

HACM Annual PHA Plan

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Significant Amendment/Modification

Substantial Deviation/Significant Amendment

HACM may amend or modify any policy, rule, regulation, or other aspect of the 5-year and/or Annual Plan.

The Quality Housing and Work Responsibility Act of 1998 does not require an annual update of the 5-Year Plan, but does require that public housing authorities explain any “substantial deviation” from the 5-Year Plans in their Annual Plans. A substantial deviation can include:

- a) A change or changes to the 5-year goals or objectives that are substantial but do not rise to the level of a “significant amendment” (such as the modification or elimination of a specific objective or minor program while retaining the overall strategic goal and accomplishing it through other objectives).
- b) Additions of a Capital Fund project or non-emergency work items that are not included in the current Annual Statement or 5-year Action Plan in an amount less than \$1,000,000;
- c) Or changes in the use of replacement reserve funds under the Capital Fund program in an amount less than \$1,000,000;

As part of the Rental Assistance Demonstration (RAD), the Housing Authority of the City of Milwaukee is redefining the definition of a substantial deviation from the PHA Plan to exclude the following RAD-specific items:

- a) The decision to convert to either Project Based Rental Assistance or Project Based Voucher Assistance;
- b) Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;
- c) Changes to the construction and rehabilitation plan for each approved RAD conversion; and
- d) Changes to the financing structure for each approved RAD conversion.

A “significant amendment or modification” to its 5-Year plan and/or Annual Plan is a change in policy that significantly and materially alters HACM’s stated mission, goals, objectives and activities as stated in the Plan. If a change is considered a significant amendment or modification to the 5-Year Plan or to the Annual Plan, it must undergo a public process that includes consultation with the Resident Advisory

Board; public notice and public comment period; a public hearing, and approval by HACM's Board of Commissioners; and submission to and approval by HUD.

Significant amendments are defined as including the following:

- a) A change that materially revises the agency's mission, goals, or objectives;
- b) Material changes to rent or admissions policies or organization of the waiting list;
- c) Additions of a Capital Fund project or non-emergency work items that are not included in the current Annual Statement or 5-year Action Plan in an amount equal to or greater than \$1,000,000, excluding projects arising out of federally-declared major disasters; acts of God beyond the control of the Authority, such as earthquakes, fires, and storm damage; civil unrest; or other unforeseen significant event;
- d) Changes in the use of replacement reserve funds under the Capital Fund program in an amount equal to or greater than \$1,000,000;
- e) Material changes in regard to demolition, disposition, designation, **homeownership, capital fund financing, development, mixed-finance proposal** or conversion activities;
- f) Any other event or activity that the Authority's Board of Commissioners determines to be a significant amendment to the approved 5-Year Plan or Annual Plan.