fair housing

- Counsel section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units**
- Market the section 8 program to owners outside of areas of poverty /minority concentrations**
- Other: (list below)**

Continue through the Section 8 Program to promote and educate landlords and participants of their rights and obligations under the Fair Housing Act.

Introduce the Home Ownership program to Section 8 participants who are under the MHA's FSS program.

Other Housing Needs & Strategies: (list needs and strategies below)

(2) Reasons for Selecting Strategies

Of the factors listed below, select all that influenced the MHA's selection of the strategies it will pursue:

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

2. Statement of Financial Resources

[24 CFR Part 903.7 9 (b)]

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
1. Federal Grants (FY 2002 grants)		
a) Public Housing Operating Fund (as of 10/1/02)	\$ 283,972	
b) Public Housing Capital Fund	\$ 514,503	
c) HOPE VI Revitalization		
d) HOPE VI Demolition		
e) Annual Contributions for Section 8 Tenant-Based Assistance	\$ 3,642,340	
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)		
g) Resident Opportunity and Self-Sufficiency Grants		
h) Community Development Block Grant		
i) HOME		
Other Federal Grants (list below)		
2. Prior Year Federal Grants (un-obligated funds only)		
Shelter + Care	\$ 334,604	
2001 CFP	\$ 384,315	Modernization
2000 CFP	\$ 74,312	Modernization
FSS Coordinator Grant 2001	\$ 63,982	
3. PH Rental Income	\$ 380,496	Federal Operations.
4. Other income (list below)		
5. Non-federal sources Available to Public Housing Programs (list below)		
TOTAL RESOURCES	\$ 5,678,524	

3. MHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.7 9 (c)]

The Missoula Housing Authority is presently revising its Admissions & Continued Occupancy Policy (ACOP). The following responses reflect both the current plan and anticipated changes to its plan.

A. Public Housing

(1) Eligibility

a. When does the MHA verify eligibility for admission to public housing? (select all that apply)

- When families are within a certain number of being offered a unit: (state number) Ten (10)**
- When families are within a certain time of being offered a unit: (state time) Three (3) Months**
- Other: (describe)

b. Which non-income (screening) factors does the MHA use to establish eligibility for admission to public housing (select all that apply)?

- Criminal or Drug-related activity**
- Rental history**
- Housekeeping**
- Other (describe)**

Evidence of rehabilitation and mitigating circumstances

c. Yes **No** : Does the MHA request criminal records from local law enforcement agencies for screening purposes?

d. **Yes** **No**: Does the MHA request criminal records from State law enforcement agencies for screening purposes?

Public Housing Applicants & Section 8

e. **Yes** **No** : Does the MHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)

(2) Waiting List Organization

a. Which methods does the MHA plan to use to organize its public housing waiting list (select all that apply)

- Community-wide list**
- Sub-jurisdictional lists
- Site-based waiting lists
- Other (describe)

b. Where may interested persons apply for admission to public housing?

- MHA main administrative office**
- MHA development site management office
- Other (list below)

c. If the MHA plans to operate one or more site-based waiting lists in the coming year, answer each of the following questions; if not, skip to subsection **(3) Assignment**

1. How many site-based waiting lists will the MHA operate in the coming year?

2. Yes No: Are any or all of the MHA's site-based waiting lists new for the upcoming year (that is, they are not part of a previously- HUD-approved site based waiting list plan)?
If yes, how many lists?

3. Yes No: May families be on more than one list simultaneously
If yes, how many lists?

4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?

- MHA main administrative office
- All MHA development management offices
- Management offices at developments with site-based waiting lists
- At the development to which they would like to apply
- Other (list below)

(3) Assignment

a. How many vacant unit choices are applicants ordinarily given before they fall to the bottom of or are removed from the waiting list? (select one)

- One**
- Two
- Three or More

May be retained on waiting list if unit is refused for "good cause".

b. **Yes** No: Is this policy consistent across all waiting list types?

c. If answer to b is no, list variations for any other than the primary public housing waiting list/s for the MHA:

(4) Admissions Preferences

a. Income targeting:

Yes **No:** Does the MHA plan to exceed the federal targeting requirements by targeting more than 40% of all new admissions to public housing to families at or below 30% of median area income?

b. Transfer policies:

In what circumstances will transfers take precedence over new admissions?

- Emergencies**
- Overhoused (by a degree of two)**
- Underhoused (by a degree of two)**
- Medical justification**
- Administrative reasons determined by the MHA (e.g., to permit modernization work)**
- Resident choice: (state circumstances below)
- Other: (list below)

c. Preferences

1. **Yes** No: Has the MHA established preferences for admission to public housing (other than date and time of application)? (If “no” is selected, skip to subsection **(5) Occupancy**)

2. Which of the following admission preferences does the MHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden (rent is > 50 percent of income)

Other preferences: (select below)

- Working families and those unable to work because of age or disability
- Veterans and veterans’ families
- Residents who live and/or work in the jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs

- Victims of reprisals or hate crimes
- Other preference(s) (list below)**

Preference for elderly, disabled, or families over single family member households.

3. If the MHA will employ admissions preferences, please prioritize by placing a "1" in the space that represents your first priority, a "2" in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

1 Date and Time

Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
Veterans and veterans' families
- Residents who live and/or work in the jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)**

1 point Preference for elderly, disabled, or families over single family member households.

4. Relationship of preferences to income targeting requirements:

- The MHA applies preferences within income tiers
- Not applicable: the pool of applicant families ensures that the MHA will meet income-targeting requirements**

(5) Occupancy

a. What reference materials can applicants and residents use to obtain information about the rules of occupancy of public housing (select all that apply)

- The MHA-resident lease**
- The MHA's Admissions and (Continued) Occupancy policy**
- MHA briefing seminars or written materials**
- Other source (list)**

MHA Tenant Handbook with information and details on MHA facilities.

b. How often must residents notify the MHA of changes in family composition? (select all that apply)

- At an annual reexamination and lease renewal**
- Any time family composition changes**
- At family request for revision**
- Other (list)**

(6) Deconcentration and Income Mixing

a. **Yes** **No**: Does the MHA have any general occupancy (family) public housing developments covered by the deconcentration rule? If no, this section is complete. If yes, continue to the next question.

b. **Yes** **No**: Do any of these covered developments have average incomes above or below 85% to 115% of the average incomes of all such developments? If no, this section is complete.

If yes, list these developments as follows:

Deconcentration Policy for Covered Developments			
Development Name:	Number of Units	Explanation (if any) [see step 4 at §903.2(c)(1)(iv)]	Deconcentration policy (if no explanation) [see step 5 at §903.2(c)(1)(v)]

B. Section 8

The Missoula Housing Authority is presently revising its Section 8 Administrative Plan. The following responses reflect both the current plan and anticipated changes to its plan.

(1) Eligibility

- a. What is the extent of screening conducted by the MHA? (select all that apply)
- Criminal or drug-related activity only to the extent required by law or regulation – Section 8 Assistance Program only.**
 - Criminal and drug-related activity, more extensively than required by law or regulation – Public Housing**
 - Other (list below)
- b. Yes **No**: Does the MHA request criminal records from local law enforcement agencies for screening purposes?
- c. **Yes** **No**: Does the MHA request criminal records from State law enforcement agencies for screening purposes?
- d. Yes **No**: Does the MHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)
- e. Indicate what kinds of information you share with prospective landlords? (select all that apply)
- Criminal or drug-related activity
 - Other** (describe below)

Participant's landlord history under program. Release of Criminal or drug related activity, if requested and if authorized by participant.

(2) Waiting List Organization

- a. With which of the following program waiting lists is the section 8 tenant-based assistance waiting list merged? (select all that apply)
- None**
 - Federal public housing
 - Federal moderate rehabilitation
 - Federal project-based certificate program
 - Other federal or local program (list below)
- b. Where may interested persons apply for admission to section 8 tenant-based assistance? (select all that apply)
- MHA main administrative office**
 - Other (list below)

(3) Search Time

- a. **Yes** **No**: Does the MHA give extensions on standard 60-day period to search for a unit?

If yes, state circumstances below:

1. ***Documented medical reasons or circumstances.***
2. ***Family qualifies for a 4-bedroom unit or larger.***
3. ***As a reasonable accommodation for a disability.***
4. ***If Request for Lease Approval which is awaiting upgrade to meet HQS & Local Sanitary Code Standards. Participant search period is extended to find another unit, if unit ultimately fails.***

(4) Admissions Preferences

- a. Income targeting

- Yes** **No**: Does the MHA plan to exceed the federal targeting requirements by targeting more than 75% of all new admissions to the section 8 program to families at or below 30% of median area income?

- b. Preferences

1. **Yes** **No**: Has the MHA established preferences for admission to section 8 tenant-based assistance? (other than date and time of application) (if no, skip to subcomponent **(5) Special purpose section 8 assistance programs**)

Which of the following admission preferences does the MHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden (rent is > 50 percent of income)

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in your jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)**

Preference for elderly, disabled, or families over single family member households.

3. If the MHA will employ admissions preferences, please prioritize by placing a "1" in the space that represents your first priority, a "2" in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

1 Date and Time

Former Federal preferences

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in your jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)**

1 point Preference for elderly, disabled, or families over single family member households.

4. Among applicants on the waiting list with equal preference status, how are applicants selected? (select one)

- Date and time of application**
 Drawing (lottery) or other random choice technique

5. If the MHA plans to employ preferences for “residents who live and/or work in the jurisdiction” (select one)

- This preference has previously been reviewed and approved by HUD
 The MHA requests approval for this preference through this MHA Plan

6. Relationship of preferences to income targeting requirements: (select one)

- The MHA applies preferences within income tiers
 Not applicable: the pool of applicant families ensures that the MHA will meet income-targeting requirements

(5) Special Purpose Section 8 Assistance Programs

a. In which documents or other reference materials are the policies governing eligibility, selection, and admissions to any special-purpose section 8 program administered by the MHA contained? (Select all that apply)

- The Section 8 Administrative Plan**
 Briefing sessions and written materials
 Other (list below)

b. How does the MHA announce the availability of any special-purpose section 8 programs to the public?

- Through published notices**
 Other (list below)

Through outreach to specific non-profit groups that assist persons with disabilities, and agencies who assist families with self-sufficiency goals.

4. MHA Rent Determination Policies

[24 CFR Part 903.7 9 (d)]

A. Public Housing

(1) Income Based Rent Policies

a. Use of discretionary policies: (select one)

- The MHA will not employ any discretionary rent-setting policies for income based rent in public housing. Income-based rents are set at the higher of 30% of adjusted monthly income, 10% of unadjusted monthly income, the welfare rent, or minimum rent (less HUD mandatory deductions and exclusions). (If selected, skip to sub-component (2))

---or---

- The MHA employs discretionary policies for determining income-based rent (If selected, continue to question b.)**

b. Minimum Rent

1. What amount best reflects the MHA's minimum rent? (select one)

- \$0
 \$1-\$25
 \$26-\$50

2. Yes **No:** Has the MHA adopted any discretionary minimum rent hardship exemption policies?

3. If yes to question 2, list these policies below:

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

1. Yes **No:** Does the MHA plan to charge rents at a fixed amount or percentage less than 30% of adjusted income?

2. If yes to above, list the amounts or percentages charged and the circumstances under which these will be used below:

d. Which of the discretionary (optional) deductions and/or exclusions policies does the MHA plan to employ (select all that apply)

- For the earned income of a previously unemployed household member
 For increases in earned income
 Fixed amount (other than general rent-setting policy)

If yes, state amount/s and circumstances below:

- Fixed percentage (other than general rent-setting policy)

If yes, state percentage/s and circumstances below:

- For household heads
- For other family members
- For transportation expenses – medical reasons
- For the non-reimbursed medical expenses of non-disabled or non-elderly families
- Other (describe below)

e. Ceiling rents

1. Do you have ceiling rents? (rents set at a level lower than 30% of adjusted income) (select one)

- Yes for all developments
- Yes but only for some developments
- No**

2. For which kinds of developments are ceiling rents in place? (select all that apply)

- For all developments
- For all general occupancy developments (not elderly or disabled or elderly only)
- For specified general occupancy developments
- For certain parts of developments; e.g., the high-rise portion
- For certain size units; e.g., larger bedroom sizes
- Other (list below)

3. Select the space or spaces that best describe how you arrive at ceiling rents (select all that apply)

- Market comparability study
- Fair market rents (FMR)
- 95th percentile rents
- 75 percent of operating costs
- 100 percent of operating costs for general occupancy (family) developments
- Operating costs plus debt service
- The “rental value” of the unit
- Other (list below)

f. Rent re-determinations:

1. Between income reexaminations, how often must tenants report changes in income or family composition to the MHA such that the changes result in an adjustment to rent? (select all that apply)

- Never
- At family option

- Any time the family experiences an income increase
- Any time a family experiences an income increase above a threshold amount or percentage: (if selected, specify threshold) _\$200/month
- Other (list below)

***Proposed change to annual recertifications for elderly & disabled.
Proposed change to families reporting income increases only when there is a change from zero to having income, and when increase is \$200 per month or more. Families must still report and be recertified for changes in household composition.***

- g. Yes **No:** Does the MHA plan to implement individual savings accounts for residents (ISAs) as an alternative to the required 12 month disallowance of earned income and phasing in of rent increases in the next year?

(2) Flat Rents

1. In setting the market-based flat rents, what sources of information did the MHA use to establish comparability? (select all that apply.)

- The section 8 rent reasonableness study of comparable housing**
- Survey of rents listed in local newspaper**
- Survey of similar unassisted units in the neighborhood
- Other (list/describe below)**

Rent rate analysis performed by local property management firm under contract to MHA.

B. Section 8 Tenant-Based Assistance

(1) Payment Standards

a. What is the MHA's payment standard? (select the category that best describes your standard)

- At or above 90% but below 100% of FMR
- 100% of FMR
- Above 100% but at or below 110% of FMR**
- Above 110% of FMR (if HUD approved; describe circumstances below)

MHA is investigating the possibility of increasing payment standard up to 120% in certain census tracts during FY2003.

b. If the payment standard is lower than FMR, why has the MHA selected this standard? (Select all that apply)

- FMRs are adequate to ensure success among assisted families in the MHA's segment of the FMR area
- The MHA has chosen to serve additional families by lowering the payment standard
- Reflects market or submarket
- Other (list below)

c. If the payment standard is higher than FMR, why has the MHA chosen this level? (Select all that apply)

- FMRs are not adequate to ensure success among assisted families in the MHA's segment of the FMR area**
- Reflects market or submarket**
- To increase housing options for families**
- Other (list below)**

To assist lease up under program, and provide a wider housing choice.

d. How often are payment standards reevaluated for adequacy? (select one)

- Annually**
- Other (list below)

e. What factors will the MHA consider in its assessment of the adequacy of its payment standard? (select all that apply)

- Success rates of assisted families**
- Rent burdens of assisted families**
- Other (list below)

(2) Minimum Rent

a. What amount best reflects the MHA's minimum rent? (select one)

- \$0
- \$1-\$25
- \$26-\$50**

b. Yes **No:** Has the MHA adopted any discretionary minimum rent hardship exemption policies? (if yes, list below)

5. Operations and Management

[24 CFR Part 903.7 9 (e)]

MHA is considered a High Performer based on its most recent MASS Score and is not required to complete this section.

A. MHA Management Structure (select one)

- An organization chart showing the MHA's management structure and organization is attached.
- A brief description of the management structure and organization of the MHA follows:

B. HUD Programs Under MHA Management

Program Name	Units or Families Served at Year Beginning	Expected Turnover
Public Housing		
Section 8 Vouchers		
Section 8 Certificates		
Section 8 Mod Rehab		
Special Purpose Section 8 Certificates/Vouchers (list individually)		
Public Housing Drug Elimination Program (PHDEP)		
Other Federal Programs(list individually)		

C. Management and Maintenance Policies

- (1) Public Housing Maintenance and Management: (list below)
- (2) Section 8 Management: (list below)

6. MHA Grievance Procedures

[24 CFR Part 903.7 9 (f)]

MHA is considered a High Performer based on its most recent MASS Score.

A. Public Housing

1. Yes No: Has the MHA established any written grievance procedures in addition to federal requirements found at 24 CFR Part 966, Subpart B, for residents of public housing?

If yes, list additions to federal requirements below:

2. Which MHA office should residents or applicants to public housing contact to initiate the MHA grievance process? (select all that apply)

- MHA main administrative office**
 MHA development management offices
 Other (list below)

B. Section 8 Tenant-Based Assistance

1. Yes No: Has the MHA established informal review procedures for applicants to the Section 8 tenant-based assistance program and informal hearing procedures for families assisted by the Section 8 tenant-based assistance program in addition to federal requirements found at 24 CFR 982?

If yes, list additions to federal requirements below:

2. Which MHA office should applicants or assisted families contact to initiate the informal review and informal hearing processes? (select all that apply)

- MHA main administrative office**
 Other (list below)

7. Capital Improvement Needs

[24 CFR Part 903.7 9 (g)]

A. Capital Fund Activities

(1) Capital Fund Program Annual Statement

Select one:

The Capital Fund Program Annual Statement is provided as an attachment to the MHA Plan at Attachment A

-or-

The Capital Fund Program Annual Statement is provided below: (if selected, copy the CFP Annual Statement from the Table Library and insert here)

(2) Optional 5-Year Action Plan

a. **Yes** **No:** Is the MHA providing an optional 5-Year Action Plan for the Capital Fund? (if no, skip to sub-component 7B)

b. If yes to question a, select one:

The Capital Fund Program 5-Year Action Plan is provided as an attachment to the MHA Plan at Attachment A

-or-

The Capital Fund Program 5-Year Action Plan is provided below: (if selected, copy the CFP optional 5 Year Action Plan from the Table Library and insert here)

B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund)

- Yes **No:** a) Has the MHA received a HOPE VI revitalization grant? (if no, skip to question c; if yes, provide responses to question b for each grant, copying and completing as many times as necessary)
- b) Status of HOPE VI revitalization grant (complete one set of questions for each grant)

1. Development name:
2. Development (project) number:
3. Status of grant: (select the statement that best describes the current status)
 - Revitalization Plan under development
 - Revitalization Plan submitted, pending approval
 - Revitalization Plan approved
 - Activities pursuant to an approved Revitalization Plan underway

- Yes **No:** c) Does the MHA plan to apply for a HOPE VI Revitalization grant in the Plan year?
If yes, list development name/s below:

- Yes **No:** d) Will the MHA be engaging in any mixed-finance development activities for public housing in the Plan year?
If yes, list developments or activities below:

- Yes** **No:** e) Will the MHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement?
If yes, list developments or activities below:

Vantage Village – add three units elderly/disabled public housing

8. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

1. Yes **No:** Does the MHA plan to conduct any demolition or disposition activities (pursuant to section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437p)) in the plan Fiscal Year? (If “No”, skip to component 9; if “yes”, complete one activity description for each development.)

2. Activity Description

- Yes No: Has the MHA provided the activities description information in the **optional** Public Housing Asset Management Table? (If “yes”, skip to component 9. If “No”, complete the Activity Description table below.)

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

9. Designation of Public Housing for Occupancy by Elderly Families or Families with Disabilities or Elderly Families and Families with Disabilities

[24 CFR Part 903.7 9 (i)]

1. Yes **No:** Has the MHA designated or applied for approval to designate or does the MHA plan to apply to designate any public housing for occupancy only by the elderly families or only by families with disabilities, or by elderly families and families with disabilities or will apply for designation for occupancy by only elderly families or only families with disabilities, or by elderly families and families with disabilities as provided by section 7 of the U.S. Housing Act of 1937 (42 U.S.C. 1437e) in the upcoming fiscal year? (If “No”, skip to component 10. If “yes”, complete one activity description for each development, unless the MHA is eligible to complete a streamlined submission; PHAs completing streamlined submissions may skip to component 10.)

2. Activity Description

Yes No: Has the MHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If “yes”, skip to component 10. If “No”, complete the Activity Description table below.

Designation of Public Housing Activity Description	
1a. Development name:	
1b. Development (project) number:	
2. Designation type:	<input type="checkbox"/> Occupancy by only the elderly <input type="checkbox"/> Occupancy by families with disabilities <input type="checkbox"/> Occupancy by only elderly families and families with disabilities
3. Application status (select one)	<input type="checkbox"/> Approved; included in the MHA's Designation Plan <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application
4. Date this designation approved, submitted, or planned for submission:	
5. If approved, will this designation constitute a (select one)	<input type="checkbox"/> New Designation Plan <input type="checkbox"/> Revision of a previously-approved Designation Plan?
6. Number of units affected: 82	
Coverage of action (select one)	<input type="checkbox"/> To be determined <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development

10. Conversion of Public Housing to Tenant-Based Assistance

[24 CFR Part 903.7 9 (j)]

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

1. Yes **No:** Have any of the MHA's developments or portions of developments been identified by HUD or the MHA as covered under section 202 of the HUD FY 1996 HUD Appropriations Act? (If "No", skip to component 11; if "yes", complete one activity description for each identified development, unless eligible to complete a streamlined submission. PHAs completing streamlined submissions may skip to component 11.)

2. Activity Description

Yes No: Has the MHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If "yes", skip to component 11. If "No", complete the Activity Description table below.

Conversion of Public Housing Activity Description
1a. Development name: 1b. Development (project) number:
2. What is the status of the required assessment? <input type="checkbox"/> Assessment underway <input type="checkbox"/> Assessment results submitted to HUD <input type="checkbox"/> Assessment results approved by HUD (if marked, proceed to next question) <input type="checkbox"/> Other (explain below)
3. <input type="checkbox"/> Yes <input type="checkbox"/> No: Is a Conversion Plan required? (If yes, go to block 4; if no, go to block 5.)
4. Status of Conversion Plan (select the statement that best describes the current status) <input type="checkbox"/> Conversion Plan in development <input type="checkbox"/> Conversion Plan submitted to HUD on: (DD/MM/YYYY) <input type="checkbox"/> Conversion Plan approved by HUD on: (DD/MM/YYYY) <input type="checkbox"/> Activities pursuant to HUD-approved Conversion Plan underway

5. Description of how requirements of Section 202 are being satisfied by means other than conversion (select one)

- Units addressed in a pending or approved demolition application (date submitted or approved: _____)
- Units addressed in a pending or approved HOPE VI demolition application (date submitted or approved: _____)
- Units addressed in a pending or approved HOPE VI Revitalization Plan (date submitted or approved: _____)
- Requirements no longer applicable: vacancy rates are less than 10 percent
- Requirements no longer applicable: site now has less than 300 units
- Other: (describe below)

Component 10 (B) Voluntary Conversion Initial Assessments

a. How many of the MHA’s developments are subject to the Required Initial Assessments?

7 developments are covered by this requirement.

b. How many of the MHA’s developments are not subject to the Required Initial Assessments based on exemptions (e.g., elderly and/or disabled developments not general occupancy projects)?

1 development is elderly and/or disabled.

c. How many Assessments were conducted for the MHA’s covered developments?

7 Developments

d. Identify MHA developments that may be appropriate for conversion based on the Required Initial Assessments:

Development Name	Number of Units
None	

d. If the MHA has not completed the Required Initial Assessments, describe the status of these assessments:

C. Reserved for Conversions pursuant to Section 33 of the U.S. Housing Act of 1937

11. Homeownership Programs Administered by the MHA

[24 CFR Part 903.7 9 (k)]

A. Public Housing

Exemptions from Component 11A: Section 8 only PHAs are not required to complete 11A.

1. Yes **No** Does the MHA administer any homeownership programs administered by the MHA under an approved section 5(h) homeownership program (42 U.S.C. 1437c(h)), or an approved HOPE I program (42 U.S.C. 1437aaa) or has the MHA applied or plan to apply to administer any homeownership programs under section 5(h), the HOPE I program, or section 32 of the U.S. Housing Act of 1937 (42 U.S.C. 1437z-4). (If “No”, skip to component 11B; if “yes”, complete one activity description for each applicable program/plan, unless eligible to complete a streamlined submission due to **small MHA** or **high performing MHA** status. PHAs completing streamlined submissions may skip to component 11B.)

2. Activity Description –

- Yes No: Has the MHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? (If “yes”, skip to component 12. If “No”, complete the Activity Description table below.)

Public Housing Homeownership Activity Description (Complete one for each development affected)
1a. Development name: 1b. Development (project) number:
2. Federal Program authority: <input type="checkbox"/> HOPE I <input type="checkbox"/> 5(h) <input type="checkbox"/> Turnkey III <input type="checkbox"/> Section 32 of the USHA of 1937 (effective 10/1/99)
3. Application status: (select one) <input type="checkbox"/> Approved; included in the MHA's Homeownership Plan/Program <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application
4. Date Homeownership Plan/Program approved, submitted, or planned for submission: (DD/MM/YYYY)
5. Number of units affected: 6. Coverage of action: (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development

B. Section 8 Tenant Based Assistance

1. **Yes** **No** Does the MHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982? (If “No”, skip to component 12; if “yes”, describe each program using the table below (copy and complete questions for each program identified), unless the MHA is eligible to complete a streamlined submission due to high performer status. **High performing PHAs** may skip to component 12.)

3. Program Description:

The MHA in cooperation with the Missoula Housing Corporation and Women’s Opportunity and Resource Development, Inc. (WORD), has developed a Section 8 Homeowner Program whereby eligible Section 8 Participants will be offered the opportunity to participate in a First time Homeowners Program. Preference is given to participants who are under contract in the MHA’s Family Self-Sufficiency program.

WORD is a fully approved HUD Counseling Agency in good standing.

a. Size of Program

- Yes** **No**: Will the MHA limit the number of families participating in the section 8 homeownership option?

If the answer to the question above was yes, which statement best describes the number of participants? (select one)

- 25 or fewer participants
 26 - 50 participants
 51 to 100 participants
 more than 100 participants

b. MHA-established eligibility criteria

- Yes** **No**: Will the MHA’s program have eligibility criteria for participation in its Section 8 Homeownership Option program in addition to HUD criteria?

If yes, list criteria below:

Family must be a qualified existing program participant who has been receiving housing assistance from MHA for a minimum of one year, and who has successfully complied with all rental program and lease requirements during that time. No debt may be owing to MHA or any other housing authority.

12. MHA Community Service and Self-sufficiency Programs

[24 CFR Part 903.7 9 (l)]

MHA is considered a High Performer based on its most recent MASS Score and is not required to complete this section.

A. MHA Coordination with the Welfare (TANF) Agency

1. Cooperative agreements:

- Yes No Has the MHA has entered into a cooperative agreement with the TANF Agency, to share information and/or target supportive services (as contemplated by section 12(d)(7) of the Housing Act of 1937)?

If yes, what was the date that agreement was signed?

2. Other coordination efforts between the MHA and TANF agency (select all that apply)

- Client referrals
- Information sharing regarding mutual clients (for rent determinations and otherwise)
- Coordinate the provision of specific social and self-sufficiency services and programs to eligible families
- Jointly administer programs
- Partner to administer a HUD Welfare-to-Work voucher program
- Joint administration of other demonstration program
- Other (describe)

B. Services and programs offered to residents and participants

(1) General

a. Self-Sufficiency Policies

Which, if any of the following discretionary policies will the MHA employ to enhance the economic and social self-sufficiency of assisted families in the following areas? (select all that apply)

- Public housing rent determination policies
- Public housing admissions policies
- Section 8 admissions policies
- Preference in admission to section 8 for certain public housing families
- Preferences for families working or engaging in training or education programs for non-housing programs operated or coordinated by the MHA
- Preference/eligibility for public housing homeownership option participation
- Preference/eligibility for section 8 homeownership option participation
- Other policies (list below)

Note: Some Public Housing units are designated elderly or disabled. Section 8 Program has FSS Component.

b. Economic and Social self-sufficiency programs

- Yes No: Does the MHA coordinate, promote or provide any programs to enhance the economic and social self-sufficiency of residents? (If “yes”, complete the following table; if “no” skip to sub-component 2, Family Self Sufficiency Programs. The position of the table may be altered to facilitate its use.)

Services and Programs				
Program Name & Description (including location, if appropriate)	Estimated Size	Allocation Method (waiting list/ random selection/ specific criteria/ other)	Access (development office / MHA main office / other provider name)	Eligibility (public housing or Section 8 participants or both)

(2) Family Self Sufficiency program/s

a. Participation Description

Family Self Sufficiency (FSS) Participation		
Program	Required Number of Participants (start of FY 2002 Estimate)	Actual Number of Participants (As of: DD/MM/YY)

- b. Yes No: If the MHA is not maintaining the minimum program size required by HUD, does the most recent FSS Action Plan address the steps the MHA plans to take to achieve at least the minimum program size?
If no, list steps the MHA will take below:

C. Welfare Benefit Reductions

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

- Adopting appropriate changes to the MHA's public housing rent determination policies and train staff to carry out those policies
- Informing residents of new policy on admission and reexamination
- Actively notifying residents of new policy at times in addition to admission and reexamination.
- Establishing or pursuing a cooperative agreement with all appropriate TANF agencies regarding the exchange of information and coordination of services
- Establishing a protocol for exchange of information with all appropriate TANF agencies
- Other: (list below)

D. Community Service Requirement

The Community Service Requirements will be re-instated once we receive instructions from HUD that the requirement is once again binding.

13. MHA Safety and Crime Prevention Measures

[24 CFR Part 903.7 9 (m)]

MHA is considered a High Performer based on its most recent MASS Score and is not required to complete this section.

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

1. Describe the need for measures to ensure the safety of public housing residents (select all that apply)

- High incidence of violent and/or drug-related crime in some or all of the MHA's developments
- High incidence of violent and/or drug-related crime in the areas surrounding or adjacent to the MHA's developments
- Residents fearful for their safety and/or the safety of their children
- Observed lower-level crime, vandalism and/or graffiti
- People on waiting list unwilling to move into one or more developments due to perceived and/or actual levels of violent and/or drug-related crime
- Other (describe below)

2. What information or data did the MHA used to determine the need for MHA actions to improve safety of residents (select all that apply).

- Safety and security survey of residents
- Analysis of crime statistics over time for crimes committed "in and around" public housing authority
- Analysis of cost trends over time for repair of vandalism and removal of graffiti
- Resident reports
- MHA employee reports
- Police reports
- Demonstrable, quantifiable success with previous or ongoing anticrime/anti drug programs
- Other (describe below)

3. Which developments are most affected? (list below)

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

1. List the crime prevention activities the MHA has undertaken or plans to undertake: (select all that apply)

- Contracting with outside and/or resident organizations for the provision of crime- and/or drug-prevention activities
- Crime Prevention Through Environmental Design
- Activities targeted to at-risk youth, adults, or seniors
- Volunteer Resident Patrol/Block Watchers Program
- Other (describe below)

2. Which developments are most affected? (list below)

C. Coordination between MHA and the police

1. Describe the coordination between the MHA and the appropriate police precincts for carrying out crime prevention measures and activities: (select all that apply)

- Police involvement in development, implementation, and/or ongoing evaluation of drug-elimination plan
- Police provide crime data to housing authority staff for analysis and action
- Police have established a physical presence on housing authority property (e.g., community policing office, officer in residence)
- Police regularly testify in and otherwise support eviction cases
- Police regularly meet with the MHA management and residents
- Agreement between MHA and local law enforcement agency for provision of above-baseline law enforcement services
- Other activities (list below)

2. Which developments are most affected? (list below)

D. Additional information as required by PHDEP/PHDEP Plan

- Yes **No: Is the MHA eligible to participate in the PHDEP in the fiscal year covered by this MHA Plan?**
- Yes No: Has the MHA included the PHDEP Plan for FY 2002 in this MHA Plan?
- Yes No: This PHDEP Plan is an Attachment. (Attachment Filename)

14. PET POLICY

[24 CFR Part 903.7 9 (n)]

MHA is considered a High Performer based on its most recent MASS Score and is exempt from any requirements to include information on its Pet Policy as an attachment to this Housing Agency Plan.

15. Civil Rights Certifications

[24 CFR Part 903.7 9 (o)]

Civil rights certifications are included in the MHA Plan Certifications of Compliance with the MHA Plans and Related Regulations.

16. Fiscal Audit

[24 CFR Part 903.7 9 (p)]

1. **Yes** **No:** Is the MHA required to have an audit conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c(h))? (If no, skip to component 17.)
2. **Yes** **No:** Was the most recent fiscal audit submitted to HUD?
3. **Yes** **No:** Were there any findings as the result of that audit?
4. **Yes** **No:** If there were any findings, do any remain unresolved?
If yes, how many unresolved findings remain? _____
5. **Yes** **No:** Have responses to any unresolved findings been submitted to HUD?
If not, when are they due (state below)?

17. MHA Asset Management

[24 CFR Part 903.7 9 (q)]

MHA is considered a High Performer based on its most recent MASS Score and is exempt from any informational requirements under this Section.

1. **Yes** **No**: Is the MHA engaging in any activities that will contribute to the long term asset management of its public housing stock , including how the Agency will plan for long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs that have **not** been addressed elsewhere in this MHA Plan?
2. What types of asset management activities will the MHA undertake? (select all that apply)
- Not applicable**
 - Private management
 - Development-based accounting
 - Comprehensive stock assessment
 - Other: (list below)

Development-based budgeting.

Portfolio/Master Plan, including assessment of current housing stock, long-term needs, and highest and best use of capital acquired through HUD-approved disposition of 45 public housing units.

3. **Yes** **No**: Has the MHA included descriptions of asset management activities in the **optional** Public Housing Asset Management Table?

18. Other Information

[24 CFR Part 903.7 9 (r)]

A. Resident Advisory Board Recommendations

1. Yes **No:** Did the MHA receive any comments on the MHA Plan from the Resident Advisory Board/s?

2. If yes, the comments are: (if comments were received, the MHA **MUST** select one)

Attached at Attachment (File name)

Provided below:

No comments were received.

3. In what manner did the MHA address those comments? (select all that apply)

Considered comments, but determined that no changes to the MHA Plan were necessary.

The MHA changed portions of the MHA Plan in response to comments
List changes below:

Other: (list below)

RAB input was used as part of the baseline formulation of the Annual and Five Year Plan

B. Description of Election process for Residents on the MHA Board

1. Yes **No:** Does the MHA meet the exemption criteria provided section 2(b)(2) of the U.S. Housing Act of 1937? (If no, continue to question 2; if yes, skip to sub-component C.)

2. Yes **No:** Was the resident who serves on the MHA Board elected by the residents? (If yes, continue to question 3; if no, skip to sub-component C.)

3. Description of Resident Election Process

a. Nomination of candidates for place on the ballot: (select all that apply)

Candidates were nominated by resident and assisted family organizations

Candidates could be nominated by any adult recipient of MHA assistance

Self-nomination: Candidates registered with the MHA and requested a place on ballot

Other: Under State Law, Commissioners are appointed

b. Eligible candidates: (select one)

Any recipient of MHA assistance

Any head of household receiving MHA assistance

Any adult recipient of MHA assistance (City voter)

- Any adult member of a resident or assisted family organization
- Other (list)

c. Eligible voters: (select all that apply)

- All adult recipients of MHA assistance (public housing and section 8 tenant-based assistance)
- Representatives of all MHA resident and assisted family organizations
- Other (list) – **City-wide election**

C. Statement of Consistency with the Consolidated Plan

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary).

1. Consolidated Plan jurisdiction: **City of Missoula**

2. The MHA has taken the following steps to ensure consistency of this MHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)

- The MHA has based its statement of needs of families in the jurisdiction on the needs expressed in the Consolidated Plan/s.**
- The MHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.**
- The MHA has consulted with the Consolidated Plan agency during the development of this MHA Plan.**
- Activities to be undertaken by the MHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)**
- Other: (list below)**

Assist homeless by increasing and/or expanding availability of transitional housing opportunities, and supportive services.

Increase and preserve the supply of affordable rental units for low and moderate income households, including special needs persons, to include rehabilitation and new construction.

Increase and preserve affordable home ownership for low and moderate income households, including special needs persons

Further investigate and develop an action plan to address community-wide barriers to affordable housing and barriers to fair housing compliance.

Increase accessibility.

4. The Consolidated Plan of the jurisdiction supports the MHA Plan with the following actions and commitments: (describe below)

CDBG grant of \$68,000 for remodel of old MHA office space into three replacement units of public housing for elderly-disabled at Vantage Villa.

CDBG grant of \$16,000 to assist program applicants with up-front cost of acquiring housing, eg., loans for security deposits, utility deposits; grants for application fees, cost of acquiring documents verifying vital statistics.

“Analysis of Impediments to Affordable Housing” Study to be undertaken by City of Missoula in FY2003.

D. Other Information Required by HUD

Membership of Resident Advisory Board

Public Housing Resident

Mary Monroe
2335 Cottage Court
Missoula, MT 59801
549-0037

Michelle Neff
712 Charlo #3
Missoula, MT 59803
721-2618

Section 8 Voucher

Joyce Chicoine
527 W. Alder #C 206
Missoula, MT 59802
728-2287

Lillian Ungaretti
2318 S. 3rd
Missoula, MT 59801
327-0808

Kathleen Starks
211 Tower #2
Missoula, MT 59804
829-0814

Shari Miike
193 Catlin #16
Missoula, MT 59801
549-2485

Shelter Plus Care

Julie Jacobsen
2333 Agnes #3
Missoula, MT 59801
542-7608

Kelly Hegg
1405 E. Broadway #M103
Missoula, MT 59802
542-7602

Section 8 Voucher

Tina Martell
11950 ½ Frontage Road
Missoula, MT 59808
626-1994

Pauline Pollock
3602 Parkside #J-5
Missoula, MT 59801
721-8462

Ella Mae Anderson
2420 Burlington #304
Missoula, MT 59801
542-9332

Christiana Florentino
1155 34th ST # 226
Missoula, MT 59801
549-0620

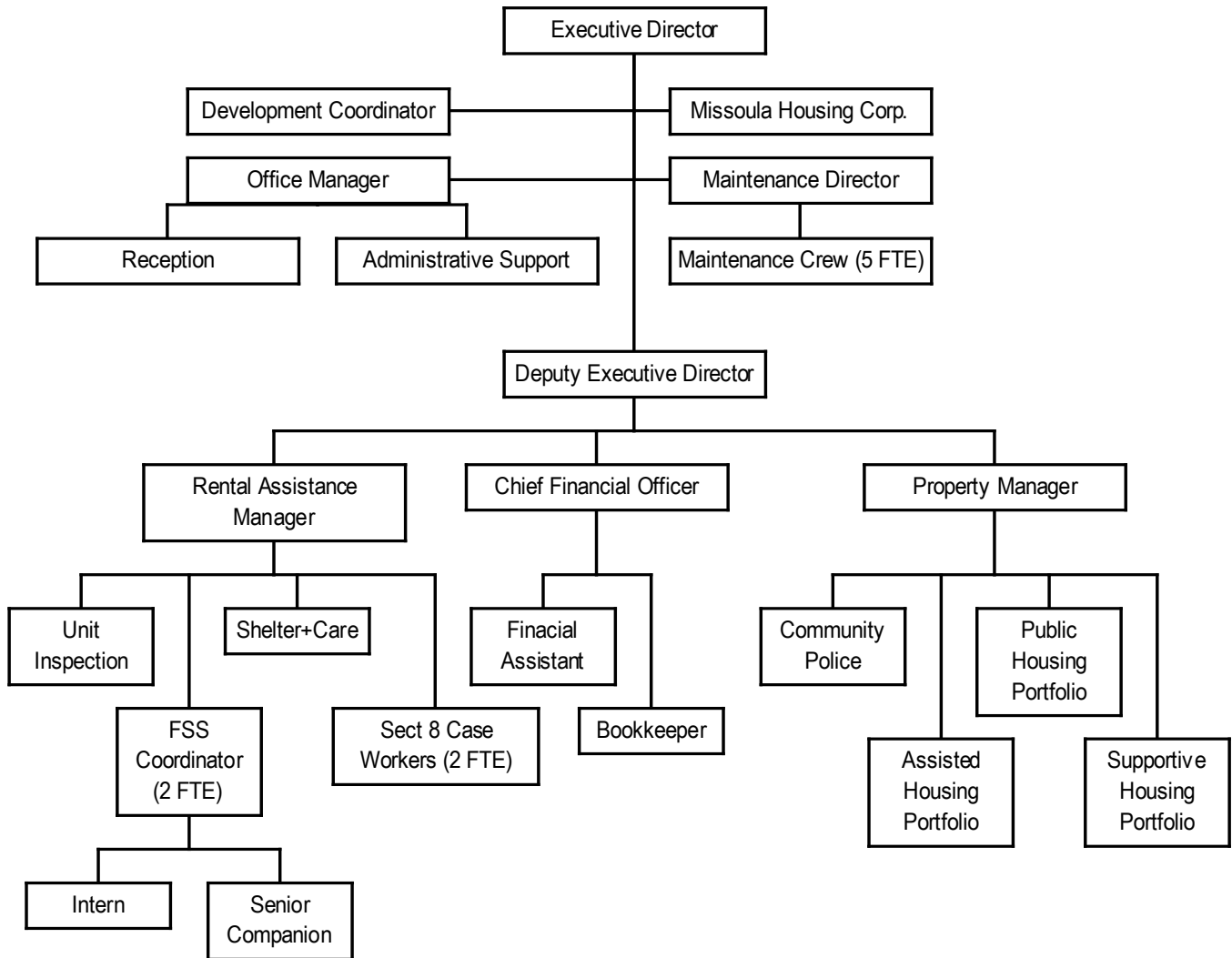
Definition of Major Change

The Missoula Housing Authority considers a major change in the content of the Housing Agency Plan to consist of one or more of the following:

1. New waiting list preference criteria.
2. Implementation of program incentives to increase the number of working households in the program.
3. A change in any open Annual Capital Program that crosses the accumulative 25% of total funds threshold.
4. A decision to submit a major application such as a Demolition/Disposition, Allocation for Designated Housing or HOPE VI application.
5. A decision to request a voluntary conversion of public housing to Section 8 vouchers.

Org Chart

Missoula Housing Authority Table of Organization 2002/2003



Annual Statement/Performance and Evaluation Report

Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary

PHA Name: Missoula Housing Authority	Grant Type and Number Capital Fund Program Grant No: MT 06-P033-501-02 Replacement Housing Factor Grant No:	Federal FY of Grant: 2002
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Original Annual Statement Reserve for Disasters/ Emergencies Revised Annual Statement (revision no:)
Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	225,000			
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement	58,000			
10	1460 Dwelling Structures	201503			
11	1465.1 Dwelling Equipment—Nonexpendable	10,000			
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment	20,000			
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	514,503			
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: Missoula Housing Authority		Grant Type and Number Capital Fund Program Grant No: MT06-P033-501-02 Replacement Housing Factor Grant No:			Federal FY of Grant: 2002			
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
PHA-Wide	Operations	1406		200,000				
PHA-Wide	Administration	1410		25,000				
PHA-Wide	Management Improvements	1408						
PHA-Wide	Fees and Costs	1430		20,000				
PHA-Wide	Landscaping/Play Equipment	1450		40,000				
PHA-Wide	Concrete/Deck Repair	1450		18,000				
PHA-Wide	Sewer/Water Line Replacement	1450		5,000				
PHA-Wide	Site Lighting/Security	1450		1,000				
PHA-Wide	Fencing	1450		8,000				
PHA-Wide	Mod at Turnover (floors, cabs, etc.)	1460		86,503				
PHA-Wide	Exterior Painting	1460		35,000				
PHA-Wide	Exterior Siding	1460						
PHA-Wide	Roofs/Shakes/Shingles/Gutters	1460		4,000				
PHA-Wide	Furnaces/Water Heaters	1460		6,000				
PHA-Wide	Windows/Doors/Garage Doors	1460		36,000				
PHA-Wide	Appliances/Furniture	1465		10,000				
PHA-Wide	Storage/Sheds	1470						
PHA-Wide	Vehicles	1475						
PHA-Wide	Maintenance Tools/Equipment	1475						
PHA-Wide	Office Equipment/Computers	1475		20,000				

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part III: Implementation Schedule

PHA Name: Missoula Housing Authority			Grant Type and Number Capital Fund Program Grant No: MT06-P033-501-02 Replacement Housing Factor Grant No:			Federal FY of Grant: 2002	
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
HA-wide	9/04			9/06			
MT 33-1	9/04			9/06			
MT 33-2	9/04			9/06			
MT 33-3	9/04			9/06			
MT 33-9	9/04			9/06			
MT 33-11	9/04			9/06			
MT 33-12	9/04			9/06			
MT 33-14	9/04			9/06			
MT 33-18	9/04						

Capital Fund Program Five-Year Action Plan

Part I: Summary

PHA Name		MISSOULA HOUSING AUTHORITY			<input checked="" type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revision No:	
Development Number/Name/HA-Wide	Year 1	Work Statement for Year 2 FFY Grant: 2003 PHA FYE: 9/30/2004	Work Statement for Year 3 FFY Grant: 2004 PHA FYE: 9/30/2005	Work Statement for Year 4 FFY Grant: 2005 PHA FYE: 9/30/2006	Work Statement for Year 5 FFY Grant: 2006 PHA FYE: 9/30/2007	
	Annual Statement					
HA-WIDE		\$ 150,000	\$ 140,000	\$ 120,000	\$ 105,000	
MT 33-1		10,000	7,000	10,000	10,000	
MT 33-2		40,000	25,000	20,000	30,000	
MT 33-3		50,000	25,000	25,000	25,000	
MT 33-9			160,000	100,000	120,000	
MT 33-11		25,000	12,500	20,000	15,000	
MT 33-12		25,000	12,500	20,000	15,000	
MT 33-14		15,000	8,000		8,000	
MT 33-18		10,000	5,000	5,000	5,000	
A/E		\$ 25,000	\$ 25,000	10,000	15,000	

**Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I:
Summary**

PHA Name: Missoula Housing Authority MT033	Grant Type and Number Capital Fund Program Grant No: MT06-P033-50100 Replacement Housing Factor Grant No:	Federal FY of Grant: FY2000
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**Original Annual Statement Reserve for Disasters/ Emergencies xRevised Annual Statement (revision no:3)
Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report**

Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	105,533	202,695.15	202,695.15	202,695.15
3	1408 Management Improvements				
4	1410 Administration	80,000	62,544.85	62,544.85	62,544.85
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	15,000	0	0	0
8	1440 Site Acquisition				
9	1450 Site Improvement	79,000	26,731.11	26,731.11	26,731.11
10	1460 Dwelling Structures	151,500	151,110.46	151,110.46	85,815.45
11	1465.1 Dwelling Equipment—Nonexpendable	22,000	20,250.99	20,250.99	20,250.99
12	1470 Nondwelling Structures	50,000	0	0	0
13	1475 Nondwelling Equipment	13,000	52,700.44	52,700.44	40,425.44
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				

21	Amount of Annual Grant: (sum of lines 2 – 20)	516,033	516,033	516,033	516,033
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security– Hard Costs	15,000	0	0	0
26	Amount of line 21 Related to Energy Conservation Measures				

Annual Statement/Performance and Evaluation Report								
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name: Missoula Housing Authority			Grant Type and Number Capital Fund Program Grant No: MT06-P033-50100 Replacement Housing Factor Grant No:			Federal FY of Grant: FY 2000		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
<i>Downtown</i>								
MT33-001	Site Improvements		1450					
	Install underground sprinkler at 1028 Toole, Spruce		1450	5,000.00	3,944.11	3,944.11	3,944.11	
	Site concrete repair		1450	0.00	0.00	0.00	0.00	
	Site Improvement Summary			5,000.00	3,944.11	3,944.11	3,944.11	
<i>10 Units</i>	Dwelling Structures		1460	0.00	0.00	0.00	0.00	
<i>24 Bedrms</i>								
	Dwelling Equipment		1465	0.00	0.00	0.00	0.00	
	MT33-001 Summary			5,000.00	3,944.11	3,944.11	3,944.11	Complete
<i>Vantage Villa</i>	<i>1319 E. Broadway</i>							
MT33-002	Site Improvements							
<i>1 Bldg</i>	Site concrete repair		1450	0.00	0.00	0.00	0.00	
<i>38 Units</i>								

38 Bedrooms	Dwelling Structures		146 0						
	Carpet Installation		146 0		16,725.00	16,725.00	16,725.00	16,725.00	
	Dwelling Equipment		146 5.		0.00	0.00	0.00	0.00	
	MT33-002 Summary				16,725.00	16,725.00	16,725.00	16,725.00	Complete
<i>Scattered Sites</i>	Site Improvements								
MT33-003	Site concrete repair		145 0		0.00	0.00	0.00	0.00	
14 Buildings	Playground Equipment/landscaping		145 0		22,787.00	22,787.00	22,787.00	22,787.00	
	Site Improvement Summary				22,787.00	22,787.00	22,787.00	22,787.00	Complete
50 Units	Dwelling Structures		146 0						
107 Bedrms	Re-side Pullman (multi-family)		146 0		21,000.00	23,300.00	23,300.00	0.00	In Progress
	Dwelling Equipment		146 5		0.00	0.00	0.00	0.00	
	MT33-003 Summary				43,787.00	46,087.00	46,087.00	22,787.00	
<i>Single Family</i>	<i>Scattered: Rattlesnake, W. Central, Kensington</i>								
MT33-008	<i>Kent, S. 3rd W., S. 14th W., Sussex, Gharrett</i>								
12 Bldgs	Site Improvements		145 0						
12 Units	Site concrete repair		145 0		0.00	0.00	0.00	0.00	

40 Bedrms	Dwelling Structures		146 0		0.00	0.00	0.00	0.00	
	Dwelling Equipment		146 5		0.00	0.00	0.00	0.00	
	MT33-008 Summary				0.00	0.00	0.00	0.00	
<i>Toole Site</i>									
MT33-009	Site Improvements		145 0						
6 Bldgs	New fence, o.s. storage @ Toole MF site		145 0		0.00	0.00	0.00	0.00	
15 Units	Site concrete repair		145 0		0.00	0.00	0.00	0.00	
53 Bedrms									
	Dwelling Structures		146 0						
	Re-side Phillips duplex (1613 & 1609)		146 0		18,000.00	18,000.00	18,000.00	18,000.00	
	Replace exterior windows at Phillips duplex		146 0		3,500.00	0.00	0.00	0.00	
	Dwelling Equipment		146 5		0.00	0.00	0.00	0.00	
	MT33-009 Summary				21,500.00	18,000.00	18,000.00	18,000.00	Complete
<i>South Hills</i>	<i>Scattered: SF, Duplex & 4-plex (3&4 bedrooms)</i>								
MT33-011	Site Improvements		145 0						
17 Bldgs	Replace deck @ 2244 E. Vista		145 0		0.00	0.00	0.00	0.00	
25 Units	Site concrete repair		145 0		0.00	0.00	0.00	0.00	

80 Bedrooms									
	Dwelling Structures								
	Re-side SF houses: 28 Russell Park	1460		12,000.00	8,000	8,000	0.00	In Progress	
	36 Russell Park								
	Dwelling Equipment	1465		0.00	0.00	0.00	0.00		
	MT33-011 Summary			12,000.00	8,000.00	8,000.00	0.00		
South Hills	Scattered: SF, Duplex & 5-plex								
MT33-012	Site Improvements	1450							
12 Bldgs	Repair deck at 52 Russell Park	1450		0.00	0.00	0.00	0.00		
25 Units	Site concrete repair	1450		0.00	0.00	0.00	0.00		
76 Bedrms									
	Dwelling Structures								
	Upgrade windows at Russell Park	1460		25,000.00		0.00	0.00		
	Re-side SF houses: 52 Russell Pk, 2328 W. Summit, 39 Russell Park	1460		6,000.00	14,000	14,000	0.00		
	Dwelling Equipment	1465		0.00	0.00	0.00	0.00		
	MT33-012 Summary			31,000.00	14,000.00	14,000.00	0.00		
Single Family	Scattered: 3 & 3 bedroom in South Hills & elsewhere								
MT33-014	Site Improvements	1450					0.00		
30 Bldgs	Repair decks at 2311 W. Summit, 5614 Hillview	1450		0.00	0.00				

30 Units	Sire concrete repair		145 0		0.00	0.00			
34 Bedrooms									
	Dwelling Structures								
	Reside SF house: 2235 E. Vista		146 0		6,000.00	0.00	0.00	0.00	
	Dwelling Equipment		146 5		0.00	0.00	0.00	0.00	
	MT33-014 Summary				6,000.00	0.00	0.00	0.00	
Single Family	Grandview: 5 SF, 3 bedrm units								
MT33-018	Site Improvements		145 0						
5 Bldgs	Site concrete repair		145 0		0.00	0.00			
5 Units									
15 Bedrms	Dwelling Structures		146 0		0.00	0.00	0.00	0.00	
	Dwelling Equipment		146 5		0.00	0.00	0.00	0.00	
	MT33-018 Summary				0.00	0.00	0.00	0.00	
HA-WIDE	Operations								
	Technical Support (computer upgrades)		140 6		1,680.13	1,680.13	1,680.13	1,680.13	
	PH Leasing/Marketability		140 6		887.00	887.00	887.00	887.00	
	PH Personnel Salaries		140 6		195,891.6 5	197,974.9 0	197,974.9 0	197,974.9 0	
	Cell phone charges		140 6		1,756.67	1,756.67	1,756.67	1,756.67	
	Window Covering replacement		140 6		396.45	396.45	396.45	396.45	

	Operations Summary		140 6		200,611.9 0	202,695.1 5	202,695.1 5	202,695.1 5	Complete
HA-WIDE	Administration								
	Proportion of Salaries for CEO, F.O., SPMgr, Maint. Supv., admin support		141 0		62,461.72	62,544.85	62,544.85	62,544.85	
	Administration Summary		141 0		62,461.72	62,544.85	62,544.85	62,544.85	Complete
HA-WIDE	Fees and Costs								
	HA-Wide Energy Audit		143 0		15,000.00	0.00	0.00	0.00	
	Fees and Costs Summary		143 0		15,000.00	0.00	0.00	0.00	
HA-WIDE	Dwelling Structures								
	Replace garage doors - est. 10		146 0		0.00	0.00	0.00	0.00	
	Flooring replacement allowance		146 0		6,016.00	44,149.20	44,149.20	28,053.19	In Progress
	Painting		146 0		1,152.38	1,152.38	1,152.38	1,152.38	Complete
	Cabinet Replacement		146 0		22,020.00	25,783.88	25,783.88	21,884.88	In Progress
	Dwelling Structures Summary		146 0		29,188.38	71,085.46	71,085.46	51,090.45	
HA-WIDE	Dwelling Equipment								
	Appliance Replacement		146 5		22,000.00	20,250.99	20,250.99	17,410.99	In Progress
	Dwelling Equipment Summary		146 5		22,000.00	20,250.99	20,250.99	17,410.99	
HA-WIDE	Non-dwelling Structures		147 0						
	PH Offices - Russell Square		147 0		0.00	0.00	0.00	0.00	

	Non-dwelling Structures Summary		147 0		0.00	0.00	0.00	0.00	
HA-WIDE	Non-Dwelling Equipment								
	Sale & replacement vehicle/inspection vehicle		147 5		13,000.00	12,066.00	12,066.00	12,066.00	Complete
	Copy machine		147 5		11,271.00	11,271.00	11,271.00	11,271.00	Complete
	Office equipment & furniture		147 5		15,000.00	16,167.44	16,167.44	3,892.44	In Progress
	Maintenance Vehicle		147 5		11,488.00	13,196.00	13,196.00	13,196.00	Complete
	Non-Dwelling Equipment Summary		147 5		50,759.00	52,700.44	52,700.44	40,425.44	
HA-WIDE	TOTAL				380,021.0 0	409,276.8 9	409,276.8 9	374,166.8 8	
	GRAND TOTAL: 2000 CAP FUND				516,033.0 0	516,033.0 0	516,033.0 0	435,622.9 9	

Annual Statement/Performance and Evaluation Report							
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)							
Part III: Implementation Schedule							
PHA Name: Missoula Housing Authority		Grant Type and Number Capital Fund Program No: MT06-P033-50100 Replacement Housing Factor No:			Federal FY of Grant: FY 2000		
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates	
	Original	Revised	Actual	Original	Revised	Actual	

33-001	3/2002		3/2002	12/2002		3/2002	
33-002	3/2002		3/2002	12/2002		3/2002	
33-003	3/2002		3/2002	12/2002			
33-008	3/2002		3/2002	12/2002		3/2002	
33-009	3/2002		3/2002	12/2002		3/2002	
33-011	3/2002		3/2002	12/2002			
33-012	3/2002		3/2002	12/2002		3/2002	
33-014	3/2002		3/2002	12/2002		3/2002	
33-018	3/2002		3/2002	12/2002		3/2002	
HA-WIDE	3/2002		3/2002	12/2002			

**Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I:
Summary**

PHA Name: Missoula Housing Authority	Grant Type and Number Capital Fund Program Grant No: MT06-P033-50101 Replacement Housing Factor Grant No:	Federal FY of Grant: FY 2001
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Original Annual Statement Reserve for Disasters/ Emergencies x Revised Annual Statement (revision no: 2)
Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	331,754	225,724	137,563.67	137,563.67
3	1408 Management Improvements				
4	1410 Administration	36,862	36,862	0	0
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs		100,000	0	0
8	1440 Site Acquisition				
9	1450 Site Improvement	14,000	10,000	0	0
10	1460 Dwelling Structures	103,120	118,750	3,176.15	3176.15
11	1465.1 Dwelling Equipment—Nonexpendable	23,600	15,000	0	0
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment	17,000	20,000	0	0
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				

19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	526,336	526,336	140,739.82	140,739.82
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				

Annual Statement/Performance and Evaluation Report								
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name: Missoula Housing Authority			Grant Type and Number Capital Fund Program Grant No: MT06-P033-50101 Replacement Housing Factor Grant No:			Federal FY of Grant: FY2001		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
<i>Vantage Villa</i>	<i>1319 E. Broadway</i>							
MT33-002	Site Improvements		145					
			0					
<i>1 Bldg</i>	Fencing		145	\$6,000.00	\$10,000.00	\$0.00	\$0.00	
			0		0			
<i>38 Units</i>	Site Improvements Summary			\$6,000.00	\$10,000.00	\$0.00	\$0.00	
					0			
<i>38 Bedrooms</i>	Dwelling Structures		146					
			0					
	Cabinet/Countertop Replacement		146	\$24,500.00	\$7,100.00			
			0	0				
	Media Room		146	\$6,000.00	\$0.00			
			0					
	Dwelling Structures Summary			\$30,500.00	\$7,100.00	\$0.00	\$0.00	
				0				
	Dwelling Equipment		146	\$0.00	\$0.00	\$0.00	\$0.00	
			5					

	MT33-002 Summary				\$36,500.00	\$17,100.00	\$0.00	\$0.00	
<i>Scattered Sites</i>	Site Improvements								
MT33-003									
<i>14 Buildings</i>									
<i>50 Units</i>	Dwelling Structures		1460						
<i>107 Bedrms</i>	Siding 1320 Butte/730 N. 6th/ 920 Pullman					\$35,000.00	\$0.00	\$0.00	
	Dwelling Equipment		1465		\$0.00	\$0.00	\$0.00	\$0.00	
	MT33-003 Summary				\$0.00	\$35,000.00	\$0.00	\$0.00	
<i>Single Family</i>	<i>Grandview: 5 SF, 3 bedrm units</i>								
MT33-018	Site Improvements		1450						
<i>5 Bldgs</i>	Fencing		1450		\$8,000.00	\$0.00	\$0.00	\$0.00	
<i>5 Units</i>									
<i>15 Bedrms</i>	Dwelling Structures		1460		\$0.00	\$0.00	\$0.00	\$0.00	
	Dwelling Equipment		1465		\$0.00	\$0.00	\$0.00	\$0.00	
	MT33-018 Summary				\$8,000.00	\$0.00	\$0.00	\$0.00	
HA-WIDE	Operations								
	PH Personnel Salaries		1406		331,754.00	225,724.00	137,563.67	137,563.67	
	Operations Summary		1406		331,754.00	225,724.00	137,563.67	137,563.67	
HA-WIDE	Administration								

	Proportion of Salaries for CEO, F.O., SPMgr,							
	Maint. Supv., admin support	141 0		\$36,862.0 0	\$36,862.0 0	\$0.00	\$0.00	
	Administration Summary	141 0		\$36,862.0 0	\$36,862.0 0	\$0.00	\$0.00	
HA-WIDE	Fees and Costs							
	Professional fees	143 0		\$0.00	100,000.0 0			
	Fees and Costs Summary	143 0		\$0.00	100,000.0 0	\$0.00	\$0.00	
HA-WIDE	Dwelling Structures							
	Mod at turnover (inc. floors/cabinets)	146 0		\$0.00	\$53,000.0 0			
	Flooring			\$0.00	\$0.00			
	Siding	146 0		\$7,000.00	\$17,650.0 0			
	Furnaces	146 0		\$6,000.00	\$6,000.00			
	Cabinet/Countertop Replacement	146 0		\$59,620.0 0	\$0.00	\$3,176.15	\$3,176.15	
	Dwelling Structures Summary	146 0		\$72,620.0 0	\$76,650.0 0	\$3,176.15	\$3,176.15	
HA-WIDE	Dwelling Equipment							
	Appliances			\$23,600.0 0	\$15,000.0 0			
	Dwelling Equipment Summary	146 5 0		\$23,600.0 0	\$15,000.0 0	\$0.00	\$0.00	
HA-WIDE	Non-dwelling Structures	147 0						
	Non-dwelling Structures Summary	147 0		\$0.00	\$0.00	\$0.00	\$0.00	

HA-WIDE	Non-Dwelling Equipment							
	Truck - Maintenance		147 5		\$10,000.0 0	\$0.00	\$0.00	\$0.00
	Computers/Office Equip		147 5		\$7,000.00	\$20,000.0 0	\$0.00	\$0.00
	Non-Dwelling Equipment Summary				\$17,000.0 0	\$20,000.0 0	\$0.00	\$0.00
HA-WIDE	TOTAL				481,836.0 0	474,236.0 0	140,739.8 2	140,739.8 2
	GRAND TOTAL: 2001 CAP FUND				526,336.0 0	526,336.0 0	140,739.8 2	140,739.8 2

Annual Statement/Performance and Evaluation Report							
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)							
Part III: Implementation Schedule							
PHA Name: Missoula Housing Authority		Grant Type and Number Capital Fund Program No: MT06-P033-50101 Replacement Housing Factor No:				Federal FY of Grant: FY2001	
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
33-002	3/2003	9/2003		9/2004		9/2005	
33-003	3/2003	9/2003		9/2004		9/2005	
33-018	3/2003	9/2003		9/2004		9/2005	
HA-WIDE	3/2003	9/2003		9/2004		9/2005	

SECTION 8 HOMEOWNERSHIP CAPACITY STATEMENT & ADDENDA

Per 24 CFR 982.625, Missoula Housing Authority demonstrates that it has the capacity to operate a successful homeownership program by requiring that financing for purchase of a home under its Section 8 homeownership program 1) comply with secondary mortgage market underwriting requirements; or 2) comply with generally accepted private sector underwriting standards.

Attached is the Homeownership Option amendment to the Section 8 Administrative Plan, as adopted by the Board of Commissioners with Resolution #656 dated February 20, 2001, and amended by Resolution #665 dated June 10, 2001 and Resolution #693 dated August 20, 2002. Also attached are some of the documents used in administering the Homeownership Program.

MHA currently has five families who have purchased homes with Section 8 Homeownership Vouchers, and one pending purchase scheduled to close in September 2002.

Special Housing Type

G. HOMEOWNERSHIP OPTION [24CFR 982.625]

Intent of Program

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family.

General Description

A family assisted under the homeownership option must be a qualified existing program participant who has been receiving housing assistance from MHA for a minimum of one year.

A selection preference will be given to homeownership voucher applicants who also participate in the Family Self-Sufficiency (FSS) Program.

The number of homeownership vouchers available is limited to 30.

MHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and useable by persons with disabilities (see Section 982.316 concerning occupancy by a live-in aide.)

MHA requires that a minimum of 1% of the purchase price of the home come from the family's own resources as part of the **downpayment and closing costs required to finance the purchase of the home. This may include the cost of appraisals and earnest money. It may not include the cost of the independent home inspection required in Eligibility Requirements for the Home, Section E.**

MHA requires that financing for purchase of a home under its Section 8 homeownership program:

1. Comply with secondary mortgage market underwriting requirements; or
2. Comply with generally accepted private sector underwriting standards.

Before commencing homeownership assistance for a family, MHA must determine that all of the following initial requirements have been satisfied:

1. The family is qualified to receive homeownership assistance (see **Eligibility Criteria for Families**);
2. The unit is eligible (see **Eligibility Criteria for Home**);

3. The family has satisfactorily completed the MHA program of required pre-assistance homeownership counseling (see **Home Purchase Education and Counseling Criteria**).

Eligibility Criteria for Families

To be eligible for homeownership assistance, the family must satisfy **ALL** of the following initial requirements at the commencement of homeownership assistance:

- A) A family assisted under the homeownership option must be a qualified existing participant who has been receiving housing assistance from MHA for a minimum of one year.
 1. The family must have successfully complied with all rental program requirements and lease requirements for a minimum of a one year prior to application for the homeownership program.
 2. Program participants shall be ineligible for the homeownership program if any debt or portion of a debt remains owing to MHA or any other housing authority.
- B) First-time Homeowner Requirement. The family must qualify as one of the following:
 1. A first-time homeowner, defined as a family of which no member owned any present ownership interest in a residence of any family member during the three years before commencement of homeownership assistance for the family. The term first-time homeowner includes a single parent or displaced homemaker (as defined in 12 U.S.C. 12713) who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse.
 2. A cooperative member, defined as a family of which one or more members owns membership shares in a cooperative (housing owned by a corporation or association, where a member has the right to reside in a particular unit, and to participate in management of the housing.)
 3. A family of which a family member is a person with disabilities, and use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible to and usable by such person.
- C) Minimum Income Requirements:

1. At commencement of homeownership assistance the family must demonstrate that the annual gross income, as determined by the MHA in accordance with 24 CFR 5.609, of the adult family members who will own the home when homeownership assistance begins is not less than the Federal minimum hourly wage multiplied by 2,000 hours (in Year 2001, \$5.15/hour x 2000 or \$10,300 annually.)
2. Except in the case of an elderly or disabled family, the MHA shall not count any welfare assistance received by the family in determining annual income under this section.
 - a. Welfare assistance is defined as welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, State or local governments.
 - b. The disregard of welfare assistance income only affects the determination of minimum annual income used to determine if a family initially qualifies for commencement of homeownership assistance, but does not affect:
 - i. The determination of income-eligibility for admission to the voucher program;
 - ii. Calculation of the amount of the family's total tenant payment (gross family contribution);
 - iii. Calculation of the amount of homeownership assistance payments on behalf of the family.
 - c. In the case of an elderly or disabled family, the MHA shall count welfare assistance in determining annual income.

D) Employment Requirements:

1. The family must demonstrate that one or more adult family members who will own the home at commencement of homeownership assistance:
 - a. Is currently employed on a full-time basis, defined as not less than an average of 30 hours per week; AND
 - b. Has been continuously employed for one year prior to commencement of homeownership assistance for the family.

2. MHA's Executive Director may consider whether and to what extent an employment interruption is considered permissible in satisfying the employment requirement. The Executive Director may also consider successive employment during the one-year period and self-employment as a business.
 3. The employment requirement does not apply to an elderly or disabled family. In addition, if a family other than an elderly or disabled family includes a person with disabilities, the MHA shall grant an exemption from the employment requirement if the MHA determines that the exemption is needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.
- E) The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option as described in Denial or Termination of Assistance.
- F) Except for cooperative members who acquired cooperative membership shares prior to commencement of homeownership assistance, no family member may have a present ownership interest in a residence at the commencement of homeownership assistance.
- G) Except for cooperative members who acquired cooperative membership shares prior to commencement of homeownership assistance, the family has entered a contract of sale.

Eligibility Criteria for Home

MHA must determine that the unit satisfies **ALL** of the following requirements:

- A) In order to be eligible for assistance, the unit cannot be:
1. A public housing unit (except a public housing unit slated for sale through the sale and replacement plan is eligible) or Indian housing unit;
 2. A unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f);
 3. In a nursing home, board and care home, or facility providing continual psychiatric, medical, or nursing services;
 4. College or other school dormitory;
 5. Unit on the grounds of penal, reformatory medical, mental, or similar public or private institution.
 6. A mobile or manufactured home unless the home and the lot will be in the ownership of the family and the home is on a permanent foundation.

- B) The unit must be within MHA's jurisdiction (Missoula City Limits plus 10 miles) or be ported to a jurisdiction that is administering a homeownership voucher program.
- C) The unit is either under construction or already existing at the time MHA determined that the family was eligible for homeownership assistance.
- D) The unit is either a one unit property or a single dwelling unit in a cooperative or condominium.
- E) MHA must inspect the unit and determine that the unit passes HQS.
- F) The unit must be inspected by an independent inspector selected by and paid by the family. Cost of this inspection may not be included as part of the downpayment requirement described in the Section on General Description.
 - 1. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The inspector must be qualified to report on property conditions, including major building systems and components.
 - 2. MHA may not require the family to use an inspector selected by MHA. The independent inspector may not be an MHA employee or contractor, or other person under control of MHA.
 - 3. The independent inspector must be a certified member of the American Society of Home Inspectors (ASHI), and must inspect to ASHI standards.
 - 4. The inspector must provide a copy of the inspection report to both the family and MHA. Homeownership assistance may not begin until MHA has reviewed the report. Even if the unit otherwise complies with HQS, MHA shall have the discretion to disapprove the unit for assistance because of information in the inspection report.
- G) The seller has not been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

Application Procedure for Homeownership Option

To apply for a homeownership voucher, the family must complete a Homeownership Option Application. The application will be reviewed by a Program Specialist to determine initial eligibility. Information provided in the application must be verified according to the verification procedures outlined in Chapter 7 of this Administrative Plan. The applicant will be notified in writing when a determination of initial eligibility is made. If the family is determined to be eligible, an appointment will be scheduled with the Program Specialist to review the information provided in the application and determine final eligibility.

Upon determination of final eligibility, the Program Specialist will refer the family for a homebuyer readiness assessment (see **Home Purchase Education and Counseling Criteria**).

If the family disagrees with the determination of eligibility made by MHA, the family has the right to request, in writing, an informal hearing as described in Chapter 19 of this Administrative Plan.

Home Purchase Education and Counseling Criteria

Prior to purchase of a home, the family must complete a homebuyer readiness assessment and a comprehensive homeownership education program of not less than 8 hours of classroom training followed by a minimum of 1 hour of housing counseling from an MHA approved source. Approved homeowner readiness assessments are available from homeWORD and the Missoula Housing Corporation. Approved classroom training is currently available from homeWORD. Approved Housing Counseling currently may be obtained from homeWORD and the Missoula Housing Corporation.

Home Search Requirements

Applicants have 4 months from completion of the homebuyer education class to locate a home and obtain a signed buy-sell agreement. If the family has been unsuccessful after 4 months, the family may obtain a 3 month extension by participating in a minimum of one hour of one-on-one housing counseling which includes a written plan of action. Additional 3 month, then 2 month extensions may be obtained the same way, for a total of 1 year maximum search time.

During this housing search time, MHA will continue rental housing voucher support according to the regulations governing its rental vouchers. If the family is unable to purchase a home within these time limits, the MHA will continue the existing rental voucher support according to rental voucher requirements.

Information and Requirements for the Lending Process

First mortgage lenders and families financing homes using voucher payments are advised of the following procedures and limitations of the voucher program:

- A) Use of a voucher is restricted to families who meet all applicable program eligibility requirements. Review and approval for a family to use a voucher for mortgage payment purposes requires an application and review process through MHA that takes up to one month to process.
- B) Voucher payments will be paid to the bank or to the purchasing family, as agreed between the lending institution and the purchaser.
- C) Voucher payments are not guaranteed. Payment may be terminated because of insufficient funds from HUD to continue the program. Voucher payments may also be terminated for failure to meet MHA/HUD regulations (See: **Ongoing Procedures for Review of Voucher and Amount**).
- D) The amount of the payment may fluctuate. The voucher payment amount is directly related to family income and household composition. A change in income or household members will cause the amount of subsidy to increase or decrease. If income rises sufficiently to exceed program eligibility, voucher support will be terminated. (See: **Ongoing Procedures for Review of Voucher and Amount**).
- E) Except for families that are determined to be elderly or disabled, voucher payments have a maximum term after which the voucher is terminated regardless of family income. For mortgages of 20 years or more, the maximum is 15 years. For all other mortgages, the term is 10 years. (See: **Maximum Term of Assistance**)
- F) If the seller of the property is related to the buyer, defined as parent, child, grandparent, grandchild, sister, or brother of any member of the family, and the seller wishes to carry the contract for sale, the sales price may not be more than the value set by an independent appraisal.
- G) Families must contribute a minimum of 1% of the purchase price of the home from their own resources as part of the closing costs and downpayment. See Section on General Description.
- H) Families may use special financing programs from non-profit sources.
- I) MHA will file a lien against the property as part of the closing. MHA is required to recapture a portion of the subsidy given to the family for homeownership from any cash proceeds resulting from a refinancing or sale of the home within the first 10 years of ownership. (See: **Recapture of Assistance** below). This will take the form of a junior lien. This lien can be subordinated in the future to a refinancing loan

on the home. Fees for recording this lien should be included as part of the closing costs.

- J) MHA will file the necessary documentation to require loan servicers of these loans to inform MHA of any late payments and missed payments as soon as they occur. Lenders are also required to inform MHA of any changes in servicing institutions or purchase of loan by another institution.
- K) Families must obtain specific approval for the use of a voucher for a mortgage payment based on documents submitted (See: **Documents Required for Review and Approval of Home Purchase**). MHA will then issue a letter of intent, a copy of which will be sent to the lender to confirm that the proposed financing package has been approved.
- L) Families and lenders must submit copies of specific documents prior to MHA preparation of its lien document for closing. (See: **Documents Required Prior to Closing**).
- M) Families and lenders must submit copies of specific documents to initiate the payment of homeownership vouchers to the family. (See: **Documents Required After Closing**.)

Documents Required for Review and Approval of Home Purchase

Prior to final approval for use of a voucher for mortgage payments, families must submit copies of the following documents to MHA. Copies must be legible. This may be done by the family or by the first mortgage lender. Criteria used for review include: requirements for financing package; requirements for eligible families; and requirements for eligible properties. Assuming the proposed purchase meets these requirements, MHA approval will be given. MHA may require up to 10 working days for the review process, at the end of which a letter will be sent to the lender and the family with MHA's approval or denial of the purchase.

1. Copy of signed buy-sell agreement
2. Copy of good faith estimate from first mortgage lender
3. Copy of HUD universal mortgage loan application from first mortgage lender
4. Copy of independent inspection report.
5. Copy of required home inspections and verification that any deficiencies found in the home have been noted and arrangements negotiated to correct the deficiencies.
6. Copy of first three pages of Appraisal.
7. Copy of Disclosure Statement.

Documents Required Prior to Closing

Prior to closing, families and lenders must submit to MHA legible copies of the following documents:

1. Settlement statement.
2. Copy of Title Report
3. Written verification that deficiencies in the home have been corrected in compliance with HUD regulations, signed by contractor or person who completed the work.
4. Signed HQS inspection from MHA verifying that the home meets HQS standards.

Documents Required to be Signed at Closing - Recapture of Funds

MHA will prepare a lien document to implement the recapture of subsidy assistance for the family to sign that will take second position against the home. (See: **Recapture of Homeownership Subsidy in Event of Sale or Refinancing**). MHA will deliver this lien document to the closing agent prior to closing. This document must be recorded with the County Clerk and Recorder, and fees for this purpose must be included in the Settlement Statement. MHA will also prepare the necessary documentation for the loan servicer with notice that MHA be informed immediately of any late or missed payments.

Document Required After Closing

A copy of the signed, filed MHA lien must be filed with MHA after closing. This will authorize the payment of voucher support directly to the family.

Recapture of Homeownership Subsidy in Event of Sale or Refinancing

MHA is required by federal regulation to recapture a portion of the assistance given to a family from the proceeds of a sale or refinancing within the first 10 years of ownership. The amount to be recaptured is limited to whichever is less: the amount of cash going to the family as a result of the sale or refinancing; or a percentage of the subsidy received, which is 100% after the first year, and decreases 10% each year thereafter, to reach 0% at the end of the tenth year.

Maximum Term of Assistance

Federal regulation provides that the use of vouchers for homeownership support has a time limit for families in which the owner(s) are not determined to be elderly or disabled. For mortgage of 20 years or more, this limit is 15 years. For all other mortgages, the limit is 10 years. These time limits also apply to families that sell their homes and transfer the support to a second home purchase. A

family may receive a total of 10 or 15 years of support including all of the homes the family purchases using voucher support.

Requirements for Continued Mortgage Assistance

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, MHA may not continue assistance after the month the family moves out. The family is not required to refund to MHA the homeownership assistance for the month when the family moves out.

A) Family Obligations:

1. The family must comply with the terms of any mortgage securing debt incurred to purchase the home (or any refinancing of the debt.)
 - a. The family must notify the MHA within 10 days of missing a mortgage payment.
 - b. **The family must attend foreclosure counseling within 30 days of missing a mortgage payment or homeownership assistance may terminate.**
2. The family must reside in the unit, and must be the family's only residence. The family must provide any information or certification requested by MHA to verify that the family is living in the unit, and must notify MHA promptly, in writing, of any absence from the unit longer than 30 days. The family must cooperate with MHA for the purpose of verifying that the family resides in the unit.
3. The family must supply required information necessary in the administration of the program to the MHA, including social security numbers, release of information forms, evidence of citizenship or eligible immigration status. The family must comply with requirements for annual or interim reexamination of family income or family composition as described in Chapter 12 of this Administrative Plan, and provide any information required for verification.
4. In addition, the family must supply any information required by MHA concerning:
 - a. Any mortgage or other debt incurred to purchase the home, and any refinancing of debt (including information needed to determine whether the family has defaulted on the debt, and the nature of the default), and information on any satisfaction or payment of the mortgage debt;
 - b. Any sale or other transfer of any interest in the home; or

- c. The family's homeownership expenses.
5. All information supplied by the family must be true and complete.
6. The composition of the assisted family residing in the unit must be approved by the MHA. The family must promptly inform the MHA of the birth, adoption or court-awarded custody of a child. The family must request MHA approval to add any other family member as an occupant of the unit. No other person may reside in the unit (except for a foster child or live-in aide.) The family must promptly notify the MHA if any family member no longer resides in the unit within 10 days of the change.
7. If the MHA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or MHA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
8. Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.
9. The family must not sublease or let the unit.
10. The family must not assign or transfer the unit.
11. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
12. The members of the family may not engage in drug-related criminal activity or violent criminal activity. (See MHA one strike policy).
13. An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.
14. The family must notify MHA before moving out of the home.
15. The family must notify MHA if the family is late or misses a payment on a mortgage securing any debt incurred to purchase the home.
16. During the time the family receives homeownership assistance, no family member may have any ownership interest in any other residential property.

17. The homeownership option does not require annual HQS inspections, however MHA will offer to inspect the home on a periodic basis (no more than once per year), with appropriate notice, with the intent of referring the family to programs that may be able to assist them with the cost of repairs and maintenance of the home.
18. Before commencement of homeownership assistance, the family must execute a statement of family obligations agreeing to comply with all family obligations under this option.

Ongoing Procedures for Review of Voucher and Amount

- A) After the homeownership housing assistance payments begin, MHA will perform annual and interim reexaminations according to the policies set forth in Chapter 12 of this Administrative Plan, and make appropriate adjustments to the amount of the monthly assistance payment.
- B) When determining income at reexaminations, the definition of Anet family assets@ excludes the value of a home currently being purchased with Section 8 homeownership assistance for the first 10 years after the purchase date.
- C) There is no requirement for MHA to conduct an annual HQS inspection, however MHA may ask that a family permit an HQS inspection, with appropriate notice, not more than once a year with the intent of referring the family to programs that may be able to assist them with the cost of repairs and maintenance of the home.
- D) The amount of the monthly homeownership assistance payment (HAP) on behalf of the family shall be the **lower of**:
 1. The payment standard minus the total tenant payment; or
 2. The family's monthly homeownership expenses minus the total tenant payment.
- E) The payment standard shall be the **lower of**:
 1. The payment standard for the family unit size; or
 2. The payment standard for the size of the home
- F) The payment standard shall be the **greater of**:
 1. The payment standard, as determined in the above paragraph, at the commencement of homeownership assistance; or
 2. The payment standard, as determined in the above paragraph, at the most recent regular reexamination of family income and composition since commencement of homeownership assistance.

- G) MHA will use the same payment standard schedule, payment standard amounts, and subsidy standards for the homeownership option as for the rental voucher program.
- H) MHA will use the same utility allowance schedule for the homeownership option as for the rental voucher program.
- I) Homeownership expenses will include:
 - 1. Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
 - 2. Real estate property taxes and public assessments on the home;
 - 3. Home insurance;
 - 4. MHA utility allowance;
 - 5. MHA allowance for maintenance, major repairs and replacements equal to 3% of the amount of the monthly mortgage payment; and
 - 6. Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to make the home accessible for that person, if MHA determines that allowance of such costs is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
- J) Homeownership assistance payments will be made directly to the family.
- K) Homeownership assistance terminates automatically 180 calendar days after the last housing assistance payment on behalf of the family. MHA has the discretion to grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

Portability and Moves with Continued Assistance

A family determined eligible for homeownership assistance by MHA may purchase a unit outside its jurisdiction if the receiving PHA is administering a voucher homeownership program and is accepting new homeownership families. All other portability procedures as described in Chapter 13 of this Administrative Plan apply to the homeownership option, except those referring to lease or tenancy.

The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit are acceptable. The receiving PHA must notify MHA promptly if the family has purchased an eligible unit, or if the family is

unable to purchase a home within the maximum time established by the receiving PHA.

A family receiving homeownership assistance may move to a new unit with either voucher rental assistance or voucher homeownership assistance. MHA may not commence continued tenant-based assistance for occupancy of the new unit so long as any family member owns any title or other interest in the prior home.

MHA prohibits more than one move by the family in a one year period for those assisted under the homeownership option.

MHA must determine that all initial requirements listed in the **General Description** section have been satisfied if the family wants to move to a new unit with continued homeownership assistance, except that the requirements for first-time homeowner and pre-assistance counseling are not applicable. However, MHA may require that the family complete additional counseling before or after the family's move to a new unit.

MHA may deny permission to move to a new unit if it determines that it does not have sufficient funding to provide continued assistance, or the family is terminated or denied as described below.

Denial or Termination of Assistance

At any time, MHA may deny or terminate homeownership assistance in accordance with policies set forth in Chapter 15 of this Administrative Plan.

MHA may deny or terminate assistance for violation of family obligations as set forth in **Requirements for Continued Mortgage Assistance**.

MHA must terminate assistance for any family member receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA-insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt. MHA, at its discretion, may permit the family to move to a new unit with continued voucher rental assistance. However, such permission will be denied if:

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

Section 8 Housing Choice Voucher Homeownership Program

Statement of Homeowner Obligations

The following paragraphs describe your responsibilities under the Section 8 Housing Choice Voucher Homeownership Program. If you or members of your household do not meet these responsibilities, through your actions or your failure to act, you may be terminated from the Section 8 Homeownership Program.

The family must:

- # have been receiving Section 8 or public housing rental assistance through MHA for a minimum of one year
- # be a program participant in good standing; i.e., the family has not violated any lease or program requirements
- # meet HUD first-time homebuyer criteria
- # meet all eligibility criteria as specified in MHA's administrative policy
- # enter into this Statement of Homeowner Obligations Agreement as prescribed by HUD, and comply with provisions within this agreement
- # comply with all lender requirements
- # attend homeownership counseling as required prior-to-purchase and post-purchase, which is offered by qualified counseling providers
- # secure the family's first mortgage financing through an approved lender
- # be able to make the monthly mortgage payment
- # sign a release allowing MHA and the lenders to exchange information on the borrower
- # provide a cash downpayment of at least 1% of the purchase price from their own resources
- # enter into a signed buy-sell agreement within 120 days unless an extension is granted by MHA
- # when requesting an extension of the expiration date for home search, report on progress in locating a unit as required by MHA and housing counselor
- # enter into a sales contract with the seller
- # secure an independent, professional home inspector to inspect the home and provide a copy of the report to MHA

- # acknowledge that termination of assistance for failure to comply will follow the termination process as stated in HUD Section 8 rental assistance regulations and MHA's Section 8 Housing Choice Voucher Administrative Plan
- # acknowledge that the family becomes obligated for the whole mortgage payment in event of termination of assistance
- # comply with all Section 8 Housing Choice Voucher family obligations, including
 - < The family must reside in the unit, and it must be the family's only residence. The family must provide any information or certification requested by MHA to verify that the family is living in the unit, and must notify MHA promptly, in writing, of any absence from the unit longer than 30 days. The family must cooperate with MHA for the purpose of verifying that the family resides in the unit.
 - < The family must supply required information necessary in the administration of the program to the MHA, including social security numbers, release of information forms, evidence of citizenship or eligible immigration status. The family must comply with requirements for annual or interim reexamination of family income or family composition as described in Chapter 12 of this Administrative Plan, and provide any information required for verification.
 - < In addition, the family must supply any information required by MHA concerning:
 - a. Any mortgage or other debt incurred to purchase the home, and any refinancing of debt (including information needed to determine whether the family has defaulted on the debt, and the nature of the default), and information on any satisfaction or payment of the mortgage debt;
 - b. Any sale or other transfer of any interest in the home; or
 - c. The family's homeownership expenses.
 - < All information supplied by the family must be true and complete.
 - < The composition of the assisted family residing in the unit must be approved by the MHA. The family must promptly inform the MHA of the birth, adoption or court-awarded custody of a child. The family must request MHA approval to add any other family member as an occupant of the unit. No other person may reside in the unit (except for a foster child or live-in aide.) The family must promptly notify the MHA if any family member no longer resides in the unit within 10 days of the change.
 - < If the MHA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or MHA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
 - < Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.
 - < The family must not sublease or let the unit.
 - < The family must not assign or transfer the unit.
 - < The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.

- < The members of the family may not engage in drug-related criminal activity or violent criminal activity. (See MHA one strike policy).
- < An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.
- < The family must comply with the terms of any mortgage securing debt incurred to purchase the home (or any refinancing of the debt.)
 - a. The family must notify the MHA within 10 days of missing a mortgage payment.
 - b. **The family must attend foreclosure counseling within 30 days of missing a mortgage payment or homeownership assistance may terminate.**
- # The family must include contract conditions in any Offer to Purchase that give MHA a reasonable time to inspect the home for compliance with HUD's Housing Quality Standards, to review a professional home inspection report obtained by the family, and to review and approve documents required before closing.
- # In the event of a default on the mortgage obligation, family must cooperate with MHA and the lender to minimize any loss to the lender in order to maintain eligibility to continue as a participant in the Section 8 Housing Choice Voucher Program.
- # Family must sign and have recorded a lien, in a form required by HUD, securing MHA's right to recapture a percentage of home ownership assistance provided to the family upon sale or refinancing of the home within a 10-year period after the purchase date. The amount of recapture shall be calculated in accordance with HUD regulations and shall be subject to automatic reduction in 10% increments annually beginning one year from the purchase date.
- # During the time the family receives homeownership assistance, no family member may have any ownership interest in any other residential property.
- # The homeownership option does not require annual HQS inspections, however MHA will offer to inspect the home on a periodic basis (no more than once per year), with appropriate notice, with the intent of referring the family to programs that may be able to assist them with the cost of repairs and maintenance of the home.

By signing below, I attest that I have read and understood my obligations as a participant in the Section 8 Housing Choice Voucher Homeownership Program and I agree to abide by these responsibilities. I understand that MHA may terminate my homeownership assistance if I violate any of these obligations, but that I may request an informal review of any proposed notice of termination prior to it becoming effective.

Head of Household Signature	Date
(Please print name here)	

If the family has reason to believe that, in its search for suitable housing it has been discriminated against on the basis of age, race, color, religion, sex, disability, national origin, or familial status, the family may file a housing discrimination complaint with any HUD Field Office in person, by mail, or by telephone. MHA will give the family information on how to fill out and file a complaint.

MHA complies with all Fair Housing regulations and provides reasonable accommodations to persons with disabilities.

Section 8 Housing Choice Voucher Homeownership Program

Program Guidelines

First mortgage lenders and families financing homes using voucher payments are advised of the following procedures and limitations of the voucher program:

- # Use of a voucher is restricted to families who meet all applicable program eligibility requirements. Review and approval for a family to use a voucher for mortgage payment purposes requires an application and review process through MHA that takes up to one month to process.
- # Voucher payments will be made directly to the family.
- # Voucher payments are not guaranteed. Section 8 funding is subject to annual appropriations. Payment may be terminated because of insufficient funds from HUD to continue the program. Voucher payments may also be terminated if the family fails to meet MHA/HUD regulations.
- # The amount of the payment may fluctuate. The voucher payment amount is directly related to family income and household composition. A change in income or household members will cause the amount of subsidy to increase or decrease. Voucher support will be terminated 180 days after income rises sufficiently to exceed program eligibility.
- # Except for families that are determined to be elderly or disabled, homeownership voucher payments have a maximum term after which the voucher is terminated regardless of family income. For mortgages of 20 years or more, the maximum is 15 years. For all other mortgages, the term is 10 years.
- # If the seller of the property is related to the buyer, defined as parent, child, grandparent, grandchild, sister, or brother of any member of the family, and the seller wishes to carry the contract for sale, the sales price may not be more than the value set by an independent appraisal.
- # Families must contribute a minimum of 1% of the purchase price of the home from their own resources as part of the closing costs and/or downpayment.
- # Families may use special financing programs from non-profit sources.
- # MHA will file a lien against the property as part of the closing. MHA is required to recapture a portion of the subsidy given to the family for homeownership from any cash proceeds resulting from a refinancing or sale of the home within the first 10 years of ownership. This will take the form of a junior lien. Fees for recording this lien should be included as part of the closing costs. The lien can be subordinated in the future to a refinancing loan on the home. MHA must be notified of refinancing.
- # MHA will file the necessary documentation to require loan servicers of these loans to inform MHA of any late payments and missed payments as soon as they occur. Lenders are also required to inform MHA of any changes in servicing institutions or purchase of loan by

another institution.

- # When the family has found a home to purchase, they must obtain specific approval from MHA for the use of the voucher for mortgage payments, based on documents submitted. MHA will then issue a Letter of Intent, a copy of which will be sent to the lender to confirm that the proposed financing package meets MHA and HUD requirements. Required documents include:
 - < Copy of signed buy-sell agreement
 - < Copy of good faith estimate from first mortgage lender
 - < Copy of HUD universal mortgage loan application from first mortgage lender
 - < Copy of independent inspection report
 - < Copy of required home inspections and verification that any deficiencies found in the home have been noted and arrangements negotiated to correct the deficiencies
 - < Copy of first three pages of Appraisal
 - < Copy of Disclosure Statement

- # MHA does not have any liability to any party by the issuance of this Letter of Intent.

- # The Letter of Intent is not a guarantee that the family will be able to purchase a home under this program. The family becomes a participant in the program when the purchase of a home is closed under the program's rules, regulations and policies, and mortgage payments begin.

- # Families and lenders must submit copies of specific documents prior to MHA preparation of its lien document for closing. Required documents include:
 - < Settlement statement
 - < Copy of the Title Report
 - < Written verification that deficiencies in the home have been corrected in compliance with HUD regulations, signed by contractor or person who completed the work
 - < Signed HQS inspection from MHA verifying that the home meets HQS standards

- # Families and lenders must submit a copy of the filed MHA lien to initiate the payment of homeownership vouchers to the family.

- # MHA is under no obligation to the family, to any lender, or to any other person, to approve any purchase unless it meets all requirements as outlined in HUD regulations and MHA's administrative plan governing this program.

- # Section 8 homeownership participants must comply with all homeowner obligations, HUD regulations, and MHA policies.

- # Section 8 homeownership participants and lenders must sign a release allowing MHA and the lenders to exchange information regarding the loan.

- # If the family has reason to believe that, in its search for suitable housing it has been discriminated against on the basis of age, race, color, religion, sex, disability, national origin, or familial status, the family may file a housing discrimination complaint with any HUD Field Office in person, by mail, or by telephone. MHA will give the family information on how to fill out and file a complaint.

- # MHA complies with all Fair Housing regulations and provides reasonable accommodations to persons with disabilities.

Project-Based Voucher Addendum

During FY2003, MHA plans to implement a process for using project-based vouchers to further the MHA goal of maintaining, developing or assisting in the development of housing for low income persons in the Missoula area. MHA plans to make available for project-basing up to 20% of its baseline allocation of units over the next five years. In order to further the goals of deconcentration of poverty, and increasing available housing for elderly or persons with disabilities, project-based vouchers will be offered throughout the Missoula community. Specific locations will be determined by the location of existing projects or land available for purchase for new construction.

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

Following is a draft amendment to the Section 8 Administration Plan to implement the Project-Based Voucher Program.

I. INTRODUCTION

On October 27, 2000, the President signed into law the Fiscal Year 2001 Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act (Pub. Law 106-377, 114 Stat. 1441) ("Appropriations Act"). Section 232 of the Appropriations Act substantially revises the provisions of the U.S. Housing Act of 1937 that govern the authority of a PHA to designate a portion of its available tenant-based voucher funds for project-based assistance (see 42 U.S.C. 1473f(o)(13) (as amended by "Section 232" of the Appropriations Act). The Conference Report on the Appropriations Act stated that the statutory changes to the project-based voucher program are intended to make project-basing of voucher assistance more flexible.

This Addendum to the Missoula Housing Authority's (MHA's) Section 8 Administrative Plan is a statement of its intent to operate a Project-Based Assistance Program (hereinafter referred to as PBV) and to provide information on how it intends to operate the PBV under the requirements of the new law. This Addendum also provides information to eligible families, owners, and other interested members of the public.

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

II. PROVISIONS OF THE MHA'S PBV PROGRAM

The following provisions of the MHA's PBV Program are effective on _____, 2002 as adopted by the Board of Commissioners.

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

A. Authorization To Provide Project-Based Vouchers For Existing Housing

Consistent with Section 232 and HUD Guidance, the MHA from time-to-time may enter into HAP contracts that attach project-based voucher assistance to existing housing units that fully meet the housing choice voucher program HQS (see 24 CFR 982.401) but that would not have qualified for project-basing as newly constructed or rehabilitated units.

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

B. Unit Selection Policy, Advertising, And Owner Application Requirements For Existing Housing With Assistance Attached To 25 Percent Or Fewer Of The Units In A Building

For existing housing developments in the project-based voucher program, which have assistance attached to no more than 25 percent of the development’s units, the MHA shall advertise the availability of the project-based assistance. Such advertisements must meet standards comparable to those in 24 CFR 983.51(b); otherwise, section 983.51 does not apply to these projects.

Specifically, the MHA will advertise in a newspaper of general circulation that the MHA will accept applications for assistance for existing housing projects. The advertisement will be published once a week for three consecutive weeks; specify an application deadline of at least 30 days after the date the advertisement is last published; specify the number of units the MHA estimates that it will be able to assist under the funding the MHA is making available for this purpose; and state that only applications submitted in response to the advertisement will be considered. The MHA advertisement will also state the MHA’s selection policies. In all cases, the MHA will maintain documentation of responses to advertisements or competitive proposals received in response to the MHA notice.

C. For Existing Housing Developments With More Than 25 Percent Project-Based Units (I.E., At This Time, For The Elderly And Special Populations Only, Since The Supportive Services Exception To The 25% Cap Is Not Implemented As Of Yet), And For Newly Constructed Or Rehabilitated Units

The MHA will establish policies for public advertisement and competitive selection of units to be assisted with project-based voucher assistance. 24 CFR 983.51 is applicable. Specifically, in accordance with 24 CFR 983.51, the MHA will advertise in a newspaper of general circulation that it will accept applications for assistance under part 983 for specific projects. The advertisement must be approved by the HUD field office and may not be published until after the later of HUD authorization to implement a project-based program or ACC execution. The advertisement must: be published once a week for three consecutive weeks; specify an application deadline of at least 30 days after the date the advertisement is last published; specify the number of units the MHA estimates it will be able to assist under the funding it is

making available for this purpose; and state that only applications submitted in response to the advertisement will be considered.

D. 20 Percent Limit

The total cumulative number of project-based units will not exceed 20 percent of the baseline number of units in the MHA's voucher program.

E. Consistency With MHA Plan

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

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

F. Consistency With The Goals Of Deconcentrating Poverty And Expanding Housing And Economic Opportunities

The MHA's PBV Program will be consistent with the goals of deconcentrating poverty and expanding housing opportunities. Until HUD issues further instructions, the MHA will implement the deconcentration of poverty requirements in Section 232 by requiring that all new project-based assistance agreements or HAP contracts be for units in census tracts with poverty rates of less than 20 percent, unless HUD specifically approves an exception.

G. Partially Assisted Building Requirement

The MHA will not enter into an agreement or HAP contract or other binding commitment to provide project-based voucher assistance for more than 25 percent of the units in any one building, except for single-family dwellings and projects for elderly families and disabled families. In accordance with existing program usage, single family dwellings refer to 1-4 family dwellings. For the purpose of the single family dwelling requirement, a dwelling may be part of an overall development as long as the dwelling consists of 4 units or fewer.

H. Family Choice to Move With Continued Assistance

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

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

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

I. HAP Contract Term

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

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

J. Rent Limits

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

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

Within the limitations mentioned above, the initial rent to the owner may differ from payment standard amounts in the payment standard schedule adopted for the MHA's tenant-based voucher program. However, just as in the regular tenant-based program and the project-based program under prior law, the initial and adjusted rent to owner must be reasonable in relation to rents charged in the private market for comparable unassisted units (see 42 U.S.C. 1437(f)(o)(10)(A)).

K. Rent Adjustments During The Term Of The HAP Contract

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

The annual rent adjustment provisions at 983.254 and the special rent adjustment provisions at 983.255 shall only be applicable if the AHAP with the owner was executed before the effective date of this notice. These annual and special adjustment regulatory provisions do not apply to project-based assistance for existing housing pursuant to this notice, and do not apply if the Agreement for newly constructed or rehabilitated housing was executed on or after the effective date of this notice.

L. Family Share Of Rent And Housing Assistance Payment

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

M. Tenant Selection

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

Income Targeting: The requirements of 42 U.S.C. 1437n(b) and 24 CFR 982.201(b)(2) govern the selection of eligible families for this program, and generally provide that not less than 75 percent of families admitted annually to the MHA's combined tenant-based and project-based voucher program shall be families whose incomes do not exceed 30 percent of the area median, as determined by HUD.

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

If the MHA chooses to establish a separate waiting list for project-based assistance, the MHA will give all applicants currently on its waiting list for tenant-based assistance the opportunity to also have their names placed on the waiting list for project-based assistance in accordance with the MHA's established selection policies.

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

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

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

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

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

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

N. Future Modifications To This Addendum

The MHA's PBV Addendum remains in effect until the new project-based voucher changes in law have been fully implemented through a new regulation.

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

APPENDIX 1

HUD GUIDANCE: CHANGES TO PBV AUTHORIZED BY SECTION 232

The important changes made by section 232 of the Appropriations Act to the project-based program include:

A. Existing Housing

Prior law granted a MHA authority to project-base a portion of its available tenant-based funding only for (1) newly constructed units; or (2) rehabilitated units. Section 232 provides that a MHA may also use tenant-based funding to attach assistance to existing units.

B. Percent Limit

Under prior law, the number of units that a MHA could project-base was capped at the number supported by 15 percent of the total funding available to the MHA under its consolidated Annual Contributions Contract (ACC) for tenant-based assistance. The new law raises this cap to 20 percent of the funding available, and consequently to 20 percent of the baseline number of units in the MHA's voucher program. A MHA may now utilize funding for project-basing up to this new percent limit.

C. MHA Plan and Deconcentration Goals

The new law integrates the project-based voucher option with the MHA Plan requirements. A MHA may enter into housing assistance payment (HAP) contracts to provide project-based voucher assistance only if the HAP contract is consistent with the MHA Plan (see 42 U.S.C. 1437c-1, implemented at 24 CFR part 903). Consistency with the MHA Plan means that there are circumstances indicating that project-basing of the units, rather than tenant-basing of the same amount of assistance, is an appropriate option. In addition, project-basing must be consistent with the statutory goals of "deconcentrating poverty and expanding housing and economic opportunities."

D. Partially Assisted Buildings

The new law places a new cap of 25 percent on the number of dwelling units in any one building that may have project-based voucher assistance. However, the following types of housing are exempt from this cap:

1. Project-based dwelling units in single family properties; and
2. Dwelling units specifically for elderly families, disabled families (as defined in 5 CFR 5.403(b)), or families receiving supportive services.

E. Family Choice To Move With Continued Assistance

The family choice requirement has two components, a “mobility” component and a “continued assistance” component.

1. Mobility: The HAP contract must provide that a family may move out of a project-based unit after 12 months.
2. Continued assistance: If a family moves out of its project-based unit at any time after the first year of assisted occupancy, the MHA must offer the family available tenant-based rental assistance, either under the voucher program or under another comparable form of tenant-based assistance as will be defined in HUD regulations. Such alternative tenant-based assistance must be comparable to assistance under the voucher program in terms of income, assistance, rent contribution, affordability and other requirements.

F. Contract Term

HUD’s present regulations only permit a MHA to provide project-based assistance within funding currently available under the ACC. Since voucher funding has recently been provided in one-year increments, MHAs have been permitted to enter into HAP contracts for the same period. Section 232 provides that the HAP contract between the MHA and the owner may be for a term of up to 10 years, although payments under that contract are subject to the future availability of appropriations and future availability of funding under the ACC.

G. Extension of Contract Term

Section 232 revised the former statutory provision on extension of the HAP contract term (former 42 U.S.C. 1437f(o)(13)(B)). The new law provides that the MHA may contract with the owner of a project-based unit to extend the term of the HAP contract for such period as the MHA determines appropriate to achieve long-term affordability of the housing or to expand housing opportunities. All HAP contract extensions, however, must be contingent upon the future availability of appropriated funds.

H. Maximum Initial Gross Rent, Rent To Owner and Rent Adjustments

The new law provides that the HAP contract shall establish gross rents that do not exceed 110 percent of the established Fair Market Rent (“FMR”), or any HUD-approved “exception payment standard” (i.e., a payment standard amount (for the MHA’s tenant-based voucher program) that exceeds 110 percent of the published FMR) for the area where the project is located. In addition, if a unit has been allocated a low-income housing tax credit under the Internal Revenue Code of 1986 at 26 U.S.C. 42, but is not located in a “qualified census tract” under that law, the rent to owner may be established at any level that does not exceed the rent charged for comparable units in the same building that receive the tax credit but do not have additional rental assistance.

The new law provides that a HAP contract between the MHA and an owner must provide for adjustments of rent to owner during the contract term, and the adjusted rents must be reasonable in comparison with rents charged for comparable units in the private, unassisted local market.

The statutory maximum rent limits apply both to the establishment of the initial rent to owner (as defined in 24 CFR 982.4) at [[Page 3607]] the beginning of the HAP contract term, and to adjustments of rent to owner during the HAP contract term.

Within the limitations mentioned above, the initial gross rent to owner may differ from payment standard amounts for the MHA's tenant-based voucher program. However, just as in the regular tenant-based program, and in the project-based program under prior law, the initial and adjusted rent to owner must be reasonable in relation to rents charged in the private market for comparable unassisted units (see 42 U.S.C. 1437(f)(o)(10)(A), 24 CFR 982.507, and the "reasonable rent" element of SEMAP, 24 CFR 985.3(b)).

I. Tenant Selection

Section 232 revises and substantially codifies the tenant selection process for project-based voucher units. The new law states that MHA may place applicants referred by owners on the MHA's waiting list in accordance with the MHA's local waiting list policies and selection preferences.

As under the current program regulations, MHA may not penalize applicants who reject an offer of a project-based unit or who are rejected by the owner of the housing. The MHA must maintain such applicant in the same position on the tenant-based assistance list as if an offer had not been made. In accordance with existing admission requirements, MHA may establish selection preferences for project-based units that are consistent with the selection preferences in the MHA Plan.

As under the current program regulations, the MHA may elect to establish a separate waiting list for project-based voucher assistance, or to use a single common list for admission to the MHA's tenant-based and project-based assistance programs. If the MHA chooses to maintain a separate waiting list for project-based units, all MHA tenant-based assistance waiting list families who want project-based units must be permitted to place their names on the separate list.

The new law provides that admission to the project-based voucher program is subject to the same statutory income targeting requirement as the tenant-based program (42 U.S.C. 1437n(b)), instead of the individual project income targeting requirement that applies to other Section 8 project-based assistance (42 U.S.C. 1437n©(3)). The income targeting requirement provides, in general, that in any MHA fiscal year, at least 75% of the families admitted to a MHA's voucher program (which would include project-based voucher assistance) must be families whose annual income does not exceed 30 percent of median income for the area, as determined by HUD (see HUD definition of "extremely low income families" at 24 CFR 5.603).

J. Unit Inspection and Housing Quality Standards

Units assisted with tenant-based or project-based voucher assistance must meet or exceed housing quality standards (HQS) established by HUD (42 U.S.C. 1437f(o)(8)). Section 232 states that the same HUD-prescribed HQS standards apply to project-based voucher assistance as apply to tenant-based voucher assistance (42 U.S.C. 1437f(o)(13)(F)).

Before and during the term of assistance, units are inspected for compliance with the HQS. In general, the same statutory MHA inspection requirements apply to project-based voucher assistance as to the tenant-based voucher program (42 U.S.C. 1437f(o)(8) and 1437f(o)(13)(F)). As in the tenant-based voucher program, a MHA must inspect 100 percent of project-based voucher units before entering into the HAP contract, and may only enter into a HAP contract for units that fully comply with the HQS. There is, however, a change in the annual

HQS inspection requirements for the project-based voucher program. In the tenant-based program—where each unit is assisted under a separate HAP contract for each individual assisted family—the MHA must inspect each assisted unit annually. The new law provides that in the project-based voucher program, MHA is not required to inspect each assisted unit in a project annually, thus allowing annual inspection of a representative sample of the project-based voucher units in a project.

K. Vacant Units

The new law permits MHA, at its discretion, to continue providing assistance for a unit that becomes vacant (after commencement of assisted occupancy by a family) for up to a maximum of 60 days. Such payments may only be made if the vacancy is not the fault of the owner, and the owner takes “every reasonable action” to minimize the likelihood and extent of vacancies.

APPENDIX 2

HUD GUIDANCE: NEW STATUTORY PROVISIONS EFFECTIVE IMMEDIATELY

This section provides guidance regarding implementation of provisions on project-basing in Section 232 of the Appropriations Act, which are immediately effective. Except where this section specifies otherwise, the present project-based regulations at 24 CFR part 983 continue to apply to newly constructed and substantially rehabilitated housing and now also apply to existing housing. Upon determination of good cause and subject to statutory limitations, HUD may waive any provision of the applicable project-based regulations in accordance with 5 CFR 5.110. Nothing in this addendum affects the rights of owners and participants under existing contracts in HUD’s Section 8 project-based certificate program.

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

Authorization To Provide Project-Based Vouchers For Existing Housing: Consistent with the project-based statute before amendment by Section 232, present regulations at 24 CFR part 983 only authorize project-based voucher assistance for newly constructed or rehabilitated units. Section 232 now also authorizes project-based assistance for existing housing. In accordance with the new law, a MHA may now enter HAP contracts that attach project-based voucher assistance to existing housing units that fully meet the housing choice voucher program HQS (see 24 CFR 982.401) but that would not have qualified for project-basing as newly constructed or rehabilitated units.

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

A. Inapplicability of Certain Current Part 983 Regulations to New Commitments of Project Based Vouchers

1. 24 CFR 983.3 (c) and (d) of the present regulation, which are designed to assure that commitments of project-based assistance do not exceed amounts currently appropriated and available under the ACC, are inapplicable because the new law authorizes MHAs to enter into project-based HAP contracts for up to ten years, subject to the future

availability of appropriations. In addition, the maximum percentage limit for project-based assistance has been raised to twenty percent of the baseline number of units in the MHA's voucher program.

2. 24 CFR 983.4, HUD review of MHA plans to attach assistance to units, is inapplicable.
3. 24 CFR 983.9(a) implemented the prior statutory prohibition of project-based assistance for units to be [[Page 3608]] constructed or rehabilitated with U.S. Housing Act funds. This requirement is eliminated in the new law. Consequently section 983.9(a) is no longer applicable.
4. 24 CFR 983.151(b) and (c), on term and renewal of HAP contracts, have been modified as described in this notice. The maximum potential term is now 10 years, subject to the future availability of appropriations and future availability of funding under the MHA's ACC. The MHA will determine the initial HAP contract term. The new law allows MHAs to determine the appropriate period for an extension, whereas previously (within the constraints imposed by available funding under a current ACC), HUD decided whether and for what period to approve renewals of expiring HAP contracts.
5. 24 CFR 983.203(a)(6) is inapplicable, and 983.203(d)(3)'s declaration that a family that moves does not have any right to continued assistance is inapplicable.

B. Inapplicability Of Certain Current Regulations To Project-Based Assistance For Housing In Existing Structures

The provisions of the present regulation that restrict assistance to newly constructed or rehabilitated units (see 24 CFR 983.7(b)(1) and (2)) do not apply to project-based voucher assistance for housing in an existing structure in accordance with Section 232 and this notice. In addition, the following regulatory provisions of 24 CFR part 983 do not apply to project-based assistance for housing in an existing structure:

1. Site and neighborhood standards at Sec. 983.6;
2. Rehabilitation requirements at section 983.8;
3. Requirements for minimizing displacement because of rehabilitation in section 983.10(a); Subpart B—Owner Application Submission to Agreement, except 24 CFR 983.51, which is discussed further below; and
4. Subpart C—Agreement and New Construction or Rehabilitation Period, except the provisions of paragraphs 983.103(d) regarding notification of vacancies and 983.104© regarding inspection to meet HQS.

Unit Selection Policy, Advertising, And Owner Application Requirements For Existing Housing With Assistance Attached To 25 Percent Or Fewer Of The Units In A Building:

For existing housing developments in the project-based voucher program, which have assistance attached to no more than 25 percent of the development's units, the MHA must advertise the availability of the project-based assistance. Such advertisements must meet standards comparable to those in 24 CFR 983.51(b); otherwise, section 983.51 does not apply to these projects.

Specifically, the MHA must advertise in a newspaper of general circulation that the MHA will accept applications for assistance for existing housing projects. The advertisement must be published once a week for three consecutive weeks; specify an application deadline of at least 30 days after the date the advertisement is last published; specify the number of units the MHA estimates that it will be able to assist under the funding the MHA is making available for this purpose; and state that only applications submitted in response to the advertisement will be considered. The MHA advertisement must also state the MHA's selection policies. In all cases,

MHAs must maintain documentation of responses to advertisements or competitive proposals received in response to the MHA notice.

For Existing Housing Developments With More Than 25 Percent Project-Based Units (I.E., At This Time, For The Elderly And Special Populations Only, Since The Supportive Services Exception To The 25% Cap Is Not Implemented In This Notice), And For Newly Constructed Or Rehabilitated Units: The MHA must establish policies for public advertisement and competitive selection of units to be assisted with project-based voucher assistance. 24 CFR 983.51 is applicable.

C. 20 Percent Limit

Section 232 requires MHAs that participate in the project-based voucher program to comply with the statutory language that states that “[n]ot more than 20 percent of the funding available for tenant-based assistance under this section that is administered by the [public housing] agency may be attached to structures pursuant to this paragraph” [bracketed material added]. This language supersedes 24 CFR 983.3(b), and is effective immediately. Therefore, the total cumulative number of project-based units, including units previously placed under AHAP or HAP in the MHA’s project-based certificate program, may not exceed 20 percent of the baseline number of units in the MHA’s voucher program.

D. Consistency With MHA Plan

Until HUD issues further instructions, MHAs submitting MHA Plans that wish to use the project-based voucher program (as revised by Section 232) must include—as a required attachment to the MHA Plan template—a statement of the projected number of project-based units and general locations and how project basing would be consistent with their MHA Plans. If a MHA wishes to use the project-based voucher program before the anticipated approval date of the MHA’s next MHA Plan, the MHA may do so by adding the information as an amendment to the MHA Plan and following the regulations and notices for such MHA Plan amendments.

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

E. Consistency With The Goals Of Deconcentrating Poverty And Expanding Housing And Economic Opportunities

Section 232 requires, in addition to consistency with the MHA Plan, that a contract for project-basing under the voucher program be consistent with the goals of deconcentrating poverty and expanding housing opportunities. Until HUD issues further instructions, HUD will implement the deconcentration of poverty requirements in Section 232 by requiring that all new project-based assistance agreements or HAP contracts be for units in census tracts with poverty rates of less than 20 percent, unless HUD specifically approves an exception.

F. Partially Assisted Building Requirement

A MHA may not enter into an agreement or HAP contract or other binding commitment to provide project-based voucher assistance for more than 25 percent of the units in any one building, except for single-family dwellings and projects for elderly families and disabled families.

HUD is not implementing through this notice the exception for buildings for families receiving supportive services. HUD will address that exception through rulemaking, which will define

“supportive services.” In accordance with existing program usage, single family dwellings refer to 1-4 family dwellings.

If the MHA had entered into an agreement for project-based units prior to the effective date of this notice, section 232 provides that such buildings may have the assistance extended or renewed, notwithstanding this section on partially assisted buildings, 42 U.S.C. 1437f(o)(13)(D), as amended by the Appropriations Act. [[Page 3609]]

G. Family Choice to Move With Continued Assistance

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

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

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

H. HAP Contract Term

The new law provides that, for HAP contracts entered after the effective date of the law, a HAP contract between a MHA and an owner of housing under this program may have a duration of up to 10 years (as determined by the MHA), subject to the future availability of sufficient appropriated funds under the MHA’s consolidated ACC with HUD.

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

I. Rent Limits

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

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

Within the limitations mentioned above, the initial rent to the owner may differ from payment standard amounts in the payment standard schedule adopted for the MHA's tenant-based voucher program. However, just as in the regular tenant-based program and the project-based program under prior law, the initial and adjusted rent to owner must be reasonable in relation to rents charged in the private market for comparable unassisted units (see 42 U.S.C. 1437(f)(o)(10)(A)).

J. Rent Adjustments During The Term Of The HAP Contract

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

The annual rent adjustment provisions at 983.254 and the special rent adjustment provisions at 983.255 shall only be applicable if the AHAP with the owner was executed before the effective date of this notice. These annual and special adjustment regulatory provisions do not apply to project-based assistance for existing housing pursuant to this notice, and do not apply if the Agreement for newly constructed or rehabilitated housing was executed on or after the effective date of this notice.

K. Family Share Of Rent And Housing Assistance Payment

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

L. Tenant Selection

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

Income Targeting: The requirements of 42 U.S.C. 1437 n(b) and 24 CFR 982.201(b)(2) govern the selection of eligible families for this program, and generally provide that not less than 75 percent of families admitted annually to the MHA's combined tenant based and project-based voucher program shall be families whose incomes do not exceed 30 percent of the area median, as determined by HUD.

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

If a MHA chooses to establish a separate waiting list for project-based assistance, the MHA must give all applicants currently on its waiting list for tenant-based assistance the opportunity to also have their names placed on the waiting list for project-based assistance in accordance with the MHA's established selection policies.

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

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

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

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

Reduction of Contract Units after Vacancy: Except for units for which an AHAP was executed before the effective date of this notice, the new law supersedes 24 CFR 983.152(b) and (c). Instead, the following provisions apply:

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

NOTE: The policy guidance and implementation directives of this notice remain in effect until the new project-based voucher changes in law have been fully implemented through a new regulation.

RASS Follow-up Plan

The MHA's Resident Assessment Survey identified three (3) areas with scores low enough to require a Follow-up Plan. These three areas are:

1. Communication
2. Safety
3. Neighborhood Appearance

Our follow-up with residents and internal staff discussions have identified that issues #1 and #2 are intertwined and pertain to the degree of responsiveness as perceived by the residents to issues around activities on the developments. Many of these issues pertain to control of nuisance issues such as loitering, noise and minor vandalism.

Item # 3 appears to be tied to issues of curb appeal and making the development seem less like public housing and more in keeping with neighborhood standards.

The Authority sees its responses to items #1 and #2 as a set of coordinated actions.

These actions include:

Taking steps to move the Resident Advisory Board from an entity convened several months prior to the submission of the Housing Agency Plan to a City-wide resident organization that includes elected officers and organization by-laws and that meets on a bi-monthly basis with the Authority except during Housing Agency Plan development, for which a more frequent meeting schedule will be established.

Create a quarterly public safety meeting at which residents from any development may attend and raise issues of concern. The Community Policing Officer, a position for which the Authority intends to replace the attenuating PHDEP funding with funding out of a combination of operating, Capital Fund and non-HUD program monies in future years, would be in attendance as well as the MHA Property Management staff.

Create a quarterly newsletter to keep residents apprised of program changes and other helpful information about what the MHA is doing to improve service delivery and to comply with new program requirements as they come down from HUD.

The Authority will continue to look at a variety of physical improvements to address security through environmental design. Given the generally scattered site nature of its housing and overall size, some of the more sophisticated uses of available security technology are not cost effective, nor do actual crime statistics warrant this type of investment. However, improvements to exterior lighting and use of fencing and other design techniques to create more “defendable spaces” will be looked over in the next year.

In terms of item #3, the Authority has budgeted resources in its Capital Fund Program and its operating budget for landscaping upgrades and intends to improve or expand parking to the extent that existing sites permit. In addition, the Authority intends to assess each of the family developments’ ability to site ADA compliant play equipment. At the current time with the exception of MT 33-003, none of the play equipment located near our sites is MHA owned.

Statement of Accomplishments for FYE 2002

The Missoula Housing Authority (MHA) FY2002 Annual Plan covers the period October 1, 2001 through September 30, 2002.

The MHA Annual Plan reflects the fact that Missoula will continue to be a relatively expensive housing market in Montana, requiring an annual household income over \$24,000 for a family to be able to affordably rent a two-bedroom apartment.

Forty-five public housing units (most of which were larger three- and four-bedroom single family homes) were sold under a HUD-approved disposition plan. Sales were completed in September 2001. MHA is applying for approval this fall to replace three of these public housing units in Project MT033-02, an existing elderly/disabled building, and over the next year will be exploring the most efficient and effective ways to leverage the funds acquired through the disposition to increase the supply of housing units targeted toward families with 50% of median income or below.

In the coming year, the MHA will continue to effectively manage our remaining inventory of 165 public housing units, 713 Section 8 vouchers (including 40 Welfare-to-Work vouchers), and 87 Shelter Plus Care vouchers.

At the same time, we are actively developing new properties as affordable multi-family housing to be owned and managed by the MHA as non-public housing units. The new rental housing will be on multi-family sites scattered throughout the Missoula urban area.

In May of 2001, MHA broke ground on 52 new one- and two-bedroom apartments and a new administrative office facility, located at the Russell Square complex at 39th Street and Russell.

The Annual Plan references all of the changes required to date as a result of the Quality Housing and Work Responsibility Act of 1998 (QHWRA).

The following is a partial list of MHA's current activities and work in progress:

- Purchased 1.55 acres at Hellgate Meadows for future development of elderly housing units;
- Negotiated with Missoula Aging Services and Missoula Housing Corporation to sponsor an application for \$1.7 million grant to build 25 elderly apartment units. This is the first major construction effort entered into by either group;
- Completed the application to HUD for funding under Section 202 for those elderly units at Hellgate Meadows;

- Is in the process of selecting a consultant to review MHA's entire housing portfolio and the demand/supply of affordable housing in Missoula to create the first Asset Management Plan (Master Plan) for the agency to help guide its use of funds and development decisions over the next 10 years;
- Responded to the At Risk Housing Coalition's request to create the first, single room occupancy ("SRO") facility in Montana;
- Entered into a buy/sell agreement to purchase the Uptown Motel for the SRO;
- Submitted an application to HUD under the Continuum of Care program for over \$500,000 for the SRO;
- Submitted an application to the State of Montana for \$500,000 in funding under the HOME program;
- Increased participation under the Section 8 program from 703 at the end of March to over 740 vouchers to date;
- Procured and entered into a contract with local architect to add 3 units of elderly housing, improve the community space, and add storage at Vantage Villa;
- Entered into a contract with consultant to review all of MHA's properties to see if they could be adapted to increase the number of units available for physically, visually, and auditory-impaired individuals;
- Graduated 5 residents from the Family Self Sufficiency program with over \$33,000 in savings and added nearly 20% to the program's enrollment since the end of March;
- Completed the redesign of major renovations to the exterior of the Toole Street site;
- Entered into discussions with the Missoula Redevelopment Authority to purchase of the property on Broadway between Orange and Woody Streets (Salvation Army and NAPA Auto Parts buildings) and completed an preliminary architectural/planning review of future possible plans;
- Completed the application for the renewal of funds for the Shelter plus Care program under HUD's Continuum of Care program;
- Submitted an application for additional Section 8 vouchers under four HUD programs (Welfare to Work, Mainstream, Reallocations and Fair Share Allocation) which may result in an 20% increase in vouchers available to MHA;
- Entered into discussions to develop MHA's property on South Reserve Street into transitional housing;
- Completing the construction and the leasing-up of the 52 unit, Russell Square Apartments tax credit project;
- Negotiating an agreement with the Western Montana Mental Health Center to co-develop land on Wyoming Street into 20 to 24 affordable homeownership units;

- Has increased the professional abilities of staff members by having them complete training in Housing Quality Standards inspections and in the administration of Tax Credit Projects

Other work items completed during FY 2002 include:

PUBLIC HOUSING

- Complete transfers of Sale & Replacement households
- Implement new lease, with one-on-one lease-up interviews for all 165 PH households
- Lease up 52 units at Russell Square
- Re-calculate utility allowance
- Develop crime prevention plan

SPECIAL PROJECTS

- Complete One Year Agency Plan for FY2002
- Project management/owner's rep on Russell Square construction
- Prepare application for City CDBG funds (fall 2001)
- Manage 99 CIAP, 00, 01 Capital Fund programs
- Investigate feasibility of MHA activity in support of assisted living facility development

ADMISSIONS

- Create "How to" manual for standard procedures
- Improve Orientation Sessions by making them more visual, simpler

SOCIAL SERVICES

- Expand FSS program to 115 participants
- Expand social service coordination services to Parkside Village, Russell Square

SECTION 8/SHELTER+CARE

- Complete housing search advocacy work for S&R households
- Conduct landlord outreach, education and recruitment for S8, S+C participation, including lead based paint information
- Implement Section 8 Home ownership Program
- Add 61 Fair Share vouchers
- Add 35 S8 vouchers
- Add 20 S+C vouchers
- Continue implementation of staff HQS inspection services, including courtesy inspections and developing a database for tracking inspections

FISCAL/ADMINISTRATIVE

- Upgrade Tenmast software to Windows operating environment
- Set up tax credit accounting for Russell Square
- Set up accounting for Public Housing Replacement project

- Implement new & improved phone system at Russell Square offices
- Implement new & improved data/communication system at Russell Square offices

MAINTENANCE

- Develop Maintenance Plan for Russell Square
- Move MHA offices to Russell Square
- Complete S&R turnover work as needed