B. Criteria for Substantial Deviations and Significant Amendments

(1) Amendment and Deviation Definitions

24 CFR Part 903.7(r)

PHAs are required to define and adopt their own standards of substantial deviation from the 5-year Plan and Significant Amendment to the Annual Plan. The definition of significant amendment is important because it defines when the PHA will subject a change to the policies or activities described in the Annual Plan to full public hearing and HUD review before implementation.

a. Substantial Deviation from the 5-Year Plan: a discretionary change in the plan(s) or policy (ies) of the Housing Authority that fundamentally changes the mission(s), goals(s), objectives(s), or plans(s) of the agency, as expressed in the Five (5) Year Plan, and which requires formal approval by the Board of Commissioners.

b. Significant Amendment or Modification to the Annual Plan: a discretionary change in the plan(s) or policy(ies) of the Housing Authority that fundamentally changes the mission(s), goals(s), objective(s), or plans(s) of the agency, as expressed in the Five (5) Year Plan and/or Annual Plan, and which requires formal approval by the Board of Commissioners.

Any change in the five year plan, annual plan, annual plan capital fund work statement, and/or five year plan capital fund work necessitated in the judgment of the HAO as the result of budget decreases or increases over what the HAO planned its work items and dollar assignments, is not a "discretionary change" and therefore, will not be considered substantial or significant for purposes of plan amendment procedures. This includes the possibility that entire work items may be deleted, in whole or in part, and funds transferred to other line items. This includes the possibility that future work items costing less may be substituted for current work items.

Changes to policies are not amendments, modifications or deviations from the annual or five-year plan. Required public comment is received prior to implementation of such changes.

Any Notice, Guidance or other form of instruction, direction, clarification, information, etc., from DHUD or its offices, which is published or made effective on a date which makes inclusion of the provisions of the information in the annual plan planning and hearing process impracticable (such as, during the comment period or after the public hearing but before final board action), and which the HAO determines to implement, is neither a substantial deviation nor a significant amendment or modification, without regard to whether formal Board action required or taken to implement the particular provisions.

Changes to the American Recovery and Reinvestment Act Capital Fund stimulus program plan which are required or suggested by HUD or in response to clarifications, directive, guidance, etc. from HUD or other

responsible entities, after adoption of the ARRA plan, are not substantial deviations or amendments to the ARRA plan.