

that they form resident councils that comply with the tenant participation regulations.

(c) The PHA must consider the recommendations of the Resident Advisory Board or Boards in preparing the final Annual Plan. In submitting the final plan to HUD for approval, the PHA must include a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the PHA addressed these recommendations. Notwithstanding the 75-day limitation on HUD review, in response to a written request from a Resident Advisory Board claiming that the PHA failed to provide adequate notice and opportunity for comment, HUD may make a finding of good cause during the required time period and require the PHA to remedy the failure before final approval of the plan.

**§ 903.15 What is the relationship of the public housing agency plans to the Consolidated Plan?**

The PHA must ensure that the Annual Plan is consistent with any applicable Consolidated Plan to the jurisdiction in which the PHA is located. The Consolidated Plan includes the Analysis of Impediments to Fair Housing Choice. The PHA must submit a certification by the appropriate State or local officials that the Annual Plan is consistent with the Consolidated Plan and include a description of the manner in which the applicable plan contents are consistent with the Consolidated Plans.

**§ 903.17 Must the PHA make public the contents of the plans?**

(a) Yes. The PHA's board of directors or similar governing body must conduct a public hearing to discuss the PHA plan (either the 5-Year Plan or Annual Plan, or both as applicable) and invite public comment on the plan(s). The hearing must be conducted at a location that is convenient to the residents served by the PHA.

(b) Not later than 45 days before the public hearing is to take place, the PHA must:

(1) Make the proposed PHA plan(s) and all information relevant to the public hearing to be conducted, avail-

able for inspection by the public at the principal office of the PHA during normal business hours; and

(2) Publish a notice informing the public that the information is available for review and inspection, and that a public hearing will take place on the plan, and the date, time and location of the hearing.

**§ 903.19 When is the 5-Year Plan or Annual Plan ready for submission to HUD?**

A PHA may adopt its 5-Year Plan or its Annual Plan and submit the plan to HUD for approval only after:

(a) The PHA has conducted the public hearing;

(b) The PHA has considered all public comments received on the plan;

(c) The PHA has made any changes to the plan, based on comments, after consultation with the Resident Advisory Board or other resident organization.

**§ 903.21 May the PHA amend or modify a plan?**

A PHA, after submitting its 5-Year Plan or Annual Plan to HUD, may amend or modify any PHA policy, rule, regulation or other aspect of the plan. If the amendment or modification is a significant amendment or modification, the PHA:

(a) May not adopt the amendment or modification until the PHA has duly called a meeting of its board of directors (or similar governing body) and the meeting, at which the amendment or modification is adopted, is open to the public; and

(b) May not implement the amendment or modification, until notification of the amendment or modification is provided to HUD and approved by HUD in accordance with HUD's plan review procedures, as provided in § 903.23.

**§ 903.23 What is the process by which HUD reviews, approves, or disapproves an Annual Plan?**

(a) *Review of the plan.* When the PHA submits its Annual Plan to HUD, including any amendment or modification to the plan, HUD reviews the plan to determine whether:

(1) The plan provides all the information that is required to be included in the plan;

(2) The plan is consistent with the information and data available to HUD and with any applicable Consolidated Plan for the jurisdiction in which the PHA is located; and

(3) The plan is not prohibited or inconsistent with the U.S. Housing Act of 1937 or any other applicable Federal law.

(b) *Disapproval of the plan.* (1) HUD may disapprove a PHA plan, in its entirety or with respect to any part, or disapprove any amendment or modification to the plan, only if HUD determines that the plan, or one of its components or elements, or any amendment or modification to the plan:

(i) Does not provide all the information that is required to be included in the plan;

(ii) Is not consistent with the information and data available to HUD or with any applicable Consolidated Plan for the jurisdiction in which the PHA is located; and

(iii) Is not consistent with all applicable laws and regulations.

(2) Not later than 75 days after the date on which the PHA submits its plan, or the date on which the PHA submits its amendment or modification to the plan, HUD will issue written notice to the PHA if the plan has been disapproved. The notice that HUD issues to the PHA must state with specificity the reasons for the disapproval. HUD may not state as a reason for disapproval the lack of time to review the plan.

(3) If HUD fails to issue the notice of disapproval on or before the 75th day after the PHA submits the plan, HUD shall be considered to have determined that all elements or components of the plan required to be submitted and that were submitted, and reviewed by HUD were in compliance with applicable requirements and the plan has been approved.

(d) *Public availability of the approved plan.* Once a PHA's plan has been approved, a PHA must make its approved plan available for review and inspection, at the principal office of the PHA during normal business hours.

### **§ 903.25 How does HUD ensure PHA compliance with its plan?**

A PHA must comply with the rules, standards and policies established in the plans. To ensure that a PHA is in compliance with all policies, rules, and standards adopted in the plan approved by HUD, HUD shall respond appropriately to any complaint concerning PHA noncompliance with its plan. If HUD determines that a PHA is not in compliance with its plan, HUD will take necessary and appropriate action to ensure compliance by the PHA.

## **PART 904—LOW RENT HOUSING HOMEOWNERSHIP OPPORTUNITIES**

### **Subpart A—Introduction to Low-Rent Housing Homeownership Opportunity Program [Reserved]**

### **Subpart B—Turnkey III Program Description**

#### **Sec.**

- 904.101 Introduction.
- 904.102 Definitions.
- 904.103 Development.
- 904.104 Eligibility and selection of homebuyers.
- 904.105 Counseling of homebuyers.
- 904.106 Homebuyers Association (HBA).
- 904.107 Responsibilities of homebuyer.
- 904.108 Break-even amount.
- 904.109 Monthly operating expense.
- 904.110 Earned Home Payments Account. (EHPA)
- 904.111 Nonroutine Maintenance Reserve (NRMR).
- 904.112 Operating reserve.
- 904.113 Achievement of ownership by initial homebuyer.
- 904.114 Payment upon resale at profit.
- 904.115 Achievement of ownership by subsequent homebuyers.
- 904.116 Transfer of title to homebuyer.
- 904.117 Responsibilities of homebuyer after acquisition of ownership.
- 904.118 Homeowners association-planned unit development (PUD).
- 904.119 Homeowners association-condominium.
- 904.120 Relationship of homeowners association to HBA.
- 904.121 Use of appendices.
- 904.122 Statutory preferences.

#### **APPENDIX I—ANNUAL CONTRIBUTIONS CONTRACT**

#### **APPENDIX II—HOMEBUYERS OWNERSHIP OPPORTUNITY AGREEMENT (TURNKEY III)**

#### **APPENDIX III—CERTIFICATION OF HOMEBUYER STATUS**