

§ 906.5

(b) *Legality.* The plan must be consistent with law, including the requirements of this part and any other applicable Federal, State, and local statutes and regulations, and existing contracts. Subject to the other two criteria stated in this section, any provision that is not contrary to those legal requirements may be included in the plan, at the discretion of the PHA, whether or not expressly authorized in this part.

(c) *Documentation.* The plan must be clear and complete enough to serve as a working document for implementation, as well as a basis for HUD review.

§ 906.5 Resident consultation and involvement.

(a) *Resident input.* In developing a proposed homeownership plan, and in carrying out the plan after HUD approval, the PHA shall consult with residents of the development involved, and with any resident organization that represents them, as necessary and appropriate to provide them with information and a reasonable opportunity to make their views and recommendations known to the PHA. If the plan contemplates sale of units in an entirely vacant development, the PHA shall consult with the PHA-wide resident organization, if any. While the Act gives the PHA sole legal authority for final decisions, as to whether or not to submit a proposed homeownership plan and the content of such a proposal, the PHA shall give residents and their resident organizations full opportunity for input in the homeownership planning process, and full consideration of their concerns and opinions.

(b) *Resident initiatives.* Where individual residents, a Resident Management Corporation (RMC), or another form of resident organization may wish to initiate discussion of a possible homeownership plan, the PHA shall negotiate with them in good faith. Joint development and submission of the plan by the PHA and RMC, or other resident organization, is encouraged. In addition, participation of an RMC or other resident organization in the implementation of the plan is encouraged.

(Approved by the Office of Management and Budget under control number 2577-0201)

24 CFR Ch. IX (4-1-02 Edition)

§ 906.6 Property that may be sold.

(a) *Types of property.* Subject to the workability criterion of § 906.4(a) (including, for example, consideration of common elements and other characteristics of the property), a homeownership plan may provide for sale of one or more dwellings, along with interests in any common elements, comprising all or a portion of one or more public housing developments. A plan may provide for conversion of existing public housing to homeownership or for homeownership sale of newly-developed public housing. (However, for public housing units developed as replacement housing for units demolished or disposed of pursuant to 24 CFR part 970, that part requires that the initial occupants be selected solely on the basis of the requirements governing rental occupancy, without reference to any additional homeownership eligibility or selection requirements under this part.) Turnkey III homeownership units may be converted to Section 5(h) homeownership, upon voluntary termination by any existing Turnkey III homebuyers of their contractual rights and amendment of the ACC, in a form prescribed by HUD.

(b) *Physical condition of property.* The property must meet local code requirements (or, if no local code exists, the housing quality standards established by HUD for the Section 8 Housing Assistance Payments Program for Existing Housing, under part 882 of this title) and the relevant requirements of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations part 35, subparts A, B, L, and R of this title. When a prospective purchaser with disabilities requests accessible features, the features must be added in accordance with 24 CFR parts 8 and 9. Further, the property must be in good repair, with the major components having a remaining useful life that is sufficient to justify a reasonable expectation that homeownership will be affordable by the purchasers. These standards must be met as a condition for conveyance of a dwelling to an individual purchaser, unless the terms of sale include measures to assure that