

**HOUSING AUTHORITY OF THE  
COUNTY OF DAUPHIN**

**ADMINISTRATIVE PLAN FOR THE  
SECTION 8 HOUSING CHOICE  
VOUCHER PROGRAM**

**EFFECTIVE JULY 1, 2021**

**APPROVED AS PART OF THE AUTHORITY'S AGENCY PLAN BY THE  
HOUSING AUTHORITY BOARD OF COMMISSIONERS APRIL 14, 2021**

**Chapter 1**  
**STATEMENT OF POLICIES AND OBJECTIVES**

A.	MISSION STATEMENT .....	1-1
B.	LOCAL GOALS.....	1-2
C.	PURPOSE OF THE PLAN.....	1-7
D.	ADMINISTRATIVE FEE RESERVE .....	1-7
E.	RULES AND REGULATIONS .....	1-7
F.	TERMINOLOGY .....	1-8
G.	FAIR HOUSING POLICY .....	1-9
H.	REASONABLE ACCOMMODATIONS POLICY .....	1-10
I.	TRANSLATION OF DOCUMENTS.....	1-13
J.	MANAGEMENT ASSESSMENT OBJECTIVES .....	1-14
K.	RECORDS FOR MONITORING PHA PERFORMANCE .....	1-16
L.	PRIVACY RIGHTS .....	1-17
M.	FAMILY OUTREACH .....	1-18
N.	OWNER OUTREACH.....	1-19

**Chapter 2**  
**ELIGIBILITY FOR ADMISSION**

A.	ELIGIBILITY FACTORS .....	2-1
B.	FAMILY COMPOSITION.....	2-2
C.	INCOME LIMITATIONS .....	2-8
D.	MANDATORY SOCIAL SECURITY NUMBERS .....	2-9
E.	CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS .....	2-10
F.	OTHER CRITERIA FOR ADMISSIONS.....	2-11
G.	TENANT SCREENING .....	2-12
H.	CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT .....	2-13
I.	INELIGIBLE FAMILIES.....	2-13
J.	PROHIBITED ADMISSIONS CRITERIA.....	2-14
K.	VIOLENCE AGAINST WOMEN ACT PROTECTIONS.....	2-14

**Chapter 3**  
**APPLYING FOR ADMISSION**

A.	OVERVIEW OF APPLICATION TAKING PROCESS .....	3-1
B.	OPENING/CLOSING OF APPLICATION TAKING.....	3-2
C.	"INITIAL" APPLICATION PROCEDURES .....	3-4
D.	PLACEMENT ON THE WAITING LIST .....	3-5
E.	APPLICANT STATUS WHILE ON THE WAITING LIST .....	3-5
F.	TIME OF SELECTION.....	3-6
G.	COMPLETION OF FULL APPLICATION .....	3-7

H.	VERIFICATION.....	3-9
I.	FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY.....	3-10

**Chapter 4**

**ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST**

A.	WAITING LIST.....	4-1
B.	SPECIAL ADMISSIONS.....	4-2
C.	WAITING LIST PREFERENCES.....	4-2
D.	LOCAL PREFERENCES.....	4-3
E.	INCOME TARGETING.....	4-7
F.	INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION.....	4-7
G.	EXCEPTIONS FOR SPECIAL ADMISSIONS.....	4-7
H.	TARGETED FUNDING.....	4-8
I.	PREFERENCE & INCOME TARGETING ELIGIBILITY.....	4-8
J.	ORDER OF SELECTION.....	4-9
K.	FINAL VERIFICATION OF PREFERENCES.....	4-10
L.	PREFERENCE DENIAL.....	4-10
M.	REMOVAL FROM WAITING LIST AND PURGING.....	4-10

**Chapter 5**

**SUBSIDY STANDARDS**

A.	DETERMINING FAMILY UNIT (VOUCHER) SIZE.....	5-1
B.	EXCEPTIONS TO SUBSIDY STANDARDS.....	5-2
C.	UNIT SIZE SELECTED.....	5-4

**Chapter 6**

**FACTORS RELATED TO TOTAL TENANT PAYMENT & FAMILY SHARE DETERMINATION**

A.	INCOME AND ALLOWANCES.....	6-1
B.	DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS FOR PERSONS WITH DISABILITIES.....	6-7
C.	MINIMUM RENT.....	6-9
D.	DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT.....	6-11
E.	AVERAGING INCOME.....	6-15
F.	MINIMUM INCOME.....	6-15
G.	INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME.....	6-16
H.	REGULAR CONTRIBUTIONS AND GIFTS.....	6-16
I.	ALIMONY AND CHILD SUPPORT.....	6-16
J.	LUMP-SUM RECEIPTS.....	6-17
K.	CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS.....	6-18
L.	ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE.....	6-18

M.	CHILD CARE EXPENSES.....	6-18
N.	MEDICAL EXPENSES.....	6-19
O.	PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES.....	6-19
P.	INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS.....	6-20
Q.	UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS .....	6-21

**Chapter 7  
VERIFICATION PROCEDURES**

A.	METHODS OF VERIFICATION AND TIME ALLOWED.....	7-1
B.	RELEASE OF INFORMATION.....	7-3
C.	COMPUTER MATCHING .....	7-3
D.	ITEMS TO BE VERIFIED.....	7-6
E.	VERIFICATION OF INCOME.....	7-7
F.	INCOME FROM ASSETS.....	7-12
G.	VERIFICATION OF ASSETS.....	7-13
H.	VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME.....	7-14
I.	VERIFYING NON-FINANCIAL FACTORS .....	7-16
J.	SOCIAL SECURITY NUMBERS.....	7-21
K.	VERIFICATION OF WAITING LIST PREFERENCES .....	7-22
L.	EIV - DESCRIPTION, DEVIATIONS AND INCOME DISCREPANCIES.....	7-25
M.	TEMPORARY COMPLIANCE ASSISTANCE.....	7-32

**Chapter 8  
VOUCHER ISSUANCE AND BRIEFINGS**

A.	ISSUANCE OF VOUCHERS .....	8-1
B.	BRIEFING TYPES AND REQUIRED ATTENDANCE .....	8-1
C.	ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION.....	8-4
D.	ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION.....	8-5
E.	SECURITY DEPOSIT REQUIREMENTS.....	8-5
F.	TERM OF VOUCHER.....	8-6
G.	VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS .....	8-7
H.	REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER.....	8-8

**Chapter 9  
REQUEST FOR LEASE APPROVAL AND CONTRACT EXECUTION**

A.	REQUEST FOR APPROVAL OF TENANCY .....	9-2
B.	ELIGIBLE TYPES OF HOUSING .....	9-3
C.	WHERE FAMILY CAN LEASE A UNIT.....	9-4

D.	LEASE REVIEW.....	9-5
E.	SEPARATE AGREEMENTS .....	9-7
F.	INITIAL INSPECTIONS .....	9-7
G.	RENT LIMITATIONS .....	9-8
H.	DISAPPROVAL OF PROPOSED RENT .....	9-8
I.	INFORMATION TO OWNERS .....	9-8
J.	OWNER DISAPPROVAL .....	9-9
K.	CHANGE IN TOTAL TENANT (TTP) PRIOR TO HAP EFFECTIVE DATE.....	9-9
L.	CONTRACT EXECUTION PROCESS.....	9-10
M.	CHANGE IN OWNERSHIP.....	9-10

**Chapter 10**  
**HOUSING QUALITY STANDARDS AND INSPECTIONS**

A.	GUIDELINES/TYPES OF INSPECTIONS.....	10-1
B.	INITIAL HQS INSPECTION.....	10-2
C.	ANNUAL HQS INSPECTIONS .....	10-3
D.	MOVE OUT/VACATE .....	10-4
E.	SPECIAL/COMPLAINT INSPECTIONS .....	10-4
F.	QUALITY CONTROL INSPECTIONS .....	10-5
G.	ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS .....	10-5
H.	EMERGENCY REPAIR ITEMS .....	10-7
I.	CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS).....	10-8
J.	DETERMINATION OF RESPONSIBILITY .....	10-10
K.	CONSEQUENCES IF FAMILY IS RESPONSIBLE .....	10-11

**Chapter 11**  
**OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS**

A.	RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM.....	11-1
B.	MAKING PAYMENTS TO OWNERS .....	11-2
C.	RENT REASONABLENESS DETERMINATIONS .....	11-2
D.	PAYMENT STANDARDS FOR THE VOUCHER PROGRAM.....	11-4
E.	ADJUSTMENTS TO PAYMENT STANDARDS .....	11-5
F.	EXCEPTION PAYMENT STANDARDS.....	11-7
G.	OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM .....	11-7

**Chapter 12**  
**RECERTIFICATIONS**

A.	ANNUAL ACTIVITIES.....	12-1
B.	ANNUAL RECERTIFICATION/REEXAMINATION.....	12-2

C.	REPORTING INTERIM CHANGES.....	12-5
D.	OTHER INTERIM REPORTING ISSUES.....	12-7
E.	INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS.....	12-7
F.	NOTIFICATION OF RESULTS OF RECERTIFICATIONS.....	12-10
G.	TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS).....	12-10
H.	CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES.....	12-11
I.	CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES.....	12-12
J.	MISREPRESENTATION OF FAMILY CIRCUMSTANCES.....	12-12

**Chapter 13**  
**MOVES WITH CONTINUED ASSISTANCE/PORTABILITY**

A.	ALLOWABLE MOVES.....	13-1
B.	RESTRICTIONS ON MOVES.....	13-1
C.	PROCEDURE FOR MOVES.....	13-3
D.	PORTABILITY.....	13-3
E.	OUTGOING PORTABILITY.....	13-4
F.	INCOMING PORTABILITY.....	13-6

**Chapter 14**  
**CONTRACT TERMINATIONS**

A.	CONTRACT TERMINATION.....	14-1
B.	TERMINATION BY THE FAMILY: MOVES.....	14-1
C.	TERMINATION OF TENANCY BY THE OWNER: EVICTIONS.....	14-2
D.	TERMINATION OF THE CONTRACT BY PHA.....	14-4
E.	HAP CONTRACT TERMINATIONS NECESSITATED BY LACK OF FUNDING.....	14-5
F.	VAWA PROTECTIONS.....	14-7

**Chapter 15**  
**DENIAL OR TERMINATION OF ASSISTANCE**

A.	GROUND FOR DENIAL/TERMINATION.....	15-1
B.	SCREENING AND TERMINATION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY.....	15-4
C.	FAMILY OBLIGATIONS.....	15-14
D.	PROCEDURES FOR NON-CITIZENS.....	15-15
E.	ZERO (\$0)ASSISTANCE TENANCIES.....	15-16
F.	OPTION NOT TO TERMINATE FOR MISREPRESENTATION.....	15-16
G.	MISREPRESENTATION IN COLLUSION WITH OWNER.....	15-17
H.	MISSED APPOINTMENTS AND DEADLINES.....	15-17

**Chapter 16**  
**OWNER DISAPPROVAL AND RESTRICTION**

A.	DISAPPROVAL OF OWNER .....	16-1
B.	OWNER RESTRICTIONS AND PENALTIES.....	16-3
C.	CHANGE IN OWNERSHIP .....	16-3

**Chapter 17**  
**CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS**  
**(For HAP Contracts Effective Before October 2, 1995)**

Chapter no longer needed because all participants must have been switched to the Housing Choice Voucher Program as of October 1, 2001.

**Chapter 18**  
**OWNER OR FAMILY DEBTS TO THE PHA**

A.	PAYMENT AGREEMENT FOR FAMILIES .....	18-1
B.	DEBTS OWED FOR CLAIMS .....	18-2
C.	DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION.....	18-3
D.	DEBTS DUE TO MINIMUM RENT TEMPORARY HARDSHIP.....	18-4
E.	GUIDELINES FOR PAYMENT AGREEMENTS.....	18-4
F.	OWNER DEBTS TO THE PHA .....	18-5
G.	WRITING OFF DEBTS .....	18-6
H.	REPAYMENT AGREEMENT PROCEDURE.....	18-6

**Chapter 19**  
**COMPLAINTS AND APPEALS**

A.	COMPLAINTS TO THE PHA.....	19-1
B.	PREFERENCE DENIALS .....	19-2
C.	INFORMAL REVIEW PROCEDURES FOR APPLICANTS .....	19-2
D.	INFORMAL HEARING PROCEDURES.....	19-4
E.	HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS".....	19-8
F.	MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES.....	19-10

**Chapter 20**  
**SPECIAL HOUSING TYPES**

A.	SINGLE ROOM OCCUPANCY .....	20-1
B.	CONGREGATE HOUSING .....	20-2
C.	GROUP HOMES .....	20-3
D.	SHARED HOUSING.....	20-4
E.	COOPERATIVE HOUSING.....	20-5
F.	MANUFACTURED HOMES .....	20-6
G.	HOMEOWNERSHIP .....	20-9
H.	SHELTER PLUS CARE.....	20-19
I.	EMERGENCY HOUSING VOUCHER (EHVs).....	20-20

**PROGRAM INTEGRITY ADDENDUM**

A.	CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD.....	PI-2
B.	STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD .....	PI-3
C.	STEPS THE PHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD .....	PI-4
D.	THE PHA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD .....	PI-5
E.	OVERPAYMENTS TO OWNERS.....	PI-5
F.	HOW THE PHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD .....	PI-6
G.	PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE PHA.....	PI-7
H.	CONCLUSION OF THE PHA'S INVESTIGATIVE REVIEW .....	PI-7
I.	EVALUATION OF THE FINDINGS .....	PI-7
J.	ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED .....	PI-8

**GLOSSARY**

A.	ACRONYMS USED IN SUBSIDIZED HOUSING.....	GL-1
B.	GLOSSARY OF TERMS IN SUBSIDIZED HOUSING .....	GL-3
C.	GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE.....	GL-20



## Chapter 1

### STATEMENT OF POLICIES AND OBJECTIVES

#### **INTRODUCTION**

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which recodified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the Section 8 Tenant-Based Assistance Program, is described in and implemented throughout this Administrative Plan. The Section 8 tenant-based assistance programs are federally funded and administered for the **County of Dauphin** by the **Housing Authority of the County of Dauphin** through its Section 8 housing office.

Administration of the Section 8 Program and the functions and responsibilities of the Housing Authority (PHA) staff shall be in compliance with the PHA's Personnel Policy and the Department of Housing and Urban Development's (HUD) Section 8 Regulations as well as all Federal, State and local Fair Housing Laws and Regulations.

#### **Jurisdiction**

The jurisdiction of the PHA is [**the County of Dauphin outside the city of Harrisburg**].

#### **\*A. HOUSING AUTHORITY MISSION STATEMENT [OR HISTORICAL INFORMATION ON THE AGENCY]**

*INSTRUCTION: Insert your mission statement. Some examples are given below.*

"To provide safe, decent, affordable housing for eligible residents of the County of Dauphin."

#### **B. LOCAL GOALS** [24 CFR 982.1]

**INSTRUCTION:** Part I includes HUD's Template 5 Year Agency Plan Goals. Part II includes NMA optional goals. The PHA may use either group or mix and combine goals from both groups. These goals are entirely optional and for the admin plan the PHA may wish to select a minimum of goals. The PHA may wish to have a more extensive list of goals in the Agency Annual Plan.

**NOTE:** These goals should reflect the Agency Plan five year goals.

## Part I

**\* HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing.**

### **PHA Goal: Expand the supply of assisted housing**

#### **Objectives:**

- Apply for additional rental vouchers when and if available:
- Reduce public housing vacancies:
- Leverage private or other public funds to create additional housing opportunities:
- Acquire or build units or developments
- Other (list below)

### **PHA Goal: Improve the quality of assisted housing**

#### **Objectives:**

- Improve voucher management: (SEMAP score) \_\_\_\_\_
- Increase customer satisfaction:
- Concentrate on efforts to improve specific management functions (list; e.g., public housing finance; voucher unit inspections)
- Provide replacement vouchers:
- Other: (list below)

### **PHA Goal: Increase assisted housing choices**

#### **Objectives:**

- Provide voucher mobility counseling:
- Conduct outreach efforts to potential voucher landlords
- Increase voucher payment standards
- Administer** voucher homeownership program:

Implement public housing or other homeownership programs:

Implement public housing site-based waiting lists:

:Other: (list below)

**Other PHA Goals and objectives: (List below)**

**\* HUD Strategic Goal: Improve community quality of life and economic vitality**

**PHA Goal: Provide an improved living environment**

**Objectives:**

Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments:

Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:

Implement public housing security improvements:

Designate developments or buildings for particular resident groups (elderly, persons with disabilities)

Other: (list below)

**Other PHA Goals and objectives: (List below)**

**\* HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals**

**PHA Goal: Promote self-sufficiency and asset development of assisted households**

**Objectives:**

Increase the number and percentage of employed persons in assisted families:

Provide or attract supportive services to improve assistance recipients' employability:

Provide or attract supportive services to increase independence for the elderly or families with disabilities.

Other: (list below)

**Other PHA Goals and objectives: (List below)**

**\* HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans**

**PHA Goal: Ensure equal opportunity and affirmatively further fair housing**

**Objectives:**

Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability:

Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability:

Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required:

Other: (list below)

**\* Other PHA Goals and Objectives: (list below)**

## **Part II**

The PHA has the following goals for the program:

- \*To assist the local economy by increasing the occupancy rate and the amount of money flowing into the community.**
- \*To encourage self sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human services needs.**
- \*To create positive public awareness and expand the level of family, owner, and community support in accomplishing the PHA's mission.**
- \*To attain and maintain a high level of standards and professionalism in our day-to-day management of all program components.**
- \*To administer an efficient, high-performing agency through continuous improvement of the PHA's support systems and commitment to our employees and their development.**
- \*To provide decent, safe, and sanitary housing for very low income families while maintaining their rent payments at an affordable level.**
- \*To ensure that all units meet Housing Quality Standards and families pay fair and reasonable rents.**
- \*To promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.**
- \*To promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low income families.**
- \* To promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families.**

**C. PURPOSE OF THE PLAN** [24 CFR 982.54]

The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the Agency Plan. The Housing Choice Voucher Program was implemented on 10/1/99, and pre-merger Housing Voucher tenancies and Over Fair Market Rent tenancies converted automatically to Housing Choice Voucher tenancies on that date. However, all existing contracts will remain in effect until the family's second reexamination after the merger date or when a new lease is executed, whichever comes first.

The PHA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence. The PHA will revise this Administrative Plan as needed to comply with changes in HUD regulations. The original Plan and any changes must be approved by the Board of Commissioners of the agency, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

This Administrative Plan is a supporting document to the PHA Agency Plan, and is available for public review as required by CFR 24 Part 903.

Applicable regulations include:

24 CFR Part 5: General Program Requirements

24 CFR Part 8: Nondiscrimination

24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program

**\* Local rules that are made part of this Plan are intended to promote local housing objectives consistent with the intent of the federal housing legislation.**

**D. ADMINISTRATIVE FEE RESERVE** [24 CFR 982.54(d)(21)]

Expenditures from the Administrative Reserve (Operating Reserve) for other housing purposes shall not exceed **[\$4,000.00]** per occurrence for each fiscal year without the prior approval of the **[Dauphin County Housing Authority]** Board of Commissioners ].

**E. RULES AND REGULATIONS** [24 CFR 982.52]

This Administrative Plan is set forth to define the PHA's local policies for operation of the housing programs in the context of Federal laws and Regulations. All issues related to Section 8 not addressed in this document are governed by such Federal regulations, HUD Memos, Notices and guidelines, or other applicable law. The policies in this Administrative Plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

**F. TERMINOLOGY**

The Housing Authority of the County of Dauphin is referred to as "PHA" or "Housing Authority" throughout this document.

"Family" is used interchangeably with "Applicant" or "Participant" and can refer to a single person family.

"Tenant" is used to refer to participants in terms of their relation to landlords.

"Landlord" and "owner" are used interchangeably.

"Disability" is used where "handicap" was formerly used.

"Non-citizens Rule" refers to the regulation effective June 19, 1995 restricting assistance to U.S. citizens and eligible immigrants.

The Section 8 programs are also known as the Regular Tenancy Certificate, Over-FMR Tenancy (OFTO) and Voucher Programs. The Housing Choice Voucher Program refers to the merged program effective as of 10/1/99.

"HQS" means the Housing Quality Standards required by regulations as enhanced by the PHA.

"Failure to Provide" refers to all requirements in the first Family Obligation. See "Denial or Termination of Assistance" chapter.

"Merger date" refers to October 1, 1999, which is the effective date of the merging of the Section 8 Certificate and Voucher programs into the Housing Choice Voucher Program.

See Glossary for other terminology.



**G. FAIR HOUSING POLICY** [24 CFR 982.54(d)(6)]

It is the policy of the Housing Authority to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

The PHA shall not deny any family or individual the equal opportunity to apply for or receive assistance under the Section 8 Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial **[or marital]** status, handicap or disability **[or sexual orientation]**.

No inquiries shall be made about a person's sexual orientation or gender identity. However, the Housing Authority may inquire about a person's sex in order to determine the number of bedrooms a household may be eligible for under the occupancy standards or to accurately complete HUD's 50058.

To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to Voucher holders regarding unlawful discrimination and any recourse available to families who believe they are victims of a discriminatory act. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder's briefing packet and available upon request at the front desk.

All Housing Authority staff will be required to attend fair housing training and informed of the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations to persons with disabilities, as a part of the overall commitment to quality customer service. Fair Housing posters are posted throughout the Housing Authority office/s, including in the lobby and interview rooms and the equal opportunity logo will be used on all outreach materials. Staff will attend local fair housing update training sponsored by HUD and other local organization to keep current with new developments.

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the PHA's facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair.

The Housing Authority will keep records of all complaints, investigations, notices and corrective actions for five years.

The **[Dauphin County Housing Authority]** office(s) **[are]** accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the **[TTD telephone service provider 1-800-545-1833, Extension 304.]**.

## **H. REASONABLE ACCOMMODATIONS POLICY** [24 CFR 100.202]

It is the policy of this PHA to be service-directed in the administration of our housing programs, and to exercise and demonstrate a high level of professionalism while providing housing services to families.

A participant with a disability must first ask for a specific change to a policy or practice as an accommodation of their disability before the PHA will treat a person differently than anyone else. The PHA's policies and practices will be designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services. The availability of requesting an accommodation will be made known by including notices on PHA forms and letters. This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities and is applicable to all situations described in this Administrative Plan including when a family initiates contact with the PHA, when the PHA initiates contact with a family including when a family applies, and when the PHA schedules or reschedules appointments of any kind.

**\* To be eligible to request a reasonable accommodation, the requester must first certify (if apparent) or verify (if not apparent) that they are a person with a disability under the following ADA definition:**

A physical or mental impairment that substantially limits one or more of the major life activities of an individual;

A record of such impairment; or

Being regarded as having such an impairment

*Note: This is not the same as the HUD definition used for purposes of determining allowances.*

Rehabilitated former drug users and rehabilitated alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with 5.403, individuals are not considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence. Individuals whose drug or alcohol addiction is a material factor to their disability are excluded from the definition. Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse were discontinued.

Once the person's status as a qualified person with a disability is confirmed, the PHA will require that a professional third party competent to make the assessment, provides written verification that the person needs the specific accommodation due to their disability and the change is required for them to have equal access to the housing program.

If the PHA finds that the requested accommodation creates an undue administrative or financial burden, the PHA will deny the request and/or present an alternate accommodation that will still meet the need of the person.

An undue administrative burden is one that requires a fundamental alteration of the essential functions of the PHA (i.e., waiving a family obligation).

An undue financial burden is one that when considering the available resources of the agency as a whole, the requested accommodation would pose a severe financial hardship on the PHA.

The PHA will provide a written decision to the person requesting the accommodation within **(14 days]**. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review the PHA's decision.

Reasonable accommodation will be made for persons with a disability that requires an advocate or accessible offices. A designee will be allowed to provide some information, but only with the permission of the person with the disability.

All PHA mailings will be made available in an accessible format upon request, as a reasonable accommodation.

### **Verification of Disability**

The PHA will verify disabilities under definitions in the Fair Housing Amendments Act of 1988, Section 504 of the 1973 Rehabilitation Act, and Americans with Disabilities Act.

### **\* Outreach**

Outreach efforts will include notification of the PHA's 504 Advisory Board as well as all other media and agencies listed in the PHA's Administrative Plan regarding public notices (see section on opening and closing the waiting list in "Applying for admission" chapter.)

## **Applying for Admission**

All persons who wish to apply for any of the PHA's programs must submit a pre-application either in a written format on forms provided by the Housing Authority or on-line at the Housing Authority's website, [www.dauphinhousing.org](http://www.dauphinhousing.org), as indicated in our public notice. Applications will be made available in an accessible format upon request from a person with a disability.

To provide specific accommodation to persons with disabilities, upon request, the information may be mailed to the applicant and, if requested, it will be mailed in an accessible format.

The full application, including all associated documents, is completed at the eligibility appointment in the applicant's own handwriting, unless assistance is needed, or a request for accommodation is requested by a person with a disability. Applicants will then be interviewed by PHA staff to review the information on the full application form. Verification of disability as it relates to 504, Fair Housing, or ADA reasonable accommodation will be requested at this time. The full application will also include questions asking all applications whether reasonable accommodations are necessary.

## **I. TRANSLATION OF DOCUMENTS**

**\* The Housing Authority has bilingual staff to assist non-English speaking families in the following languages [Spanish] and can translate documents into the following languages [Spanish].**

In determining whether it is feasible to provide translation of documents written in English into other languages, the PHA will consider the following factors:

- \* Number of applicants and participants in the jurisdiction who do not speak English and speak the other language.**
- \* Estimated cost to PHA per client of translation of English written documents into the other language.**
- \* The availability of local organizations to provide translation services to non-English speaking families.**
- \* Availability of bilingual staff to provide translation for non-English speaking families.**

## **J. MANAGEMENT ASSESSMENT OBJECTIVES**

The PHA operates its housing assistance program with efficiency and can demonstrate to HUD auditors that the PHA is using its resources in a manner that reflects its commitment to quality and service. The PHA policies and practices are consistent with the areas of measurement for the following HUD SEMAP indicators.

Selection from the Waiting List

Reasonable Rent

Determination of Adjusted Income

Utility Allowance Schedule

HQS Quality Control Inspections

HQS Enforcement

Expanding Housing Opportunities

Payment Standards

Annual Re-examinations

Correct Tenant Rent Calculations

Pre-Contract HQS Inspections

Annual HQS Inspections

Lease-up

Family Self-Sufficiency Enrollment and Escrow Account Balances

Bonus Indicator Deconcentration

***INSTRUCTION:*** *FSS indicator only applies to PHAs required to administer an FSS program, and to receiving PHAs under portability who submit HUD-50058-FSS for any FSS families enrolled in the initial PHA's FSS program. The new PH Reform Act decreases the required size of the PHA's FSS program by one for each family that fulfills its obligations under the contract of participation. The Expanding Housing Opportunities indicator only applies to PHAs who operate within a Metropolitan Statistical Area (MSA.)*

Supervisory quality control reviews will be performed by a PHA Supervisor or other qualified person other than the person who performed the work, as required by HUD, on the following SEMAP factors:

Selection from the waiting list

Rent reasonableness

Determination of adjusted income

HQS Enforcement

HQS Quality Control

The annual sample of files and records will be drawn in an unbiased manner, leaving a clear audit trail.

The minimum sample size to be reviewed will relate directly to each factor.

## **K. RECORDS FOR MONITORING PHA PERFORMANCE**

In order to demonstrate compliance with HUD and other pertinent regulations, the PHA will maintain records, reports and other documentation for a time that is in accordance with HUD requirements and in a manner that will allow an auditor, housing professional or other interested party to follow, monitor and or assess the PHA's operational procedures objectively and with accuracy and in accordance with SEMAP requirements with internal supervisory audits.

**[In addition to the required SEMAP documentation,** supervisory staff audit the following functions:

Not less than **[5 percent]** of reexaminations

Not less than **[5 percent]** of new applications



**L. PRIVACY RIGHTS** [24 CFR 982.551 and 24 CFR 5.212]

The Housing Authority of the County of Dauphin is strongly committed to protecting the privacy of people dealing with the agency to the greatest degree practical. There are numerous federal privacy laws, regulations, notices, and other requirements that the Housing Authority follows to the greatest degree practical. Details about these requirements are set forth in PIH Notice 2015-06 and any ensuing publications. The Housing Authority will educate all of its employees who have access to personally identifiable information (PII) and/or Sensitive Personally Identifiable Information about these requirements and expect them to appropriately manage and safeguard the information. Employees will also be trained on the proper disposition of said information.

Applicants and participants, including all adults in their households, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD/PHA will release family information.

The PHA's policy regarding release of information is in accordance with State and local laws which may restrict the release of family information.

Any and all information which would lead one to determine the nature and/or severity of a person's disability must be kept in a separate folder and marked "confidential" or returned to the family member after its use. The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by **[the Section 8 Supervisor]**.

**\* The PHA's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in a secure location which is only accessible by authorized staff.**

**\* PHA staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussion of family information, or improper disclosure of family information by staff will result in disciplinary action.**

## **M. FAMILY OUTREACH**

The PHA will publicize and disseminate information to make known the availability of housing assistance and related services for very low income families on a regular basis. When the PHA's waiting list is open *AND when the number of families on the waiting list is less than 1,000*, the PHA will publicize the availability and nature of housing assistance for very low income families in a newspaper of general circulation, minority media, and by other suitable means. Notices will also be provided in **[Spanish]**.

To reach persons who cannot read the newspapers, the PHA will distribute fact sheets to the broadcasting media, and initiate personal contacts with members of the news media and community service personnel. The PHA will also utilize public service announcements.

**\* The PHA will communicate the status of housing availability to other service providers in the community, and advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance.**

**\* The PHA explains the program, including equal opportunity requirements and nondiscrimination requirements, including Fair Housing Amendments Act of 1988 and Americans with Disabilities Act, to very low income families.**

**N. OWNER OUTREACH** [24 CFR 982.54(d)(5)]

The PHA makes a concerted effort to keep private owners informed of legislative changes in the tenant-based program, which are designed to make the program more attractive to owners. This includes informing participant owners of applicable legislative changes in program requirements.

The PHA encourages owners of decent, safe and sanitary housing units to lease to Section 8 families.

The PHA encourages participation by owners of suitable units located outside areas of low poverty or minority concentration.

The PHA conducts **[periodic]** meetings with participating owners to improve owner relations and to recruit new owners.

**\*The PHA maintains a [list of interested landlords/list of units available] for the Section 8 Program and updates this list at least [annually]. When listings from owners are received, they will be compiled by the PHA staff by bedroom size.**

**\* Printed material is offered to acquaint owners and managers with the opportunities available under the program.**

**\* The PHA has active participation in a community based organization(s) comprised of private property and apartment owners and managers.**

**\* The PHA will actively recruit property owners with property located outside areas of minority and poverty concentration and apply for exception payment standards if the PHA determines it is necessary to make the program more accessible in the PHA's jurisdiction .**

**\* The PHA encourages program participation by owners of units located outside areas of poverty or minority concentration. The PHA periodically evaluates the demographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choice and better housing opportunities to families. Voucher holders are informed of a broad range of areas where they may lease units inside the PHA's jurisdiction and given a list of landlords or other parties who are willing to lease units or help families who desire to live outside areas of poverty or minority concentration.**

**\* The PHA shall periodically:**

**\* Request the HUD Field Office to furnish a list of HUD-held properties available for rent.**

**\* Develop working relationships with owners and real estate broker associations.**

**\* Establish contact with civic, charitable or neighborhood organizations which have an interest in housing for low-income families and public agencies concerned with obtaining housing for displacements.**

**\* Explain the program, including equal opportunity requirements and nondiscrimination requirements, including Fair Housing Amendments Act of 1988 and Americans with Disabilities Act, to real estate agents, landlords, and other groups that have dealings with low-income families or are interested in housing such families.**

Reserved

## Chapter 2

# ELIGIBILITY FOR ADMISSION

[24 CFR Part 5, Subparts B, D & E; Part 982, Subpart E]

### INTRODUCTION

This Chapter defines both HUD and the PHA's criteria for admission and denial of admission to the program. The policy of this PHA is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply. The PHA staff will review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by the PHA pertaining to their eligibility.

### A. ELIGIBILITY FACTORS [982.201(b)]

The PHA accepts applications only from families whose head or spouse is at least 18 years of age.

To be eligible for participation, an applicant must meet HUD's criteria, as well as any permissible additional criteria established by the PHA.

The HUD eligibility criteria are:

An applicant must be a "family"

An applicant must be within the appropriate Income Limits

An applicant MUST furnish Social Security Numbers for ALL family members

An applicant must furnish declaration of Citizenship or Eligible Immigrant Status and verification where required

At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before the PHA may provide any financial assistance.

Reasons for denial of admission are addressed in the "Denial or Termination of Assistance" chapter. These reasons for denial constitute additional admission criteria.

The Family's initial eligibility for placement on the waiting list will be made in accordance with the date and time the application is received, preferences claimed by the applicant based on information provided on the pre-application and other eligibility factors.

\* Evidence of Citizenship/Eligible Immigrant Status will not be verified until the family is selected from the waiting list for final eligibility processing for issuance of a Voucher, [unless the PHA determines that such eligibility is in question, whether or not the family is at or near the top of the waiting list].

## B. FAMILY COMPOSITION [24 CFR 982.201(c)]

*INSTRUCTION: HUD defines the definition of an Elderly family by regulation, but they allow PHAs discretion to define what groups of persons constitute a non-elderly family. PHAs should be aware that if their definition is too restrictive, it may result in legal challenges.*

The applicant must qualify as a Family.

Family includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

A Family may be a single person or a group of persons.

A "family" includes a family with or without a child or children. A group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides is a family. The PHA determines if any other group of persons qualifies as a "family".

A single person family may be:

An elderly person

A displaced person

A person with a disability

Individuals may not be considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence.

Any other single person

A child who is **temporarily** away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.

\* A family also includes:

\* Two or more persons who intend to share residency whose income and resources are available to meet the family's needs and who have a history as a family unit or show evidence of a stable family relationship.

Two or more elderly or disabled persons living together, or one or more elderly, near elderly or disabled persons living with one or more live-in aides is a family.

Note: A participating family cannot add an individual or family to their household merely because that individual or family needs a place to stay. To do so would confer eligibility on the individual or family proposed to be added, would constitute a circumvention of the waiting list and would not be fair to those individuals and families on the waiting list.

### Head of Household

The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.]

### Spouse of Head

Spouse means the husband or wife of the head of household.

For proper application of the Non-Citizen Rule, the definition of spouse is: the marriage partner who, in order to dissolve the relationship, would have to be divorced. It includes the partner in a common law marriage. The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads.

### Co-Head

An adult individual in the household who is equally responsible for the lease with the Head of Household. A family may have a spouse or co-head, but not both. A co-head never qualifies as a dependent.

### Live-in Attendants

A Family may include a live-in aide provided that such live-in aide:

Is determined by the PHA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities,



Is not obligated for the support of the person(s), and

Would not be living in the unit except to provide needed care for the person(s). Such needed care must be documented by a physician or competent social worker familiar with the person's need for such care.

May have another source of employment income other than what may be earned through the care of the person being subsidized; however, the live-in-aide's primary work activity must be the care of the person being assisted and with whom he/she is living as a live-in-aide. The Housing Authority will make the final determination of whether a person qualifies as a live-in-aide.

A live-in aide is treated differently from family members:

Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.

Live-in aides are not subject to Non-Citizen Rule requirements.

Live-in aides may not be considered as a remaining member of the tenant family.

Relatives who are not members of the household are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above.

A Live in Aide may only reside in the unit with the approval of the PHA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker. The verification provider MUST certify that a live-in aide is needed for the care of the family member who is elderly, near-elderly (50-61) or disabled.

The PHA will approve a live-in aide if needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability. Approval of a live-in aide for reasonable accommodation will be in accordance with CFR 24 Part 8 and the reasonable accommodations section in Chapter 1 of this administrative plan.

The live-in-aide will also be subject to a criminal check and must qualify under the same criteria as the assisted tenant.

\* Verification must include the hours the care will be provided.

\* [24 CFR 982.316] At any time, the PHA will refuse to approve a particular person as a live-in aide or may withdraw such approval if:

\*The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;

\*The person commits drug-related criminal activity, violent criminal activity or other

felony ; or

\*The person currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

### Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is no court determination, the PHA will make the decision on whether to keep one or two components of the split family on the waiting list taking into consideration the following factors:

- \* Which family member applied as head of household.
  - \* Which family unit retains the children or any disabled or elderly members.
  - \* Restrictions that were in place at the time the family applied.
  - \* Role of domestic violence in the split.
  - \* Recommendations of social service agencies or qualified professionals such as children's protective services.
  - \* Any criminal activity on the part of any member of the family.
- \* Documentation of these factors is the responsibility of the applicant families. If either or both of the families does not provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by the PHA.
- \*In cases where domestic violence played a role, the standard used for verification will be the same as that required for the "domestic violence" preference.
- \* The PHA will require evidence that the family has been displaced as a result of fleeing violence in the home. Families are also eligible for this preference if there is proof that the family is currently living in a situation where they are being subjected to or victimized by violence in the home (See "Establishing Preferences and Maintaining the Waiting List" chapter).

### Multiple Families in the Same Household

When families apply which consist of two families living together, (such as a mother and father, and a daughter with her own husband or children), if they apply as a family unit and intend to live together as a family unit, they will be treated as a family unit.

### Joint Custody of Children

\* Children who are subject to a joint custody agreement, but live with one parent at least 51% of the time ("primary custody"), will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively.

\* There will be a self-certification required of families who claim joint custody or temporary guardianship.

\* When both parents are on the Waiting List and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent. Alternatively, the parent who claims the child as a dependent on his/her IRS tax return may also be considered as the primary custodian. For purposes of housing eligibility and the number of bedrooms indicated on the voucher to which the family is entitled, the Housing Authority reserves the right to make the final determination based on the evidence and documentation available.

### Special College Student Eligibility Rules

No assistance shall be provided under Section 8 of the 1937 Act to any individual who:

1. Is enrolled as a student at an institution of high education, as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002);
2. Is under 24 years of age;
3. Is not a veteran of the United States military;
4. Is unmarried;
5. Does not have a dependent child; and
6. Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income to receive assistance under section 8 of the 1937 Act.

The above restriction does not apply to a person with disabilities as such term is defined in section 3(b)(3)(E) of the 1937 ACT and who was receiving Section 8 assistance on November 20, 2005.

A student, under the age of 24 may still be income eligible for assistance in circumstances where the student can demonstrate independence from parents, where the student can demonstrate the absence of parents, or where an examination of the student's parents' income may not be relevant.

1. The individual is of legal contract age under state law.
2. The individual has established a household separate from parents or legal guardians for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education's definition of an "independent student." Section 480(d) of the Higher Education Act of 1965, as amended (the HEA), 20 U.S.C. 1087vv(d).
3. The individual is not claimed as a dependent by parents or legal guardians pursuant to IRS regulations.
4. The individual obtains a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support, even if no assistance will be provided.

The Housing Authority will verify to determine whether a student is independent for purposes of using the student's income alone for determining Section 8 eligibility (Student's Independence Verification Requirements). Those items include:

1. Reviewing and verifying previous address information to determine evidence of a separate household;
2. Verifying the student meets the U.S. Department of Education's definition of "independent student";
3. Reviewing a student's prior year income tax returns to verify the student is independent or verifying the student meets the U.S. Department of Education's definition of "independent student"; and
4. Verifying income provided by a parent by requiring a written certification from the individual providing the support. Certification is also required if the parent is providing no support to the student. Financial assistance that is provided by persons not living in the unit is part of annual income. (Except if the student meets the Department of Education's definition of "independent student" in paragraphs (2), (3) or (8) set forth below).

An "independent student" is defined as:

1. The individual is 24 years of age or older by December 31 of the award year;
2. The individual is an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older;
3. The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's State of legal residence;

4. The individual is a veteran of the Armed Forces of the United States (as defined in subsection c)(1) of HEA) or is currently serving on active duty in the Armed Forces for other than training purposes;
5. The individual is a graduate or professional student;
6. The individual is a married individual;
7. The individual has legal dependents other than a spouse;
8. The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth (as such terms are defined in section 725 of the McKinney-Vento Homeless Assistance Act) (42 U.S.C. 11431 et seq.), or as unaccompanied, at risk of homelessness, and self-supporting, by—
  - a. A local educational agency homeless liaison, designated pursuant to section 722(g)(1)(J)(ii) of the
  - b. McKinney-Vento Homeless Assistance Act;
  - c. The director of a program funded under the Runaway and Homeless Youth Act or a designee of the director;
  - d. The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (relating to emergency shelter grants) or a designee of the director; or
  - e. A financial aid administrator; or

The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

C. INCOME LIMITATIONS [24 CFR 982.201(b), 982.353]

*INSTRUCTION: The Quality Housing and Work Responsibility Act of 1998 authorizes PHAs to admit families whose income does not exceed the low-income limit (80% of median area income) provided the PHA has included this part of the admissions policy in the PHA's Annual Plan and specifies the criteria.*

To be eligible for assistance, an applicant must:

Have an Annual Income at the time of admission that does not exceed the [very low income] income limits for occupancy established by HUD.

*INSTRUCTION: If the PHA elects to use the Very Low Income limit, this should be added:*

\* To be income eligible, the applicant must be a family in the very low income category, which is a family whose income does not exceed 50 percent of the area median income. The PHA will not admit families whose income exceeds 50 percent of the area median income except those families included in 24 CFR 982.201(b).

\* To be income eligible, the family may be under the low-income limit in any of the following categories: [24 CFR 982.201(b)]

A very low income family.

A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within [180] days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act.

A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.

A low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.

A low-income non-purchasing family residing in a project subject to a home-ownership program under 24 CFR 248.173.

A low-income family or moderate income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.

A low-income family that qualifies for Voucher assistance as a non-purchasing family residing in a project subject to a resident home ownership program.

Portability: For initial lease-up at admission, families who exercise portability must be within the applicable income limit for the jurisdiction of the receiving PHA in which they want to live.

#### D. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218]

Prior to admission, every family member regardless of age must provide the Housing Authority with a complete and accurate Social Security Number unless they do not contend eligible immigration status.

New family members must provide this verification prior to being added to the lease. If the new family member became a member of the household within six months prior to the date of admission and is under the age of six and has not been assigned a Social Security Number, the family shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security Number. The Housing Authority shall grant one ninety (90) day extension for newly-added family members under the age of six if in its sole discretion it determines that the person's failure to comply was due to circumstances that could not have reasonably been foreseen and was outside the control of the person. If the Social Security Number is not provided within the required period, the assistance shall be terminated.

If a person is already a program participant and has not disclosed his or her Social Security Number, it must be disclosed at the next re-examination or re-certification.

Participants aged 62 or older as of January 31, 2010 whose initial eligibility determination was begun before January 31, 2010 are exempt from the required disclosure of their Social Security Number. This exemption continues even if the individual moves to a new assisted unit.

The best verification of the Social Security Number is the original Social Security card. If the card is not available, the Housing Authority will accept an original document issued by a federal or state government agency, which contains the name of the individual and the Social Security Number of the individual, along with other identifying information of the individual or such other evidence of the Social Security Number as HUD may prescribe in administrative instructions.

If a member of an applicant family indicates they have a Social Security Number, but cannot readily verify it, the family cannot be assisted until verification is provided.

If an individual fails to provide the verification within the time allowed, the family will be denied assistance or will have their assistance terminated. If the Social Security Number of each household member cannot be provided to the Housing Authority within 60 days of it being requested, the family shall lose its place on the waiting list and are removed from the waiting list. During this 60 days, if all household members have not disclosed their SSN at the time a unit becomes available, the Housing Authority must offer the available unit to the next eligible applicant family on the waiting list. The Housing Authority shall grant one ninety (90) day extension from termination if in its sole discretion it determines that the person's failure to comply was due to circumstances that could not have reasonably been foreseen and there is a reasonable likelihood that the person will be able to disclose a Social Security Number by the deadline.

#### E. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR Part 5, Subpart E]

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither, may elect not to contend their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD.

For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

Mixed Families. A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed." Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

All members ineligible. Applicant families that include no eligible members are ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.

Non-citizen students. Defined by HUD in the non-citizen regulations at 24 CFR 5.522. Not eligible for assistance.

Appeals. For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

#### Verification of Status Before Admission

The PHA will not provide assistance to families prior to the verification of eligibility for the individual or at least one member of the family pursuant to this section.

All adults must be able to sign the lease. If the state of Pennsylvania forbids individuals with ineligible immigration status from executing contracts (i.e., leases or other legal binding documents), then they are ineligible for this program.

#### F. OTHER CRITERIA FOR ADMISSIONS [24 CFR 982.552(b)]

A family will not be admitted to the program if any member of the family has been evicted from federally assisted housing for serious violation of the lease within the past [five] years.

A family will be denied admission to the program if any member of the family fails to sign and submit consent forms for obtaining information required by the PHA, including Form HUD-9886 and the "Consent for Release for Information" form.

\* The PHA will apply the following criteria, in addition to the HUD eligibility criteria, as grounds for denial of admission to the program:

- \* The family must not have violated any family obligation during a previous participation in the Section 8 program for [five] years prior to final eligibility determination.

- \* The PHA will make an exception, if the family member who violated the family obligation is not a current member of the household on the application.

- \* The family must pay any outstanding debt owed the PHA or another PHA as a result of prior participation in any federal housing program within [30] days of PHA notice to repay.

- \* The family must be in good standing regarding any current payment agreement made with another PHA for a previous debt incurred, before this PHA will allow participation in its Section 8 program.

- \* The PHA will check criminal history for all adults in the household to determine whether any member of the family has violated any of the prohibited behaviors as



referenced in the section on screening and terminations policy in the "Denial or Termination of Assistance" chapter.

In deciding whether to exercise their discretion to admit an individual or household that has engaged in criminal activity, the Housing Authority of the County of Dauphin will consider all of the circumstances relevant to the particular admission, including but not limited to: the seriousness of the offending action.

If any applicant deliberately misrepresents the information on which eligibility or tenant rent is established, the PHA may deny assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum).

\*A check of the State's lifetime sex offender registration program for each adult household member, including live-in aides. No household with an individual registered under a State sex offender registration will be admitted to the program. The Housing Authority will check with our State registry and if the applicant has resided in another State(s), with that State(s)'s list.

The Housing Authority will also utilize the US Department of Justice's Dru Sjodin National Sex Offender website as an additional resource. The Dru Sjodin National Sex Offender Database is an online, searchable database, hosted by the Department of Justice, which combines the data from individual state sex offender registries.

If an applicant is about to be denied housing based on either the criminal check or the sex offender registration program, the applicant will be informed of this fact and given an opportunity to dispute the accuracy of the information before the denial or eviction occurs. Applicants that are denied housing will be given a "Notice of Occupancy Rights under the Violence Against Women Act" which provides information on their rights and responsibilities under the Violence Against Women Act (VAWA). A copy of the HUD-approved Certification form shall also be provided with the notice.

\* G. TENANT SCREENING [24 CFR 982.307)]

The PHA will take into consideration any of the criteria for admission described in the "Denial or Termination of Assistance" chapter.

The PHA [will not] screen family behavior or suitability for tenancy, other than past criminal behavior for program eligibility. The PHA will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

In deciding whether to exercise their discretion to admit an individual or household that has engaged in criminal activity, the Housing Authority of the County of Dauphin will consider all of the circumstances relevant to the particular admission, including but not limited to: the seriousness of the offending action.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening families based on their tenancy histories, including such factors as:[24 CFR 982.307(a)(3)]

Payment of rent and utility bills

Caring for a unit and premises

Respecting the rights of other residents to the peaceful enjoyment of their housing

Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and

Compliance with other essential conditions of tenancy.

The PHA may give the owner:

The family's current and prior address as shown in the PHA's records; and

The name and address (if known by the PHA) of the landlord at the family's current and prior address.

\*The PHA will offer the owner other information in the PHA's possession concerning the family if requested, including:

\* Information about the family's tenancy history; or

\* Information about drug-trafficking by family members

The same types of information may be supplied to all owners.

The PHA will advise families how to file a complaint if they have been discriminated against by an owner. The PHA will advise the family to make a Fair Housing complaint if such a complaint appears justified. The PHA may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

## H. CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT

Changes that occur during the period between issuance of a voucher and lease up may affect the family's eligibility or share of the rental payment.

## I. INELIGIBLE FAMILIES

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to non-citizen status. See "Complaints and Appeals" chapter for additional information about reviews and hearings.

J. PROHIBITED ADMISSIONS CRITERIA [982.202(b)]

Admission to the program may not be based on:

Where a family lives prior to admission to the program.

Where the family will live with assistance under the program.

Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock.

Discrimination because a family includes children

Whether a family decides to participate in a family self sufficiency program; or

Other reasons as listed in the “Statement of Policies and Objectives” chapter under the Fair Housing and Reasonable Accommodations sections.

K. VIOLENCE AGAINST WOMEN ACT (VAWA) PROTECTIONS

Under the Violence Against Women Act (VAWA, notwithstanding the title of the statute, protections are not limited to women but cover victims regardless of sex, gender identity, or sexual orientation), Housing Choice Voucher participants have the following specific protections, which will be observed by the Housing Authority:

- A. An incident or incidents or actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence, and shall not in itself be good cause for terminating the assistance, tenancy, or occupancy rights of the victim of such violence by either the Housing Authority or the owner or property manager.
- B. An applicant for assistance or a tenant/participant receiving assistance under a covered housing provider may not be denied admission to, denied assistance under, terminated from participation in, or evicted from housing on the basis or as a direct result of the fact that the applicant or tenant/participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy.
- C. The Housing Authority shall provide each applicant and participant a HUD prescribed Notice of Occupancy Rights and Certification form. It shall also be provided with any notice of eviction. In addition, the Authority shall make an adopted Emergency Transfer Plan and Emergency Transfer Request available upon request.

- D. The Housing Authority may terminate the assistance to remove a lawful occupant or tenant who engages in criminal acts or threatened acts of violence or stalking to family members or others without terminating the assistance or evicting victimized lawful occupants. Also, the owner or property manager may evict a lawful occupant or tenant who engages in criminal acts or threatened acts of violence or stalking to family members or others without evicting other victimized lawful occupants. This is also true even if the household member is not a signatory to the lease. Under VAWA, both the Housing Authority and the owner or property manager are granted the authority to bifurcate the lease.
- E. The Housing Authority and owner or property manager may honor court orders regarding the rights of access or control of the property.
- F. There is no limitation on the ability of the Housing Authority to terminate assistance for other good cause unrelated to the incident or incidents of domestic violence, dating violence, sexual assault or stalking, other than the victim may not be subject to a “more demanding standard” than non-victims. Likewise, an owner or property manager can evict for good cause unrelated to the incident or incidents of domestic violence, dating violence, sexual assault or stalking. This is provided that neither subjects such a tenant to a more demanding standard than other tenants in making the determination whether to evict, or to terminate assistance or occupancy rights.
- G. There is no prohibition on the owner evicting if it “can demonstrate an actual and imminent threat to other tenants or those employed at or providing goods or services to the property if that tenant’s (victim’s) tenancy is not terminated.” An actual and imminent threat consists of a physical danger that is real, would occur within an immediate timeframe, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.
- H. Any protections provided by law which give greater protection to the victim are not superseded by these provisions.

***VERIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT OR STALKING***

The Housing Authority shall require and the owner or property manager may require verification in all cases where an individual claims protection under VAWA against an action involving such individual proposed to be taken by the Housing Authority. The

request for verification shall take the form of a written request by the Housing Authority to the claimant.

- A. Requirement for Verification.** The law allows, but does not require, the Housing Authority or a Section 8 owner or property manager to verify that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking claimed by a tenant or other lawful occupant is bona fide and meets the requirements of the applicable definitions set forth in this policy. The Housing Authority shall require verification in all cases where an individual claims protection against an action involving such individual proposed to be taken by the Housing Authority. Section 8 owners or managers receiving rental assistance administered by the Housing Authority may elect to require verification, or not to require it as permitted under applicable law.

Verification of a claimed incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking may be accomplished in one of the following three ways:

1. **HUD-approved form** - By providing to the Housing Authority or to the requesting Section 8 owner or property manager a written certification, on the form approved by the U.S. Department of Housing and Urban Development (HUD), that the individual is a victim of domestic violence, dating violence, sexual assault or stalking that the incident or incidents in question are bona fide incidents of actual or threatened abuse meeting the requirements of the applicable definition(s) set forth in this policy. The incident or incidents in question must be described in reasonable detail as required in the HUD-approved form, and the completed certification must include the name of the perpetrator.
2. **Other documentation** - by providing to the Housing Authority or to the requesting Section 8 owner or property manager documentation signed by an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing the domestic violence, dating violence, sexual assault or stalking, or the effects of the abuse, described in such documentation. The professional providing the documentation must sign and attest under penalty of perjury (28 U.S.C. 1746) to the professional's belief that the incident or incidents in question are bona fide incidents of abuse meeting the requirements of the applicable definition(s) set forth in this policy. The victim of the incident or incidents of domestic violence, dating violence, sexual assault or stalking described in the documentation must also sign and attest to the documentation under penalty of perjury.

3. ***Police or court record*** – by providing to the Housing Authority or to the requesting Section 8 owner or property manager a Federal, State, tribal, territorial, or local police or court record describing the incident or incidents in question.
- B. ***Time allowed to provide verification/failure to provide.*** An individual who claims protection against adverse action based on an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking, and who is requested by the Housing Authority, or a Section 8 owner or property manager to provide verification, must provide such verification within 14 business days after receipt of the written request for verification. Failure to provide verification, in proper form within such time will result in loss of protection under VAWA and this policy against a proposed adverse action. The submission of false information may be the basis for the termination of assistance or for eviction.
- C. ***Managing conflicting documentation.*** In cases where the Housing Authority receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the Housing Authority may determine which is the true victim by requiring third-party documentation as described in 24 CFR 5.2007 and in accordance with any HUD guidance as to how such determinations will be made. The Housing Authority shall honor any court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household.

### ***CONFIDENTIALITY***

All information provided under VAWA including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, shall be retained in confidence and shall not be entered into any shared database or provided to any related entity except to the extent that the disclosure is:

- A. Requested or consented to by the individual in writing;
- B. Required for used in an eviction proceeding; or
- C. Otherwise required by applicable law.

The Housing Authority shall provide its tenants notice of their rights under VAWA including their right to confidentiality and the limits thereof.

## Chapter 3

### APPLYING FOR ADMISSION

[24 CFR 982.204]

#### INTRODUCTION

The policy of the PHA is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for assistance, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but the PHA will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the waiting list in accordance with this Plan.

#### A. OVERVIEW OF THE APPLICATION TAKING PROCESS

The purpose of application taking is to permit the PHA to gather information and determine placement on the waiting list. The application will contain questions designed to obtain pertinent program information.

Families who wish to apply for any one of the PHA's programs must **[complete a written application form when application-taking is open.]** Applications will be made available in an accessible format upon request from a person with a disability.

**\*When the waiting list is open, any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an application.**

**\*Applications will be mailed to interested families upon request.**

**\* The application process will involve two phases. The first is the "initial" application for assistance (referred to as a preapplication). This first phase results in the family's placement on the waiting list, based on information provided by the applicant family on the preapplication form.**

**\* The preapplication will be dated, time-stamped, and referred to the PHA's eligibility office where it will be maintained until such time as it is needed for processing.**

**\* The second phase is the "final determination of eligibility" (referred to as the full application). The full application takes place when the family reaches the top of the waiting list. The "top" of the waiting list does not mean just the family in the number one position. The Authority necessarily sends letters to many applicants at the "top" of the waiting list, a group that could include a hundred, two hundred or even more. All those in this group or batch are treated the same and, depending upon many factors including the timeliness of**

**verifications, any applicant family in the group/batch could receive a voucher before another family. At this time the PHA ensures that verification of all HUD and PHA eligibility factors is current in order to determine the family's eligibility for the issuance of a voucher.**

If an applicant does not have their letter of benefits from the Social Security Administration or the letter is outdated, the Housing Authority will ask the family to go online to the SSA website and print current information to give the Housing Authority. If the family does not have a computer, while meeting with the applicant, the Housing Authority will help the applicant request a benefit verification letter from SSA's website, Social Security Online, at [www.socialsecurity.gov](http://www.socialsecurity.gov) or ask the applicant to request a *Proof of Income Letter* from SSA's toll-free number (800-772-1213).

Prior to admission, every family member regardless of age must provide the Housing Authority with a complete and accurate Social Security Number unless they do not contend eligible immigration status. If a family member is under the age of six and has not been assigned a Social Security Number, the applicant shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security Number. The Housing Authority may grant one ninety (90) day extension for family members under the age of six if in its sole discretion it determines that the applicant's failure to comply was due to circumstances that could not have reasonably been foreseen and was outside the control of the applicant. Applicants will be provided the opportunity to complete the information on form HUD-92006, Supplement to Application for Federally Assisted Housing. The form gives applicants the option to identify an individual or organization that the Housing Authority may contact and the reason(s) the individual or organization may be contacted. The applicants, if they choose to provide the additional contact information, must sign and date the form.

If the applicant chooses to have more than one contact person or organization, the applicant must make clear to the Housing Authority the reason each person or organization may be contacted. The Housing Authority will allow the applicant to complete a form HUD-92006 for each contact and indicating the reason the Housing Authority may contact the individual or organization. For example, the applicant may choose to have a relative as a contact for emergency purposes and an advocacy organization for assistance for tenancy purposes.

Those applicants who choose not to provide the contact information should check the box indicating that they "choose not to provide the contact information" and sign and date the form.

## **B. OPENING/CLOSING OF APPLICATION TAKING** [24 CFR 982.206, 982.54(d)(1)]

The PHA will utilize the following procedures for opening the waiting list:

When the PHA opens the waiting list, the PHA will advertise through public notice in the following newspapers, minority publications and media entities, location(s), and program(s) for which applications are being accepted:



**\*[The Harrisburg Patriot and Upper Dauphin Centinal Newspapers, Upper Dauphin Human Service Bldg, Elizabethtown, PA., the Charles P. Polk Foundation, Millersburg, PA**

The notice will contain:

The dates, times, and the locations where families may apply.

The programs for which applications will be taken.

A brief description of the program.

A statement that public housing residents must submit a separate application if they want to apply for the Section 8 rental assistance Program.

Limitations, if any, on who may apply.

The notices will be made in an accessible format if requested. They will provide potential applicants with information that includes the PHA address and telephone number, how to submit an application, information on eligibility requirements, and the availability of local preferences.

Upon request from a person with a disability, additional time will be given as an accommodation for submission of an application after the closing deadline. This accommodation is to allow persons with disabilities the opportunity to submit an application in cases when a social service organization provides inaccurate or untimely information about the closing date.

If the waiting list is open, the PHA will accept applications from eligible families unless there is good cause for not accepting the application, such as denial of assistance because of action or inaction by members of the family for the grounds stated in the "Denial or Termination of Assistance" chapter of this Administrative Plan. [24 CFR 982.206(b)(2)]

### **Closing the Waiting List**

The PHA may stop applications if there are enough applicants to fill anticipated openings for the next 12 months. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

**\* The PHA will announce the closing of the waiting list by public notice.**

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next [24] months. The PHA will give at least [three] days' notice prior to closing the list. When the period for accepting applications is over, the PHA will add the new applicants to the list by:

**\* Separating the new applicants into groups based on preferences and ranking**

applicants within each group by date and time of application.

**Limits on Who May Apply**

When the waiting list is open:

**\* Any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an application with exception of the following:**

**Applicants who have been denied housing or whose participation has been terminated for failure to satisfy certain Section 8 criteria for admission and participation may reapply after the following periods of time have elapsed:**

- (1) Violent and/or drug-related criminal activity – five calendar years from the date of the prohibited behavior or one calendar year from the date of release from any period of incarceration imposed as a result of the prohibited behavior, whichever date is later.**
- (2) Committing fraud in connection with any Federal housing assistance program - three years.**
- (3) Intentional misrepresentation of information related to their housing application or benefits derived therefore - one year.**
- (4) If a family is denied/terminated for any other reasons - one year.**

When the application is submitted to the PHA:

**\* It establishes the family's date and time of application for placement order on the waiting list.**

**C. "INITIAL" APPLICATION PROCEDURES** [24 CFR 982.204(b)]

The PHA will utilize a [preliminary application form]. The information is to be filled out by the applicant whenever possible. To provide specific accommodation for persons with disabilities, the information may be completed by a staff person over the telephone. It may also be mailed to the applicant and, if requested, it will be mailed in an accessible format.

**[Translations will be provided for non-English speaking applicants by staff in Spanish.]**

The purpose of the preapplication is to permit the PHA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. The preapplication will contain at least the following information:

Applicant name

Family Unit Size (number of bedrooms the family qualifies for under PHA subsidy standards) (By PHA)

Date and time of application (By PHA)

Information regarding possible eligibility for any local preference. (Preference will be based on information provided by applicant since, ordinarily, verification is not performed until the final verification stage.)

Racial or ethnic designation of the head of household

**\*Annual (gross) family income**

**\*Targeted program qualifications**

**\* Duplicate applications, including applications from a segment of an applicant household, will not be accepted.**

Applicant families which appear ineligible based on information provided on the preliminary application will be placed on the waiting list pending verification of information at the “final eligibility determination” stage.

Preapplications [**will not**] require an interview. The information on the application [**will not**] be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

#### **D. PLACEMENT ON THE WAITING LIST**

Applicants will be selected for placement on the waiting list by a lottery or random selection method.

#### **E. APPLICANT STATUS WHILE ON WAITING LIST** [CFR 982.204]

**\*Applicants are required to inform the PHA [in writing] of changes in address. Applicants are also required to respond to periodic requests from the PHA to update information on their application and to determine their interest in assistance.**

If after a review of the preapplication the family is determined to be preliminarily eligible, they will be notified in writing or in an accessible format upon request, as a reasonable accommodation.

This written notification of preliminary eligibility will be mailed to the applicant by first class mail.

The Authority may “purge” the waiting list periodically to determine who is still interested in receiving a voucher. This procedure would entail contacting applicants on the waiting list by first class mail at their addresses of record and inquiring whether they desire to remain on the waiting list and, possibly, whether their circumstances have changes. If the Authority does not receive a response from the applicant within the specified period of time, the applicant would be removed from the waiting list.

**F. TIME OF SELECTION** [24 CFR 982.204]

When funding is available, families will be selected from the waiting list in their determined sequence, regardless of family size, subject to income targeting requirements.

- 1. Based on the PHA's turnover and the availability of funding, groups of families will be selected from the waiting list to form a final eligibility "pool." The sequence of selection from the pool will be based on completion of verification of each family's information and, consequently, any family in the final eligibility "Pool" may receive a voucher before or after any other applicant family in the pool. Subject to the availability of funding, all applicant families in the pool will receive a voucher subsequent to the determination of eligibility.**

2. a. The potential members of the applicant pool will be sent “continued interest/update” letters prior to the invitation for the interview. These letters are intended to determine whether the applicant is still interested in rental assistance and whether there have been any changes in the family’s circumstances since the family completed the preliminary application. In particular, these letters are intended to determine whether the family may still be eligible for any preferences indicated on their preliminary application.
- b. If the “continued interest/update” letter is returned as undeliverable or if the applicant indicates that they are no longer interested in rental assistance through the Housing Choice Voucher Program, they will be removed from the Section 8 waiting list. If they indicate that they are interested and they appear to be eligible for the same preferences as indicated on their preliminary application, they will be invited to the interview for completion of the final application. On the other hand, if their circumstances have changed and they are no longer eligible for the preference(s) granted, which determined their position on the waiting list, they will be assigned the appropriate preferences which will determine their new position on the waiting list.

## **G. COMPLETION OF A FULL APPLICATION**

All preferences claimed on the preapplication or while the family is on the waiting list will be verified. The preference claimed has to be valid and applicable at the time of verification. The verification of information will occur as soon as possible after the family has been chosen for the eligibility pool and after the family provides the Authority will complete and accurate information. **The applicant will certify by signature that all information on the application is complete and accurate.**

Once the preference has been verified, the family will complete a full application, present Social Security number information, citizenship/eligible immigrant information, and sign the Consent for Release of Information forms.

Applicants will also be given the opportunity to update their HUD Form 92006 if applicable and if they desire.

The full application will be mailed or communicated as requested as an accommodation to a person with a disability or completed, if necessary, when the applicant attends the interview.

After the preference is verified, when the PHA is ready to select applicants, applicants will be required to:

### **Requirement to Attend Interview**

The PHA utilizes the full application interview to discuss the family's circumstances in greater detail, to clarify information which has been provided by the family, and to ensure that the information is complete. The interview is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process, as well as to advise the family of other PHA services or programs which may be available.

**\* The head of household is required to attend the interview.**

**\* If the head of household cannot attend the interview, the spouse may attend to complete the application and certify for the family. The head of household, however, will be required to attend an interview within [14 ] days to review the information and to certify by signature that all of the information is complete and accurate.**

**\* It is the applicant's responsibility to reschedule the interview if s/he misses the appointment. If the applicant does not reschedule or misses [two] scheduled meetings, the PHA will reject the application.**

**\* Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule no later than [7] days from the original appointment date. [The request must be made to the staff person who scheduled the appointment.]**

**\* If an applicant fails to appear for a pre-scheduled appointment, the PHA will automatically schedule a second appointment. If the applicant misses the second appointment without prior approval, the application is denied.**

If an applicant does not have their letter of benefits from the Social Security Administration or the letter is outdated, the Housing Authority will ask the family to go online to the SSA website and print current information to give the Housing Authority. If the family does not have a computer, while meeting with the applicant, the Housing Authority will help the applicant request a benefit verification letter from SSA's website, Social Security Online, at [www.socialsecurity.gov](http://www.socialsecurity.gov) or ask the applicant to request a *Proof of Income Letter* from SSA's toll-free number (800-772-1213).

Prior to admission, every family member regardless of age must provide the Housing Authority with a complete and accurate Social Security Number unless they do not contend eligible immigration status. If a family member is under the age of six and has not been assigned a Social Security Number, the applicant shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security Number. The Housing Authority may grant one ninety (90) day extension for family members under the age of six if in its sole discretion it determines that the applicant's failure to comply was due to circumstances that could not have reasonably been foreseen and was outside the control of the applicant. Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to participate in the interview process, but only with permission of the person with a disability.

If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review. (See "Complaints and Appeals" chapter.)

All adult members (18 years of age and older) must sign the HUD Form 9886, Release of Information, , the declarations and consents related to citizenship/immigration status and any other documents required by the PHA. Applicants will be required to sign specific verification forms for information which is not covered by the HUD form 9886. Failure to do so will be cause for denial of the application for failure to provide necessary certifications and release as required by the PHA.

Every adult household member must sign a consent form to release criminal conviction records and to allow PHAs to receive records and use them in accordance with HUD regulations.

If the PHA determines at or after the interview that additional information or document(s) are needed, the PHA will request the document(s) or information **[in writing.]** The family will be given **[14 calendar]** days to supply the information.

If the information is not supplied in this time period, the PHA will provide the family a notification of denial for assistance. (See "Complaints and Appeals" chapter)

#### **H. VERIFICATION** [24 CFR 982.201(e)]

Information provided by the applicant will be verified using the verification procedures in the "Verification Procedures" chapter. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, **preferences** and other pertinent information will be verified. Verifications may not be more than 90 days old at the time of issuance of the Voucher.

If an applicant does not have their letter of benefits from the Social Security Administration or the letter is outdated, the Housing Authority will ask the family to go online to the SSA website and print current information to give the Housing Authority. If the family does not have a computer, while meeting with the applicant, the Housing Authority will help the applicant request a benefit verification letter from SSA's website, Social Security Online, at [www.socialsecurity.gov](http://www.socialsecurity.gov) or ask the applicant to request a *Proof of Income Letter* from SSA's toll-free number (800-772-1213).

Prior to admission, every family member regardless of age must provide the Housing Authority with a complete and accurate Social Security Number unless they do not contend eligible immigration status. If a family member is under the age of six and has not been assigned a Social Security Number, the applicant shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security Number. The Housing Authority may grant one ninety (90) day extension for family members under the age of six if in its sole discretion it determines that the applicant's failure to comply was due to circumstances that could not have reasonably been foreseen and was outside the control of the applicant.**I.**

## **FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY**

[24 CFR 982.201]

After the verification process is completed, the PHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the PHA, and the current eligibility criteria in effect. If the family is determined to be eligible, the PHA will mail a notification of eligibility. A briefing will be scheduled for the issuance of a voucher and the family's orientation to the housing program.



## Chapter 4

# ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

[24 CFR Part 5, Subpart D; 982.54(d)(1); 982.204, 982.205, 982.206]

### **INTRODUCTION**

It is the PHA's objective to ensure that families are placed in the proper order on the waiting list and selected from the waiting list for admissions in accordance with the policies in this Administrative Plan.

**\* This chapter explains the local preferences which the PHA has adopted to meet local housing needs, defines the eligibility criteria for the preferences and explains the PHA's system of applying them.**

By maintaining an accurate waiting list, the PHA will be able to perform the activities which ensure that an adequate pool of qualified applicants will be available so that program funds are used in a timely manner.

### **A. WAITING LIST** [24 CFR 982.204]

The PHA uses a single waiting list for admission to its Section 8 tenant-based assistance program.

Except for Special Admissions, applicants will be selected from the PHA waiting list in accordance with policies and preferences and income targeting requirements defined in this Administrative Plan.

The PHA will maintain information that permits proper selection from the waiting list.

The waiting list contains the following information for each applicant listed:

Applicant name

Family unit size (number of bedrooms family qualifies for under PHA subsidy standards)

Date and time of application

Information regarding possible eligibility for any local preference. (Preference will be based on information provided by applicant since, ordinarily, verification is not performed until the final verification stage.)

Racial or ethnic designation of the head of household

**\*Annual (gross) family income**

**\*Number of persons in family**

**\*Targeted program qualifications**

**B. SPECIAL ADMISSIONS** [24 CFR 982.54(d)(e), 982.203]

If HUD awards a PHA program funding that is targeted for specifically named families, the PHA will admit these families under a Special Admission procedure.

Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list. The PHA maintains separate records of these admissions.

The following are examples of types of program funding that may be designated by HUD for families living in a specified unit:

A family displaced because of demolition or disposition of a public or Indian housing project;

A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;

For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990;

A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; or an expired Mod Rehab contract.

A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

**C. WAITING LIST PREFERENCES** [24 CFR 982.207]

The Housing Authority has established a number of preferences which determine applicants' positions on the waiting list. Applicants may be eligible for more than one preference. Generally, each preference is worth ten points; however, the Housing Authority may assign more than ten points to a preference under special circumstances, for example, a special program the Housing Authority is or will be administering. **Preference points are cumulative.** For example, a family which is eligible for one preference would be assigned 10 points whereas a family eligible for three preferences would receive 30 points. The more points a family has, the higher that family's position on the waiting list.

Within each preference group, applications will be ordered by the date and time of receipt of a completed application.

**D. LOCAL PREFERENCES** [24 CFR 982.207]

**1. RESIDENCY PREFERENCE (10 POINTS)**

Families who live, work or have been hired to work in the County of Dauphin outside the City of Harrisburg, which is the area of operation of the Housing Authority of the County of Dauphin, are eligible for a residency preference.

**2. VICTIMS OF DOMESTIC VIOLENCE (10 POINTS)**

**The Authority will offer a local preference to families that that been subjected to or victimized by a member of the family or household with the past sixty (60) days.**

The Authority will require evidence that the family has been displaced as a result of fleeing violence in the home. Families are also eligible for this preference if there is proof that family members are currently living in a situation where they are being subjected to or victimized by violence in the home. The following criteria are used to establish a family's eligibility for this preference:

- \* Actual or threatened violence must have occurred with the past sixty (60) days or be a of a continuing nature.
- \* To qualify for this preference, the abuser must still reside in the unit from which the victim was displaced. The applicant must certify that the abuser will not reside with the applicant unless the Authority gives prior written approval.
- \* The Authority will approve the return of the abuser to the household under the following conditions:
  1. The Authority verifies that the abuser has received therapy or counseling that appears to minimize the likelihood of recurrence of violent behavior.
  2. A counselor, therapist or other appropriate professional recommends in writing that the individual be allowed to reside with the family.

\* If the abuser returns to the family without approval of the Authority, the Authority will deny or terminate assistance for breach of certification.

\* At the family's request, the Authority will take precautions to ensure that the new location of the family is concealed in cases of domestic abuse.

### **3. HOMELESSNESS, INVOLUNTARY DISPLACEMENT, OR WITNESS PROTECTION PROGRAM (10 POINTS)**

**A. HOMELESSNESS** A preference for homelessness will be given to a family or individual who meets the following definition:

(1) A family or individual who lacks a fixed, regular and adequate night-time residence; and

(2) A family or individual who has a primary night-time resident that is:

(a) a supervised publicly or privately operated shelter designed to provide temporary living accommodations;

(b) an institution that provides a temporary residence for persons intended to be institutionalized; or

(c) a public or private place not designed for, or ordinarily used as a regular sleeping accommodation for human beings.

The eligibility for the Homelessness preference will be extended for up to six months for those who met the definition of homelessness and for whom Section 8 rental assistance was not available during their period of actual homelessness. This extension applies to those who met the definition of homelessness and who at the time of the verification of eligibility for this preference do not own a home or are not on a residential lease and who are staying temporarily at a residence of a friend, relative or other person. For example, this would apply to those who were at a shelter and who reached the time limit for their stay at the shelter and who, of necessity, sought refuge temporarily with a friend, relative or other person. The six month period would begin at the time of their leaving the shelter or leaving the street.

### **B. INVOLUNTARY DISPLACEMENT**

**(1) Government Action:** A family or individual will be considered to be involuntary displaced and thereby eligible for this preference if such family or individual

has been displaced by government action such as condemnation, e.g., having to move from a dwelling declared unfit for human habitation.

**(2) Disaster:** The family's previous home has been extensively damaged and made unliveable by a disaster such as a fire, flood, earthquake or tornado.

### **C. WITNESS PROTECTION PROGRAM**

Families and individuals who have been displaced because of participation in a government sponsored witness protection program are eligible for this preference.

### **4. PHYSICAL OR MENTAL DISABILITY (10 POINTS)**

A family whose head-of-household, spouse or co-head-of-household is permanently disabled, as defined below, is eligible for this preference.

(A) A person shall be considered to have a disability if such a person has a physical, mental or emotional impairment which is expected to be a long-continued duration, substantially impedes his or her ability to live independently, and is of such a nature that such ability could be improved by more suitable housing conditions.

(B) A person will also be considered to have a disability if she or he has a developmental disability, which is a severe, chronic disability that,

(1) is attributable to a mental or physical impairment or combination of mental and physical impairments;

(2) is manifested before the person attains age 22;

(3) is likely to continue indefinitely;

(4) results in substantive functional limitations in three or more areas of life activity.

### **5. BRIDGE SUBSIDY PROGRAM PREFERENCE (10 POINTS)**

At the recommendation of the Dauphin County MH/ID Office, Section 8 Housing Choice Voucher Program individual and family applicants that participate in the Dauphin County MH/ID Bridge Subsidy Program will be eligible for an additional preference of 10 points upon successfully achieving the following requirements:

1.) Complete a minimum of one full year of successful participation in the Bridge Subsidy Program.

- 2.) Successfully complete the first annual inspection process.
- 3.) Successfully complete the first annual recertification process.

The Dauphin County MH/ID Office reserves the right to terminate an individual or family's participation in the Bridge Subsidy Program at any time for just cause. Such a termination action would cause the participant in the Bridge Subsidy Program to forfeit the additional ten point preference that may have been awarded by the Housing Authority but would not jeopardize the participant's original application status under the Section 8 Housing Choice Voucher Program.

#### **6. SHELTER PLUS CARE PROGRAM PREFERENCE (10 POINTS)**

At the recommendation of the Dauphin County MH/ID Office, Section 8 Housing Choice Voucher Program individual and family applicants that participate in the Housing Authority's Shelter Plus Care Program will be eligible for an additional preference of 10 points upon successfully achieving the following requirements:

- 1.) Complete a minimum of one full year of successful participation in the Shelter Plus Care Program.
- 2.) Successfully complete the first annual inspection process.
- 3.) Successfully complete the first annual recertification process.

Termination of an individual or family's participation in the Shelter Plus Care Program at any time for just cause would cause the participant in the Shelter Plus Care Program to forfeit the additional ten point preference that may have been awarded by the Housing Authority but would not jeopardize the participant's original application status under the Section 8 Housing Choice Voucher Program.

#### **7. PHFA FY13 SECTION 811 PROGRAM (60 POINTS)**

The Housing Authority of the County of Dauphin is allocating fifteen (15) Housing Choice Vouchers for utilization under the FY13 Section 811 Program administered by the Pennsylvania Housing Finance Agency. This FY13 SECTION 811 PROGRAM preference will end upon the issuance and lease-up of all fifteen (15) Housing Choice Vouchers which have been allocated.

At any given time, the sum total number of individuals and families who are receiving housing assistance payments as a result of the FY13 Section 811 Program and individuals and families on the HACD HCV waiting list with the FY13 Section 811 Program preference shall not exceed fifteen (15).

The Housing Authority is allocating the Vouchers consistent with DHS' Office of Mental Health and Substance Abuse Services Olmstead Plan which includes a preference for adults with serious mental disabilities as a targeted population.

The Housing Authority shall give priority when issuing Vouchers in accordance with PHFA's FY13 Section 811 Program priority populations as set forth below:

- a. Priority 1 – Persons with disabilities ages 18-61, who are institutionalized, but able to live in the community with permanent supportive housing. Institutions include, but are not limited to, private and public mental health hospitals, nursing facilities and Intermediate Care Facilities for the Intellectually Disabled.
- b. Priority 2 – Persons with disabilities ages 18-61, who are at risk of institutionalization without permanent supportive housing, including, but not limited to, persons who are living with elderly caregivers or in unstable situations, homeless, aging out of the Early and Periodic Screening, Diagnosis and Treatment Program with no family support system and individuals aging out of foster care.
- c. Priority 3 – Persons with disabilities ages 18-61, who are living in congregate settings, who desire to move to an integrated community, including, but not limited to, persons in Community Residential Rehabilitation facilities, Long Term Structured Residences, personal care homes and domiciliary care.

#### **7. 2018 SECTION 811 MAINSTREAM VOUCHER PROJECT (10 POINTS)**

Non-elderly persons (age 18-61) with disabilities transitioning out of institutional and other segregated settings, at serious risk of institutionalization, homeless, or at risk of becoming homeless. Category definitions can be found in the Housing Authority's form ***2018 Section 811 Mainstream Voucher Project for Dauphin County Application Procedures***.

At any given time, the number of applicants on the waiting list that may qualify for this preference cannot exceed forty-one (41).

This preference has been established in accordance with the 2017 Mainstream Voucher Program NOFA related to the Housing Authority's application to and subsequent award by the U.S. Department of Housing and Urban Development for the administration of its 2018 Section 811 Mainstream Voucher Project.

All applicant families or individuals who appear to be otherwise eligible, but who are not eligible for one of the above preferences, will be placed on the Housing Choice Voucher (Section 8) waiting list with zero (0) points.

## Treatment of Single Applicants

\* Single applicants will be treated as any other eligible family on the waiting list.

### **E. INCOME TARGETING**

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the Authority reserve a minimum of seventy-five percent of its Section 8 new admissions for those families whose incomes do not exceed the higher of 30% of the median income for the area (as determined by HUD with adjustments for smaller and larger families) or the Federal poverty level, except that HUD may establish income ceilings higher or lower than 30% of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes. The PHA will admit families who qualify under the Extremely Low Income limit to meet the income targeting requirement, regardless of preference.

The Authority's income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act.

The Authority is also exempted from this requirement where the PHA is providing assistance to low income or moderate income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

### **F. INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION** [24 CFR 982.207]

At the time of application, an applicant's entitlement to a local preference may be made on the following basis.

**\* An applicant's certification that they qualify for a preference will be accepted without verification at the initial application. When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified.**

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list without the local preference and given an opportunity for a meeting.

### **G. EXCEPTIONS FOR SPECIAL ADMISSIONS** [24 CFR 982.203, 982.54(d)(3)]

If HUD awards the Authority program funding that is targeted for specifically named families, the Authority will admit these families under a Special Admission procedure. Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list. The PHA maintains separate records of these admissions.



The following are examples of types of program funding that may be designated by HUD for families living in a specified unit:

- A family displaced because of demolition or disposition of a Public or Indian housing project;
- A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;
- For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990;
- A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; and
- A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

#### **H. TARGETED FUNDING** [24 CFR 982.203]

When HUD awards special funding for certain family types, families who qualify are placed on the regular waiting list. When a specific type of funding becomes available, the waiting list is searched for the first available family meeting the targeted funding criteria.

Applicants who are admitted under targeted funding which are not identified as a Special Admission **[are identified by codes in the automated system]**. The Authority has the following "Targeted" Programs:

- \* **Family Unification Program**
- \* Project Access
- \* **NED Category 2 HCVs**
- \* **Section 811 Mainstream Vouchers**

Note: The Authority, if eligible, intends to apply for "Mainstream Vouchers" at the earliest opportunity and when such vouchers are available. Such vouchers would also be considered as "Targeted Funding".

#### **I. PREFERENCE AND INCOME TARGETING ELIGIBILITY** [24 CFR 982.207]

##### **Change in Circumstances**

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify the Authority in writing when their circumstances change.

**\* When an applicant claims an additional preference, s/he will be placed on the waiting list in the appropriate order determined by the newly-claimed preference.**

**\*The exception to this is, if at the time the family applied, the waiting list was only open to families who claimed that preference. In such case, the applicant must verify that they were eligible for the first preference before they are returned to the waiting list with the new preference.**

**\*If the family's verified annual income, at final eligibility determination, does not fall under the Extremely Low Income limit and the family was selected for income targeting purposes before family(ies) with a higher preference, the family will be returned to the waiting list.**

**\*The Authority will merge its waiting lists for all programs.**

#### **Other Housing Assistance [24 CFR 982.205(b)]**

**Other housing assistance means a federal, State or local housing subsidy, as determined by HUD, including Public Housing.**

**The Authority may not take any of the following actions because an applicant has applied for, received, or refused other housing: [24 CFR 982.205(b)]**

- \* Refuse to list the applicant on the PHA waiting list for tenant-based assistance;**
- \* Deny any admission preference for which the applicant is currently qualified;**
- \* Change the applicant's place on the waiting list based on preference, date and time of application, or other factors affecting selection under the Authority's selection policy; or**
- \* Remove the applicant from the waiting list.**

**However, the Authority may remove the applicant from the waiting list for tenant-based assistance if the Authority has offered the applicant assistance under the voucher program and the applicant has refused such assistance.**

#### **J. ORDER OF SELECTION [24 CFR 982.207(e)]**

The PHA's method for selecting applicants from a preference category leaves a clear audit trail that can be used to verify that each applicant has been selected in accordance with the method specified in the administrative plan.

#### **Among Applicants with Equal Preference Status**

**Among applicants with equal preference status, the waiting list will be organized by [date and time of receipt of the preliminary application].**

**K. FINAL VERIFICATION OF PREFERENCES** [24 CFR 982.207]

Preference information on applications will be updated as applicants are selected from the waiting list. Letters may also be sent to applicants prior to scheduling an interview to request updated information to determine whether their position on the waiting list, because of preferences claimed, is justified. Subsequent to the interview, the Authority will obtain necessary verifications of preference and other information by third party verification and other means.

**L. PREFERENCE DENIAL** [24 CFR 982.207]

If the Authority denies a preference, the Authority will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for **[an informal meeting with a person designated by the Authority other than the person or subordinate of the person who made the determination to deny the preference.]** If the preference denial is upheld as a result of the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

**\* If the applicant falsifies documents or makes false statements in order to qualify for any preference, they will be removed from the waiting list.**

**M. REMOVAL FROM WAITING LIST AND PURGING** [24 CFR 982.204©]

**\* The Waiting List will be purged periodically by a mailing to all applicants to ensure that the waiting list is current and accurate. The mailing will ask for confirmation of continued interest.**

**\* Any mailings to the applicant which require a response will state that failure to respond within [14 calendar] days will result in the applicant's name being dropped from the waiting list.**

An extension of [5] days to respond will be granted, if requested and needed as a reasonable accommodation for a person with a disability.

If the applicant did not respond to the Authority's request for information or updates because of a family member's disability, the Authority will reinstate the applicant in the family's former position on the waiting list.

**\* If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.**

**\* If a letter is returned with a forwarding address, it will be re-mailed to the address indicated.**

**\* The Authority allows a grace period of [5] days after completion of the purge. Applicants who respond during this grace period will be reinstated.**

Reserved

## Chapter 5

# SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

### INTRODUCTION

HUD guidelines require that PHA's establish subsidy standards for the determination of family unit size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards. This Chapter explains the subsidy standards which will be used to determine the voucher size (family unit size) for various sized families when they are selected from the waiting list, as well as the PHA's procedures when a family's size changes, or a family selects a unit size that is different from the Voucher.

### A. DETERMINING FAMILY UNIT (VOUCHER) SIZE [24 CFR 982.402]

The PHA does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the Voucher. The PHA's subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines.

**\* For subsidy standards, an adult is a person 18 years old or older.**

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements.

The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

**\* One bedroom will be generally be assigned for each two family members. The PHA will consider factors such as family characteristics including sex, age, or relationship. Consideration will also be given for medical reasons and the presence of a live-in aide.**

**\* Generally, the PHA assigns one bedroom to two people within the following guidelines:**

**\* Persons of different generations, persons of the opposite sex older than four (other than spouses), children of the same sex with a six year age difference or more (when the older child is 16 years or older), and unrelated adults should be allocated a separate bedroom.**

**\* Foster children will be included in determining unit size only if they will be in the unit for more than [6] months.**

**\* Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.**

\* Space may be provided for a child who is away at school, but who lives with the family generally at least 120 days each calendar year. Space may also be provided for a child who lives part of the time with each of two parents as a result of a joint custody arrangement. For such a child, space may be provided in the rental unit of the parent who does not have primary custody, but with whom the child lives at least 120 days during the course of a calendar year.

\* Space will not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military.

\* A single pregnant woman with no other family members must be treated as a two-person family. A biological parent may occupy the same bedroom as his/her child until the child reaches the age of two.

\* Single person families shall be allocated a one bedroom voucher.

<b>GUIDELINES FOR DETERMINING VOUCHER SIZE</b>		
<b>Voucher Size</b>	<b>Persons in Household</b>	
	<b>Minimum Number</b>	<b>Maximum Number</b>
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8
5 Bedrooms	6	10
6 Bedrooms	8	12

**B. EXCEPTIONS TO SUBSIDY STANDARDS** [24 CFR 982.403(a) & (b)]

The PHA shall grant exceptions from the subsidy standards if the family requests and the PHA determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

The PHA will grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger voucher size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a:

- \* **Verified medical or health reason; or**
- \* **Elderly persons or persons with disabilities who may require a live-in attendant.**

## **Request for Exceptions to Subsidy Standards**

**\* The family may request a larger sized voucher than indicated by the PHA's subsidy standards. Such request must be made in writing within [7] days of the PHA's determination of bedroom size. The request must explain the need or justification for a greater number of bedrooms than the family would otherwise be entitled to. Documentation verifying the need or justification will be required as appropriate.**

**\* The PHA will not issue a larger voucher due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.**

Requests based on health related reasons must be verified by a [doctor, medical professional, or social service professional].

## **PHA Error**

If the PHA errs in the designation of the number of bedrooms, the family will be issued a Voucher of the appropriate size.

## **Changes for Applicants**

The voucher size is determined prior to the briefing by comparing the family composition to the PHA subsidy standards. If an applicant requires a change in the voucher size, based on the requirements of the PHA subsidy standards, the above-referenced guidelines will apply.

## **Changes for Participants**

The members of the family residing in the unit must be approved by the PHA. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within [30] days. The above referenced guidelines will apply.

## **Underhoused and Overhoused Families**

If a unit does not meet HQS space standards due to an increase in family size, (unit too small), the PHA will issue a new voucher of the appropriate size and assist the family, if requested, in locating a suitable unit.

The PHA will also notify the family of the circumstances under which an exception will be granted, such as:

**\* If a family with a disability is under-housed in an accessible unit.**

**\* If a family requires the additional bedroom because of a health problem which has been verified by the PHA.**

\* The PHA and family have been unable to locate a unit within [60] days.

If a family becomes “over-housed” because of a change in family composition, i.e. family members have moved out, the Authority will issue the family a new voucher corresponding to the new (present) size of the family beginning at the family’s first regular re-examination following the change in family unit size so that the family receives rental assistance according to current family needs.

If the family has misrepresented its family size, the Authority may issue the family a new voucher to correspond to the family’s actual size on the first of the second month following the Authority’s becoming aware of the family’s misrepresentation of its family size.

**C. UNIT SIZE SELECTED** [24 CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the Voucher. There are three criteria to consider:

Subsidy Limitation: The family unit size as determined for a family under the PHA subsidy standard for a family assisted in the voucher program is based on the PHA's adopted payment standards. **The payment standard for a family shall be the lower of:**

The payment standard amount for the family unit size; or

The payment standard amount for the unit size rented by the family.

Utility Allowance: The utility allowance for a family is the lower of the utility allowance amount for the family unit size or the utility allowance amount for the size of the unit rented by the family. At the request of a family with a person with disabilities, the Housing Authority must approve a utility allowance higher than the applicable amount if such a higher utility allowance is needed as a reasonable accommodation. For current tenants, the Housing Authority must implement the new allowance at the family’s next annual reexamination, provided that the Housing Authority is able to provide the family with at least 60 days’ notice prior to reexamination.

Housing Quality Standards: The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

<b>*HQS GUIDELINES FOR UNIT SIZE SELECTED</b>	
<b>Unit Size</b>	<b>Maximum Number in Household</b>
0 Bedroom	1
1 Bedroom	4
2 Bedrooms	6



3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

## Chapter 6

# FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION

[24 CFR Part 5, Subparts E and F; 982.153, 982.551]

### INTRODUCTION

The PHA will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and at annual reexamination is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the Regulations.

This Chapter defines the allowable expenses and deductions to be subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subparts E and F, and further instructions set forth in HUD Notices and Memoranda. **The formula for the calculation of TTP is specific and not subject to interpretation.** The PHA's policies in this Chapter address those areas which allow the PHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

### A. INCOME AND ALLOWANCES [24 CFR 5.609]

Income: Includes all monetary amounts which are received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD defines what is to be calculated and what is to be excluded in the federal regulations. In accordance with this definition, all income which is not specifically excluded in the regulations is counted.

Annual Income is defined as the gross amount of income **anticipated** to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income which has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.

If a participant purchases a home using the Section 8 Homeownership option, if one is offered by the Housing Authority, the value of this asset shall be excluded from the income calculation for the first ten years of ownership from the closing date. For all re-certifications occurring after ten years of ownership, the value of the asset shall equal the fair market value of the property minus any loans on the property and minus 10% of the fair market value of the property (expenses to convert to cash as determined by PIH Notice 2012-3). The fair market value of the property will be determined by the assessed value as determined by the City, Town or Village Assessor if the assessed value is made at market value. This market value will be obtained by reviewing and documenting the local assessment roll or the owner's most recent property tax bill. If a market

value tax assessment is not available, then the Housing Authority will use the sales comparison method examining at least three comparable properties in the surrounding (or similar) neighborhood that possess comparable factors that affect market value. For determining the loans on the property, the Housing Authority will first try to verify the current payoff amount of the loan(s) included on the participant's monthly mortgage statement. If the payoff amount is not available, the Housing Authority may deduct the loan balance from the market value and document the file as to the method used.

Annual income does not include the following amounts specified in the federal regulations currently found in 24 CFR 5.609:

- A. Income from employment of children (including foster children) under the age of 18 years;
- B. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone) or payments made under Kin-GAP or similar guardianship care programs for children leaving the juvenile court system.;
- C. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses;
- D. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- E. Income of a live-in aide;
- F. The full amount of student financial assistance paid directly to the student or to the educational institution;
- G. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- H. The amounts received from the following programs:
  - 1. Amounts received under training programs funded by HUD;
  - 2. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
  - 3. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special

- equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;
4. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Housing Authority or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination, and serving as a member of the Housing Authority governing board. No resident may receive more than one such stipend during the same period of time;
  5. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program;
  6. Temporary, non-recurring or sporadic income (including gifts). This specifically includes temporary income payments from the U. S. Census Bureau, defined as employment lasting no longer than 180 days per year and not culminating in permanent employment;
  7. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
  8. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
  9. Adoption assistance payments in excess of \$480 per adopted child;
  10. Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
  11. Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
  12. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
  13. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits. These exclusions include:

- a. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017(b));
- b. Payments to Volunteers under the domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(f)(1), 5058);
- c. Certain payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c));
- d. Income derived from certain sub marginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
- e. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));
- f. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, section 6);
- g. The first \$2000 of per capita shares received from judgment funds awarded by the Indian National Gaming Commission or the U.S. Claims Court, the interests of individual Indians in trust or restricted lands, and the first \$2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407). This exclusion does not include proceeds of gaming operations regulated by the Commission;
- h. Amounts of scholarships funded under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070), including awards under Federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, only (42 U.S.C. 1437f), any financial assistance in excess of amounts received by an individual for tuition and any other required fees and charges under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall not be considered income to that individual if that individual is over the age of 23 with dependent children (Pub. L. 109-115, section 327) (as amended) (See definition of Tuition in Glossary);
- i. Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(g));

- j. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund (Pub. L. 101-201) or any other fund established pursuant to the settlement in *In Re Agent Orange Liability Litigation*, M.D.L. No. 381 (E.D.N.Y.);
- k. Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-420, 25 U.S.C. 1728);
- l. The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q);
- m. Earned income tax credit (EITC) refund payments received on or after January 1, 1991, for programs administered under the United States Housing Act of 1937, title V of the Housing Act of 1949, section 101 of the Housing and Urban Development Act of 1965, and sections 221 (d)(3), 235, and 236 of the National Housing Act (26 U.S.C. 32(l));
- n. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433);
- o. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));
- p. Any allowance paid under the provisions of 38 U.S.C. 1883(c) to children of Vietnam veterans born with spina bifida (38 U.S.C. 1802-5), children of women Vietnam veterans born with certain defects (38 U.S.C. 1811-16), and children of certain Korean service veterans born with spina bifida (38 U.S.C. 1821);
- q. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602(c));
- r. Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931(a)(2)).
- s. Any amount received under the Richard B. Russell School Lunch Act (42 U.S.C. 1760(e)) and the Child Nutrition Act of 1966 (42 U.S.C. 1780(b)), including reduced-price lunches and food under the Special Supplemental Food Program for Women, Infants, and Children (WIC);

- t. Payments, funds or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b));
- u. Payments from any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly (42 U.S.C. 1437a(b)(4));
- v. Compensation received by or on behalf of a veteran for service-connected disability, death, dependency, or indemnity compensation as provided by an amendment by the Indian Veterans Housing Opportunity Act of 2010 (Pub. L. 111-269; 25 U.S.C. 4103(9)) to the definition of income applicable to programs authorized under the Native American Housing Assistance and Self-Determination Act (NAHASDA) (25 U.S.C. 4101 *et seq.*) and administered by the Office of Native American Programs;
- w. A lump sum or a periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, 816 F. Supp. 2d 10 (Oct. 5, 2011 D.D.C.), for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010 (Pub. L. 111-291);
- x. Any amounts in an “individual development account” as provided by the Assets for Independence Act, as amended in 2002 (Pub. L. 107-110, 42 U.S.C. 604(h)(4));
- y. Per capita payments made from the proceeds of Indian Tribal Trust Cases as described in PIH Notice 2013-30 “Exclusion from Income of Payments under Recent Tribal Trust Settlements” (25 U.S.C. 117b(a)); and
- z. Major disaster and emergency assistance received by individuals and families under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93-288, as amended) comparable disaster assistance provided by States, local governments, and disaster assistance organizations (42 U.S.C. 5155(d)).
- aa. ABLÉ accounts created under the Achieving a Better Life Experience Act of 2014 (ABLE Act) are excluded from the calculation of both income and assets. (See PIH Notice 2019-09)

Adjusted Income is defined as the Annual income minus any HUD allowable expenses and deductions.

HUD has five allowable deductions from Annual Income:

Dependent Allowance: \$480 each for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled.

Elderly/Disabled Allowance: \$400 per family for families whose head or spouse is 62 or over or disabled.

Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family.

Child Care Expenses: Deducted for the care of children under 13 **when child care is necessary to allow an adult member to work, attend school, or actively seek employment.**

Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an **adult** family member to work.

**B. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS FOR PERSONS WITH DISABILITIES [24 CFR 5.617; 982.201(b)(3)]**

***11.9 EARNED INCOME DISALLOWANCE (EID)***

For persons with disabilities already participating in the in the Section 8 program, Earned Income Disallowance (EID) excludes income earned by family members who meet one of the following criteria:

1. Families whose income increases as a result of employment of a disabled family member who was previously unemployed (defined as working less than 10 hours a week at the established minimum wage) for one or more years.
2. Families whose income increases during the participation of a disabled family member in any economic self-sufficiency or other job training program.
3. Persons with disabilities who are or were, within 6 months, assisted under a State TANF or Welfare-to-Work program for at least \$500.

**CURRENT EID PARTICIPANTS**

For family members that currently benefit from the EID, and/or who become eligible prior to **07/01/2017**:

**Initial Twelve Month Exclusion**



- Qualified families will receive during the first cumulative 12 month period beginning with date of employment, an exclusion of 100% of any increase of annual income as a result of employment. EID will begin on the first day of the month following the effective date of employment.

#### Second Twelve Month Phase-In Exclusion

- Qualified families will receive during the second cumulative 12 month period of time after the expiration of the initial cumulative twelve month period as stated above, an exclusion of 50% of any increase of annual income as a result of employment.

#### Maximum Four Year Disallowance

- The Earned Income Disallowance is limited to a lifetime 48 month period for each family member. Each qualified family member will receive a full 12 month income exclusion and a full 12 month phase-in come exclusion beginning from the date of the initial exclusion.
- The EID benefit is limited to a 48-month period for the qualifying family member:
- The lifetime Disregard will end 48 months after it began, regardless of how many months were “used”.

#### **EID PARTICIPANTS QUALIFYING ON OR AFTER 07/01/2017:**

For family members qualifying on or after **07/01/2017**, the two (12) month periods of income exclusion are not cumulative over the total 24 month period. EID for these family members is as follows:

- Once a family member is determined to be eligible for the EID, the 24 month period starts;
- If the family member discontinues the employment that initially qualified the family for the EID, the 24 month period continues;
- During the 24 month period, EID benefits are recalculated based on changes to family member income and employment (no change from current practice);
- During the first 12 month period, a PHA must exclude all increased income resulting from the qualifying employment of the family member. After the first 12 month period, the Housing Authority will exclude from annual income of the family 50 percent of any increase

in income of such family member as a result of employment over the family member's income before the qualifying event (i.e., the family member's baseline income);

- The EID benefit is limited to a lifetime 24-month period for the qualifying family member;
- The lifetime Disregard will end 24 months after it began, regardless of how many months were "used".

### **C. MINIMUM RENT** [24 CFR 5.616]

#### **Minimum Rent**

"Minimum rent" is [ \$ 50.00 ]. Minimum rent refers to the **Total Tenant Payment** and includes the combined amount a family pays towards rent and/or utilities when it is applied.

#### **Hardship Requests for an Exception to Minimum Rent**

The Authority recognizes that in some circumstances even the minimum rent may create a financial hardship for families. The Authority will review all relevant circumstances brought to the Authority's attention regarding financial hardship as it applies to the minimum rent. The following section states the Authority's procedures and policies in regard to minimum rent financial hardship as set forth by the Quality Housing and Work Responsibility Act of 1998. HUD has defined circumstances under which a hardship could be claimed. (24 CFR 5.630)

#### **Criteria for Hardship Exception**

In order for a family to qualify for a hardship exception the family's circumstances must fall under one of the following HUD hardship criteria:

The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance, including a family with a member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act, and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

The family would be evicted as a result of the imposition of the minimum rent requirement;

The income of the family has decreased because of changed circumstances, including loss of employment, death in the family, or other circumstances as determined by the Authority or HUD

## **Authority Notification to Families of Right to Hardship Exception**

The Authority will notify all families subject to minimum rents of their right to request a minimum rent hardship exception. "Subject to minimum rent" means the minimum rent was the greatest figure in the calculation of the greatest of 30% of monthly adjusted income, 10% of monthly income, minimum rent or welfare rent.

**\* If the minimum rent is the greatest figure in the calculation of Total Tenant Payment, Authority staff will include a copy of the notice regarding hardship request provided to the family in the family's file.**

The Authority's notification will advise families that hardship exception determinations are subject to Authority review and hearing procedures.

The Authority will review all family requests for exception from the minimum rent due to financial hardships.

**\* Requests for minimum rent exception will be accepted by the Authority from the family [in writing].**

**\*The Authority will request documentation as proof of financial hardship.**

**\*The Authority will use its standard verification procedures to verify circumstances which have resulted in financial hardship.**

**\* Requests for minimum rent exception must include a statement of the family hardship that qualify the family for an exception.**

## **Suspension of Minimum Rent**

The Authority will grant the minimum rent exception to all families who request it, effective the first of the following month.

The minimum rent will be suspended until the Authority determines whether the hardship is:

Covered by statute

Temporary or long term

"Suspension" means that the Authority must not use the minimum rent calculation until the Authority has made this decision.

During the minimum rent suspension period, the family will not be required to pay a minimum rent and the housing assistance payment will be increased accordingly.

If the Authority determines that the minimum rent is not covered by statute, the Authority will impose a minimum rent including payment for minimum rent from the time of suspension.

### **Temporary Hardship**

If the Authority determines that the hardship is temporary, a minimum rent will not be imposed for a period of up to 90 days from the date of the family's request. At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension.

\*The Authority will offer a repayment agreement to the family for any such rent not paid during the temporary hardship period. (See "Owner and Family Debts to the Authority" chapter for Repayment agreement policy).

### **Long-Term Duration Hardships** [24 CFR 5.616(c)(3)]

If the Authority determines that there is a qualifying long-term financial hardship, the Authority must exempt the family from the minimum rent requirements for as long as the hardship continues. The exemption from minimum rent shall apply from the first day of the month following the family's request for exemption.

### **Retroactive Determination**

The Authority will reimburse the family for any minimum rent charges which took effect after October 21, 1998 that qualified for one of the mandatory exceptions.

**\* If the family is owed a retroactive payment, the Authority will provide reimbursement in the form of a cash refund to the family.**

**\* The Authority's definition of a cash refund is a check made out to the family.**

### **D. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT**

[24 CFR 982.54(d)(10), 982.551]

The Authority must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, the Authority must count the income of the spouse or the head of the household if that person is temporarily absent, even if that person is not on the lease.

**\* "Temporarily absent" is defined as away from the unit for more than [30 days]**

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. The Authority will evaluate absences from the unit using this policy.

### **Absence of Any Member**

Any member of the household will be considered permanently absent if s/he is away from the unit for **[90 days in a 12 month period]** except as otherwise provided in this Chapter.

### **Absence due to Medical Reasons**

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the Authority will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than **[90]** consecutive days, the family member will not be considered permanently absent.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the Authority's "Absence of Entire Family" policy.

### **Absence Due to Full-time Student Status**

Full time students who attend school away from the home will be treated in the following manner:

- \* The eligibility of students and assisted housing under Section 8 of the U.S. Housing Act of 1937 is considered in HUD's final rule published in the Federal Register on December 30, 2005 and "Supplemental Guidance" published on April 10, 2006. The Authority will determine the eligibility of a student for Section 8 assistance in accordance with the aforementioned HUD regulations.**

### **Absence due to Incarceration**

If the sole member is incarcerated for more than **[60]** consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for **[60 days in a twelve month period]**.

- \* The Authority will determine if the reason for incarceration is for drug-related or violent criminal activity.**

### **Absence of Children due to Placement in Foster Care**

If the family includes a child or children temporarily absent from the home due to placement in foster care, the Authority will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than **[12]** of months from the date of removal of the child/ren, the Voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the Authority's subsidy standards.

## **Absence of Entire Family**

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the Authority will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

Families are required both to notify the Authority before they move out of a unit and to give the Authority information about any family absence from the unit.

**\* Families must notify the Authority [at least 30 days before leaving the unit or] [no fewer than 5 days after leaving the unit] if they are going to be absent from the unit for more than [30] consecutive days.**

If the entire family is absent from the assisted unit for more than [60] consecutive days, the unit will be considered to be vacated and the assistance will be terminated.

**\* If it is determined that the family is absent from the unit, the Authority will not continue assistance payments.**

HUD regulations require the Authority to terminate assistance if the entire family is absent from the unit for a period of more than 180 consecutive calendar days.

"Absence" means that no family member is residing in the unit.

In order to determine if the family is absent from the unit, the Authority may:

- \* Write letters to the family at the unit**
- \* Telephone the family at the unit**
- \* Interview neighbors**
- \* Verify if utilities are in service**
- \* Check with the post office**

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed 180 consecutive calendar days limit.

**\* If the absence which resulted in termination of assistance was due to a person's disability, and the Authority can verify that the person was unable to notify the Authority in accordance with the family's responsibilities, and if funding is available, the Authority may reinstate the family as an accommodation if requested by the family, [as long as the period was within 180 days].**

**Remaining member of a tenant family. If the remaining member of a tenant family is a minor or minors, it will be necessary for an adult to temporarily move into a unit to serve as a guardian for children residing in the unit. The income received by the temporary guardian will be counted in determining family income. Although typically a criminal background check is required before anyone can move into an HCV-assisted unit, this requirement will be waived for a guardian in this situation. Instead, the background check will occur after the person moves in. If the results of the check dictate that the person is ineligible for public housing, the family shall be given a reasonable time to find a replacement guardian or vacate the property.**

## Visitors

Any adult not included on the HUD 50058 who has been in the unit more than [14] consecutive days without Authority approval, or a total of [60] days in a 12-month period, will be considered to be living in the unit as [an unauthorized] household member.

**\* Absence of evidence of any other address will be considered verification that the visitor is a member of the household.**

**\* Statements from neighbors and/or the landlord will be considered in making the determination.**

**\* Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.**

**\* The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household and the Authority will terminate assistance since prior approval was not requested for the addition.**

Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to [120] days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than [120] days per year, the minor will be considered to be an eligible visitor and not a family member.

## Reporting Additions to Owner and Authority

Reporting changes in household composition to the Authority is both a HUD and an Authority requirement.

The family obligations require the family to request Authority approval to add any other family member as an occupant of the unit and to inform the Authority of the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members in writing. If any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations.

**\* If the family does not obtain prior written approval from the Authority, any person the family has permitted to move in will be considered an unauthorized household member.**

**\* In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to the Authority in writing within [14] days of the maximum allowable time.**

**\* Families are required to report any additions to the household in writing to the Authority within [14] days of the move-in date.**



An interim reexamination will be conducted for any additions to the household.

In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody.

### **Reporting Absences to the Authority**

Reporting changes in household composition is both a HUD and a Authority requirement.

If a family member leaves the household, the family must report this change to the Authority, in writing, within [14] days of the change and certify as to whether the member is temporarily absent or permanently absent.

The Authority will conduct an interim evaluation for changes which affect the Total Tenant Payment in accordance with the interim policy.

### **E. AVERAGING INCOME**

When annual income cannot be anticipated for a full twelve months, the Authority may:

**\* Average known sources of income (including temporary employment income from more than one source that produces a stream of income) and review historical patterns of household income that vary to compute an annual income, or**

**\* Annualize current income and conduct an interim reexamination if income changes.**

If there are bonuses or overtime which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

If, by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so as to reduce the number of interim adjustments.

**\*The method used depends on the regularity, source and type of income.**

### **F. MINIMUM INCOME**

There is no minimum income requirement. Families who report zero income are required to [**\*complete a written certification every [30] [days].**

**\* If the family's expenses exceed their known income, the Authority will make inquiry of the head of household as to the nature of the family's accessible resources.**

**G. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME**  
[24 CFR 982.54(d)(10)]

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the Authority will calculate the income by using the following methodology and use the income figure which would result in a lower payment by the family:

- \* 1. Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.**

**H. REGULAR CONTRIBUTIONS AND GIFTS** [24 CFR 5.609]

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every **[three (3)]** months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than **[\$1,000.00]** per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts. (See "Verification Procedures" chapter for further definition.)

- \* If the family's expenses exceed its known income, the Authority will inquire of the family regarding contributions and gifts.**

**I. ALIMONY AND CHILD SUPPORT** [24 CFR 5.609]

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

- \* If the amount of child support or alimony received is less than the amount awarded by the court, the Authority will use the amount awarded by the court unless the family can verify that they are not receiving the full amount and verification of item(s) below are provided.**

The Authority will accept verification that the family is receiving an amount less than the award if:

- \* The Authority receives verification from the agency responsible for enforcement or collection.**
- \* The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.**
- \* It is the family's responsibility to supply a certified copy of the divorce decree.**

## **J. LUMP-SUM RECEIPTS** [24 CFR 5.609]

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

In order to determine amount of retroactive tenant rent that the family owes as a result of the lump sum receipt:

**\* The Authority uses a calculation method which calculates retroactively or prospectively depending on the circumstances.**

### **Prospective Calculation Methodology**

*INSTRUCTION: Include if using any prospective calculation of lump sum receipts.*

**\* If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows:**

**The lump sum will be added in the same way for any interims which occur prior to the next annual recertification.**

### **Retroactive Calculation Methodology**

*INSTRUCTION: Include if using any retroactive calculation of lump sum receipts.*

**\* The Authority will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.**

**\*The Authority will determine the amount of income for each certification period, including the lump sum, and recalculate the tenant rent for each certification period to determine the amount due the Authority.**

**\* The family [has the choice of paying] this "retroactive" amount to the Authority in a lump sum.**

**\* At the Authority's option, the Authority may enter into a Payment Agreement with the family.**

The amount owed by the family is a collectible debt even if the family becomes unassisted.

### **Attorney Fees**

**\* The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.**

### **K. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS** [24 CFR 5.603(d)]

Contributions to company retirement/pension funds are handled as follows:

While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

### **L. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE** [24 CFR 5.603(d)(3)]

The Authority must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The Authority will count the difference between the market value and the actual payment received in calculating total assets.

Assets disposed of as a result of foreclosure or bankruptcy are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation are not considered to be assets disposed of for less than fair market value.

**\* The Authority's minimum threshold for counting assets disposed of for less than Fair Market value is [\$3,000.00]. If the total value of assets disposed of within a one-year period is less than [\$3,000.00], they will not be considered an asset.**

### **M. CHILD CARE EXPENSES** [24 CFR 5.603]

Child care expenses for children under 13 may be deducted from annual income if they enable an adult to work or attend school full time, or to actively seek employment.

**\* In the case of a child attending private school, only after-hours care can be counted as child care expenses.**

**\* Child care expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the child care. Examples of those adult members who would be considered *unable* to care for the child include:**

**\* The abuser in a documented child abuse situation, or**

**\* A person with disabilities or older person unable to take care of a small child, as verified by a reliable knowledgeable source.**

Allowability of deductions for child care expenses is based on the following guidelines:

**Child care to work:** The maximum child care expense allowed must be less than the amount earned by the person enabled to work. **\* The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.**

**\* Child care for school:** The number of hours claimed for child care may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.

**\* Amount of Expense:** The Authority will [collect data] as a guideline. If the hourly rate materially exceeds the guideline, the Authority may calculate the allowance using the guideline.

#### **N. MEDICAL EXPENSES** [24 CFR 5.609(a)(2), 5.603]

**\* When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide.**

**\* Nonprescription medicines must be doctor-recommended in order to be considered a medical expense.**

**\* Accupressure, accupuncture and related herbal medicines, and chiropractic services [will] be considered allowable medical expenses.**

#### **O. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES** [24 CFR 5.520]

*INSTRUCTION: In accordance with the Quality Housing and Work Responsibility Act of 1998, Authorities are not allowed to "OPT OUT" of implementing the Non Citizen rule. This section must be included in the Administrative Plan.*

##### **Applicability**

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

##### **Prorated Assistance Calculation**

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

**P. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS**

*INSTRUCTION: The QHWRA establishes new requirements for the treatment of income changes resulting from welfare program requirements. These requirements are effective immediately. However, the Authority must take procedural steps expeditiously, which establish the foundation for imposing the HUD required changes.*

The Authority will not reduce the rental contribution for families whose welfare assistance is reduced specifically because of:

- fraud by a family member in connection with the welfare program; or
- failure to participate in an economic self-sufficiency program; or
- noncompliance with a work activities requirement

However, the Authority will reduce the rental contribution if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where a family member has not complied with other welfare agency requirements; or
- A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment, such as the family member has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family's income for rental contribution.

Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.

The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed.

When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

## **Verification Before Denying a Request to Reduce Rent**

The Authority will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

The welfare agency, at the request of the Authority, will inform the Authority of:

amount and term of specified welfare benefit reduction for the family;

reason for the reduction; and

subsequent changes in term or amount of reduction.

## **Cooperation Agreements**

**\* The Authority has a [written] cooperation agreement in place with the local welfare agency which assists the Authority in obtaining the necessary information regarding welfare sanctions.**

**\* The Authority has taken a proactive approach to culminating an effective working relationship between the Authority and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to Section 8 and public housing residents.**

**\* The Authority and the local welfare agency have mutually agreed to notify each other of any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 and public housing residents.**

## **Q. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS [24 CFR 982.153, 982.517]**

The same Utility Allowance Schedule is used for all tenant-based programs.

The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The Authority's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards.

The Authority may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

The Authority must classify utilities in the utility allowance schedule according to the following general categories: space heating, **[air conditioning,]** cooking, water heating, water, sewer, trash collection; **[other electric,]** refrigerator (for tenant supplied refrigerator), range (cost of tenant-supplied range); and other specified services.

An allowance for tenant-paid air conditioning will be provided in those cases where the majority of housing units in the market have central air conditioning or are wired for tenant installed air conditioners [24 CFR 982.517.

The Authority will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next reexamination.

The approved utility allowance schedule is given to families along with their Voucher. The utility allowance for a family is the lower of the utility allowance amount for the family unit size or the utility allowance amount for the size of the unit rented by the family. At the request of a family with a person with disabilities, the Housing Authority must approve a utility allowance higher than the applicable amount if such a higher utility allowance is needed as a reasonable accommodation. For current tenants, the Housing Authority must implement the new allowance at the family's next annual reexamination, provided that the Housing Authority is able to provide the family with at least 60 days' notice prior to reexamination.

Where families provide their own range and refrigerator, the Authority will establish an allowance adequate for the family to purchase or rent a range or refrigerator, even if the family already owns either appliance. Allowances for ranges and refrigerators will be based on the lesser of the cost of leasing or purchasing the appropriate appliance over a **[12]** month period.

Where the calculation on the HUD 50058 results in a utility reimbursement payment due the family [24 CFR 982.514(b)], the Authority will provide a utility reimbursement payment for the family each month. The check will be made out directly to the tenant.



## Chapter 7

### VERIFICATION PROCEDURES

[24 CFR Part 5, Subparts B, D, E and F; 24 CFR 982.158; 24 CFR 5.617]

#### INTRODUCTION

*INSTRUCTION: HUD does not specify specific standards for what constitutes proper verification of many factors. We have included representative industry practices as examples of acceptable verification.*

HUD regulations require that the factors of eligibility and Total Tenant Payment/Family Share be verified by the Authority. Authority staff will obtain written verification from independent sources whenever possible and will document tenant files whenever third party verifications are not possible as to why third party verification was impossible to obtain.

Applicants and program participants must provide true and complete information to the Authority whenever information is requested. The Authority's verification requirements are designed to maintain program integrity. This chapter explains the Authority's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. The Authority will obtain proper authorization from the family before requesting information from independent sources.

#### A. METHODS OF VERIFICATION AND TIME ALLOWED [24 CFR 982.516]

The Authority will verify information through the methods of verification acceptable to HUD in the following order:

##### **1. Up-front Income Verifications (UIV)**

UIV is the verification of income through an independent source that systematically maintains income information in computerized form for a large number of individuals.

Current UIV resources include the following:

- a. **Enterprise Income Verification (EIV)** – The EIV System is a web-based application, which provides PHAs with employment, wage, unemployment compensation and social security benefit information of tenants who participate in the Public Housing and various Section 8 programs under the jurisdiction of the Office of Public and Indian Housing (PIH). Information in EIV is derived from computer matching programs initiated by HUD with the

Social Security Administration (SSA) and the U.S. Department of Health and Human Services (HHS), for all program participants with valid personal identifying information (name, date of birth (DOB), and social security number (SSN)) reported on the form HUD-50058. Use of the EIV system in its entirety is mandatory for all annual and interim re-examinations. The Housing Authority will monitor the following EIV reports on a monthly basis – (1) Deceased Tenants Report, (2) Identity Verification Report, and the (3) Immigration Report. In addition, it will monitor on a quarterly basis the following EIV reports – (1) Income Discrepancy Report, (2) Multiple Subsidy Report, and (3) the New Hires Report. Whether or not an admission is homeless will be noted in the 50058.

- b. State Wage Information Collection Agencies (SWICAs)**
- c. State systems for the Temporary Assistance for Needy Families (TANF) program**
- d. Credit Bureau Information (CBA) credit reports**
- e. Internal Revenue Service (IRS) Letter 1722**
- f. Private sector databases (e.g. The Work Number)**

The Housing Authority will use additional UIV resources as they become available. This will be done before, during and/or after regular and interim reexaminations of household income as appropriate.

UIV information is not available for families just entering the Housing Choice Voucher Program.

The EIV Income Report must remain in the tenant file for the duration of tenancy and no longer than three years from the end of participation (EOP) date. The Housing Authority is required to maintain at a minimum, the last three years of the form HUD-50058, and supporting documentation for all annual and interim reexaminations of family income. All records are to be maintained for a period of at least three years from the effective date of the action.

## **2. Third-Party Written Verifications**

An original or authentic document generated by a third-party source dated

either within the 60-day period preceding the reexamination or the Housing Authority request date. Such documentation may be in the possession of the tenant (or applicant), and is commonly referred to as tenant-provided documents. It is the HUD's position that such tenant-provided documents are written third-party verification since these documents originated from a third-party source. The Housing Authority may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information.

Examples of acceptable tenant-provided documentation (generated by a third-party source) include, but are not limited to: pay stubs, payroll summary report, employer notice/letter of hire/termination, SSA benefit verification letter, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices. Current acceptable tenant-provided documents will be used for income and rent determinations.

The Housing Authority will obtain a **minimum** of one (1) month's worth of current and consecutive pay stubs for determining annual income from wages. For new income sources or when one (1) month's worth of pay stubs are not available, the Housing Authority will project income based on the information from a traditional written third-party verification form or the best available information.

**Note:** Documents older than 60 days (from the Housing Authority interview/determination or request date) is acceptable for confirming effective dates of income.

**Note:** Social Security benefit information in EIV is updated every three months. If the tenant agrees with the EIV-reported benefit information, PHAs do not need to obtain or request a benefit verification letter from the tenant.

The Housing Authority will allow two (2) weeks for the return of third-party written verifications prior to continuing on to the next type of verification.

3. **Written Third-Party Verification Form:** Also known as traditional third-party verification. A standardized form to collect information from a third-party source is distributed by the Housing Authority. The form is completed by the third-party by hand (in writing or typeset) when sent the form by the Housing Authority.

HUD recognizes that third-party verification request forms sent to third-party sources often are not returned. In other instances, the person who completes the verification form may provide incomplete information; or some tenants may collude with the third-party source to provide false information; or the tenant intercepts the form and provides false information.

HUD requires the Housing Authority to rely on documents that originate from a third-party source's computerized system and/or database, as this process reduces the likelihood of incorrect or falsified information being provided on the third-party verification request form. The use of acceptable tenant-provided documents, which originate from a third-party source, will improve the integrity of information used to determine a family's income and rent and ultimately reduce improper subsidy payments. This verification process will also streamline the income verification process.

The Housing Authority will allow two (2) weeks for the return of third-party written verifications prior to continuing on to the next type of verification.

#### **4. Third-Party Oral Verifications**

This type of verification includes direct contact with the source, in person or by telephone. When this method is used, staff members will be required to document in writing with whom they spoke, the date of the conversation, the telephone number, and the facts obtained.

The Housing Authority will allow three (3) business days for the return of third-party oral verifications prior to continuing on to the next type of verification.

#### **5. Review of Documents**

When UIV, written and oral third-party verifications are not available within the two (2) week and three (3) business days period allowed in paragraphs 2, 3, and 4 above, the Housing Authority will use the information received by the family, provided that the documents provide complete information. Photocopies of the documents, excluding government checks, provided by the family will be maintained in the file. In cases in which documents are viewed and cannot be photocopied, staff reviewing the documents will complete a written statement as to the contents of the document(s).

**6. Self-Certification and Self-Declaration**

When UIV, written and oral third-party verifications are not available within the two (2) week and three (3) business days period allowed in paragraphs 2, 3, and 4 above, and hand-carried verification cannot be obtained, the Housing Authority will accept a statement detailing information needed, signed by the head, spouse, co-head, or other adult family member.

Third-party written, third-party oral and family-provided verifications may also be used to supplement Up-front Income Verifications.

Verification forms and reports received will be contained in the applicant/tenant file. Oral third-party documentation will include the same information as if the documentation had been written, i.e. name, date of contact, amount received, etc.

When any verification method other than Up-front Income Verification is utilized, the Housing Authority will document the reason for the choice of the verification methodology in the applicant/resident’s file.

**The following chart comes from PIH Notice 2010-19.**

Level	Verification Technique	Ranking
6	<b>Up-front Income Verification (UIV)</b> using HUD’s Enterprise Income Verification (EIV) system (not available for income verifications of applicants)	<b>Highest (Mandatory)</b>
5	<b>Up-front Income Verification (UIV)</b> using non-HUD system	<b>Highest (Optional)</b>
4	<b>Written Third-Party Verification</b>	<b>High</b> (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV-reported employment and income information <b>and</b> is unable to provide acceptable documentation to support dispute)

<b>3</b>	<b>Written Third-Party Verification Form</b>	<b>Medium-Low</b> (Mandatory if written third-party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)
<b>2</b>	<b>Oral Third-Party Verification</b>	<b>Low</b> (Mandatory if written third-party verification is not available)
<b>1</b>	<b>Tenant Declaration</b>	<b>Low</b> (Use as a last resort when unable to obtain any type of third party verification)

**B. RELEASE OF INFORMATION** [24 CFR 5.230]

Adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form.

In addition, family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information/Privacy Act Notice.

**\* Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature.**

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance because it is a family obligation to supply any information and to sign consent forms requested by the Authority or HUD.

**C. COMPUTER MATCHING**

***INSTRUCTION:** The 1988 McKinney Act legislation authorized State wage record keepers to release to both HUD and Authoritys information pertaining to wages and unemployment compensation. How Authoritys access this information varies. Most Authoritys that do computer matching have signed an agreement with the appropriate State agency so that they can compare the name and social security number of applicants and participants with the records of the State agency.*

HUD **may** conduct a computer matching initiative to independently verify resident income. HUD can access income information and compare it to information submitted by Authorities on the 50058 form. HUD can disclose Social Security information to Authorities, but is precluded by law from disclosing Federal tax return data to Authorities. If HUD receives information from

Federal tax return data indicating a discrepancy in the income reported by the family, HUD will notify the family of the discrepancy. The family is required to disclose this information to the Authority (24 CFR 5.240). HUD's letter to the family will also notify the family that HUD has notified the Authority in writing that the family has been advised to contact the Authority. HUD will send the Authority a list of families who have received "income discrepancy" letters.

When the Authority receives notification from HUD that a family has been sent an "income discrepancy" letter, the Authority will:

Wait 40 days after the date of notification before contacting tenant.

After 40 days following the date of notification, the Authority will contact the tenant by **[mail and telephone]** asking the family to promptly furnish any letter or other notice by HUD concerning the amount or verification of family income.

The Authority will fully document the contact in the tenant's file, including **[a copy of the letter to the family/ written documentation of phone call]**.

When the family provides the required information, the Authority will verify the accuracy of the income information received from the family, review the Authority's interim recertification policy, will identify unreported income, will charge retroactive rent as appropriate, and change the amount of rent or terminate assistance, as appropriate, based on the information.

**\* If the amount of rent owed to the Authority exceeds [\$1000], the Authority will seek to terminate assistance.**

If tenant fails to respond to Authority:

The Authority will ask HUD to send a second letter.

After an additional 40 days, the Authority will ask HUD to send a third letter.

After an additional 40 days, the Authority will send a letter to the head of household, warning of the consequences if the family fails to contact the Authority within two weeks.

If the tenant claims a letter from HUD was not received:

The Authority will ask HUD to send a second letter with a verified address for the tenant.

After 40 days, the Authority will contact the tenant family.

If the tenant family still claims they have not received a letter, the Authority will ask HUD to send a third letter.

After an additional 40 days, the Authority will set up a meeting with the family to complete IRS forms 4506 and 8821.

If the tenant family fails to meet with the Authority or will not sign the IRS forms, the Authority will send a warning letter to the head of household, notifying the family that termination proceedings will begin within one week if the tenant fails to meet with the Authority and/or sign forms.

If tenant does receive a discrepancy letter from HUD:

The Authority will set up a meeting with the family.

If the family fails to attend the meeting, the Authority will reschedule the meeting.

If the family fails to attend the second meeting, the Authority will send a termination warning.

The family must bring the original HUD discrepancy letter to the Authority.

If tenant disagrees with the Federal tax data contained in the HUD discrepancy letter:

The Authority will ask the tenant to provide documented proof that the tax data is incorrect.

If the tenant does not provide documented proof, the Authority will obtain proof to verify the Federal tax data using third party verification.

**D. ITEMS TO BE VERIFIED** [24 CFR 982.516]

All income not specifically excluded by the regulations.

Full-time student status including High School students who are 18 or over.



Current assets including assets disposed of for less than fair market value in preceding two years.

Child care expense where it allows an **adult** family member to be employed or to further his/her education.

Total medical expenses of all family members in households whose head or spouse is elderly or disabled.

Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an **adult** family member to be employed.

Disability for determination of preferences, allowances or deductions.

U.S. citizenship/eligible immigrant status

Social security numbers for all family members who have been issued a social security number.

"Preference" status

**[Familial/Marital]** status when needed for head or spouse definition.

Verification of Reduction in Benefits for Noncompliance:

The Authority will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

**E. VERIFICATION OF INCOME** [24 CFR 982.516]

This section defines the methods the Authority will use to verify various types of income.

**Employment Income**

Verification forms request the employer to specify the:

Date employment began and, if applicable, date employment ended

Job Title

Amount and frequency of pay

Average regular hours worked per week and, if applicable, overtime hours worked

Other compensation, e.g bonuses, tips, commissions, etc expected in the next 12 months.

Date of the last pay increase

Present value of Retirement Account and whether employee has access to it

Likelihood of change of employment status and effective date of any known salary increase during the next 12 months

**\* Year to date earnings**

Acceptable methods of verification include, in this order:

1. EIV or other “Third Party” verification such as “The Work Number” or SWICA
2. Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings.
3. Employment verification form completed by the employer.
4. Oral verification with the Employer
5. W-2 forms plus income tax return forms.
6. **[Self-certifications or]** income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities. *[INSTRUCTION: For some self employment types, where there is the potential for substantial income, self-certification should be unacceptable]*

**\* Applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.**

**\* In cases where there are questions about the validity of information provided by the family, the Authority will require the most recent federal income tax statements.**

**\* Where doubt regarding income exists, a referral to IRS for confirmation may be made on a case-by-case basis.**

**Social Security, Pensions, Supplementary Security Income (SSI), Disability Income**

Acceptable methods of verification include, in this order:

1. EIV
2. Benefit verification form completed by agency providing the benefits.
3. Award or benefit notification letters prepared by the providing agency.
- \*4. Computer report electronically obtained or in hard copy.**

### **Unemployment Compensation**

Acceptable methods of verification include, in this order:

1. EIV
2. Verification form completed by the unemployment compensation agency.
3. Computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts.
- \*4. Payment stubs.**
5. Award letter, letter announcing change in amount of future payments.

### **Welfare Payments or General Assistance**

Acceptable methods of verification include, in this order:

1. Authority verification form completed by payment provider.
- \*2. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.**
- \*3. Computer-generated Notice of Action.**
- \*4. Computer-generated list of recipients from Welfare Department.**

### **Alimony or Child Support Payments**

Acceptable methods of verification include, in this order:

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- \*2 A [notarized] letter from the person paying the support.**
- \*3. Copy of latest check and/or payment stubs from Court Trustee. Authority must record the date, amount, and number of the check.**
- \*4. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.**

**\* If payments are irregular, the family must provide:**

- \* **A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules.**
- \* **A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.**
- \* **A notarized affidavit from the family indicating the amount(s) received.**
- \* **A welfare notice of action showing amounts received by the welfare agency for child support.**
- \* **A written statement from an attorney certifying that a collection or enforcement action has been filed.**

### **Net Income from a Business**

In order to verify the net income from a business, the Authority will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

1. IRS Form 1040, including:

Schedule C (Small Business)

Schedule E (Rental Property Income)

Schedule F (Farm Income)

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

2. Audited or unaudited financial statement(s) of the business.

3. **Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.**

### **Child Care Business**

If an applicant/participant is operating a licensed day care business, income will be verified as with any other business.

**\* If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the Authority will require that the applicant/participant complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person.**

**\* If the family has filed a tax return, the family will be required to provide it.**

**\* The Authority will conduct interim reevaluations every [90] days and require the participant to provide a log with the information about customers and income.**

**\* If child care services were terminated, a third-party verification will be sent to the parent whose child was cared for.**

### **Recurring Gifts**

The family must furnish a self-certification which contains the following information:

The person who provides the gifts

The value of the gifts

The regularity (dates) of the gifts

The purpose of the gifts

### **Zero Income Status**

**\* Families claiming to have no income will be required to execute verification forms periodically to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household.**

**The families will have to complete a form verifying how they pay for insurance, credit cards, food, transportation, utilities, etc. to verify any income coming into the household. Every month they will have to verify whether their income has changed.**

**\*The Authority will run a credit report if information is received that indicates the family has an unreported income source.**

### **Full-time Student Status**

Only the first \$480 of the earned income of full time students, other than head, co-head, or spouse, will be counted towards family income.

Financial aid, scholarships and grants received by full time students are not counted towards family income except as provided in the final rule published in the Federal Register on December 31, 2005 and supplementary information published in the Federal Register on April 10, 2006. Both the student's income and the parents' income must be separately assessed for income eligibility. Additionally, the financial assistance of the student in excess of tuition will be included in annual income when determining the student's eligibility for Section 8 assistance, unless the student is over the age of 23 with dependent children.

Verification of full time student status includes:

Written verification from the registrar's office or other school official.

School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

#### **F. INCOME FROM ASSETS** [24 CFR 982.516]

For declared assets of less than \$3,000, third-party verification will not be required. Applicant/Resident provided documents (a minimum of two current and consecutive statements from the source) will be used for verifications in this category. The average of the two statements will be used.

For declared assets of \$3,000 or more, third-party verification will be processed. For any asset that does not generate a monthly statement (e.g., whole life policies, etc.) the family will be required to request a letter from the source and provide the letter to the Housing Authority. If that is not possible the family will be required to provide the name and address of the source so that the Housing Authority can pursue traditional third-party verifications.

#### **Savings Account Interest Income and Dividends**

Acceptable methods of verification include, in this order:

1. Authority verification forms completed by the financial institution
2. Account statements, passbooks, certificates of deposit
3. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.

4. IRS Form 1099 from the financial institution, provided that the Authority must adjust the information to project earnings expected for the next 12 months.

### **Interest Income from Mortgages or Similar Arrangements**

Acceptable methods of verification include, in this order:

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

### **Net Rental Income from Property Owned by Family**

Acceptable methods of verification include, in this order:

1. IRS Form 1040 with Schedule E (Rental Income).
2. Copies of latest rent receipts, leases, or other documentation of rent amounts.
3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
- \* 4. **Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.**

## **G. VERIFICATION OF ASSETS**

For declared assets of less than \$3,000, third-party verification will not be required. Applicant/Resident provided documents (a minimum of two current and consecutive statements from the source) will be used for verifications in this category.

For declared assets of \$3,000 or more, third-party verification will be processed.

For any asset that does not generate a monthly statement (e.g., whole life policies, etc.) the family will be required to request a letter from the source and provide the letter to the Housing Authority. If that is not possible the family will be required to provide the name and address of the source so that the Housing Authority can pursue traditional third-party verifications.

### **Family Assets**

The Authority will require the information necessary to determine the current cash value of the family's assets, (the net amount the family would receive if the asset were converted to cash).

Acceptable verification may include any of the following:

Verification forms, letters, or documents from a financial institution or broker.

Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.

Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.

Real estate tax statements if the approximate current market value can be deduced from assessment. If a participant purchases a home using the Section 8 Homeownership option, if one is offered by the Housing Authority, the value of this asset shall be excluded from the income calculation for the first ten years of ownership from the closing date. For all re-certifications occurring after ten years of ownership, the value of the asset shall equal the fair market value of the property minus any loans on the property and minus 10% of the fair market value of the property (expenses to convert to cash as determined by PIH Notice 2012-3). The fair market value of the property will be determined by the assessed value as determined by the City, Town or Village Assessor if the assessed value is made at market value. This market value will be obtained by reviewing and documenting the local assessment roll or the owner's most recent property tax bill. If a market value tax assessment is not available, then the Housing Authority will use the sales comparison method examining at least three comparable properties in the surrounding (or similar) neighborhood that possess comparable factors that affect market value. For determining the loans on the property, the Housing Authority will first try to verify the current payoff amount of the loan(s) included on the participant's monthly mortgage statement. If the payoff amount is not available, the Housing Authority may deduct the loan balance from the market value and document the file as to the method used.

Financial statements for business assets.

Copies of closing documents showing the selling price and the distribution of the sales proceeds.

Appraisals of personal property held as an investment.

**\* Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.**

**Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification**



For all Certifications and Recertifications, the Authority will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for less than fair market value, verification [**certification**] is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

## **H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME**

[24 CFR 982.516]

### **Child Care Expenses**

Written verification from the person who receives the payments is required. If the child care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.

Verifications must specify the child care provider's name, address, telephone number, [**social security number,**] the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

### **Medical Expenses**

Families who claim medical expenses will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.

Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

For attendant care:

A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.

Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. Authority may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.

The Authority will use mileage at the [IRS] rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

### **Assistance to Persons with Disabilities** [24 CFR 5.611(c)]

In All Cases:

Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.

Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.

In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

**I. VERIFYING NON-FINANCIAL FACTORS** [24 CFR 5.617(b)(2)]

**Verification of Legal Identity**

**\* In order to prevent program abuse, the Authority will require applicants to furnish verification of legal identity for all family members.**

**\* The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.**

- \* Certificate of Birth, naturalization papers**
- \* Church issued baptismal certificate**
- \* Current, valid **photo** Driver's license**
- \* U.S. military discharge (DD 214)**
- \* U.S. passport**
- \* Company/agency **photo** Identification Card**
- \* Department of Motor Vehicles Identification Card**

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

- \* Certificate of Birth**
- \* Church Issued Baptismal Certificate**
- \* Adoption papers**
- \* Custody agreement**

**\* Health and Human Services ID**

**\* School records**

**\* If none of these documents can be provided, a third party who knows the person may, at the Authority's discretion, provide a verification.**

### **Verification of Marital Status**

*INSTRUCTION: This would be used to determine spouse for income and deduction and noncitizen purposes*

Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.

Verification of a separation may be a copy of court-ordered maintenance or other records.

Verification of marriage status is a marriage certificate.

### **Familial Relationships**

*INSTRUCTION: HUD has left the definition of non-elderly or non-disabled family up to the Authority. As a result of this, there is a variety in the definition among Authoritys. The Authority's definition of family will determine what facts have to be verified.*

**\* Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.**

**\* The following verifications will always be required if applicable:**

**\* Verification of relationship:**

**\* Official identification showing names**

**\* Birth Certificates**

**\* Baptismal certificates**

**\* Verification of guardianship is:**

**\* Court-ordered assignment**

**\* Affidavit of parent**

**\* Verification from social services agency**

**\* School records**

**Verification of Permanent Absence of Family Member**

If an adult member who was formerly a member of the household is reported permanently absent by the family, the Authority will consider any of the following as verification:

Husband or wife institutes divorce action.

Husband or wife institutes legal separation.

Order of protection/restraining order obtained by one family member against another.

Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.

Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.

If the adult family member is incarcerated, a document from the Court or correctional facility should be obtained stating how long they will be incarcerated.

**Verification of Change in Family Composition**

The Authority may verify changes in family composition (either reported or unreported) **[through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources]**.

**Verification of Disability**

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) or verified by appropriate diagnostician **such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker**, using the HUD language as the verification format.

**Verification of Citizenship/Eligible Immigrant Status** [24 CFR 5.508, 5.510, 5.512, 5.514]

***INSTRUCTION:** In accordance with the Quality Housing and Work Responsibility Act of 1998, effective immediately, Authoritys may no longer elect not to comply with ("opt-out" of) the Non-citizen requirements (Part 5, Subpart E). Therefore, language regarding "opting-out" have been removed from this model administrative plan.*

**To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants.** Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by United States Citizenship and Immigration Service (USCIS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the Authority hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

**\* The Authority [will] require citizens to provide documentation of citizenship.**

**\* Acceptable documentation will include at least one of the following original documents:**

**United States birth certificate**

**United States passport**

**Resident alien/registration card**

**Naturalization Certificate**

**Other appropriate documentation as determined by the Authority**

Eligible Immigrants who were Participants and 62 or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.

Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The Authority verifies the status through the USCIS SAVE system. If this primary verification fails to verify status, the Authority must request within ten days that the USCIS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide. If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

**\* Time of Verification**

**\*For applicants, verification of U.S. citizenship/eligible immigrant status occurs [at the same time as verification of other factors of eligibility for final eligibility determination/at the time of initial application].**

**\* The Authority will not provide assistance to any family prior to the affirmative establishment and verification of the eligibility of the individual or at least one member of the family.**

**\*Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial Authority does not supply the documents, the Authority must conduct the determination.**

Extensions of Time to Provide Documents

The Authority [will] grant an extension of [ 30] for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration

The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551)

Alien Registration Receipt Card (I-151)

Arrival-Departure Record (I-94)

Temporary Resident Card (I-688)

Employment Authorization Card (I-688B)

Receipt issued by the USCIS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

If the Authority determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated, unless the ineligible individual has already been considered in prorating the family's assistance.

#### **J. VERIFICATION OF SOCIAL SECURITY NUMBERS** [24 CFR 5.216]

Prior to admission, every family member regardless of age must provide the Housing Authority with a complete and accurate Social Security Number unless they do not contend eligible immigration status. New family members must provide this verification prior to being added to the lease. If the new family member is under the age of six and has not been assigned a Social Security Number the family shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security Number. The Housing Authority may grant one ninety (90) day extension for newly-added family members under the age of six if in its sole discretion it determines that the person's failure to comply was due to circumstances that could not have reasonably been foreseen and was outside the control of the person.

If a person is already a program participant and has not disclosed his or her Social Security Number, it must be disclosed at the next re-examination or re-certification.

Participants aged 62 or older as of January 31, 2010 whose initial eligibility determination was begun before January 31, 2010 are exempt from the required disclosure of their Social Security Number. This exemption continues even if the individual moves to a new assisted unit.

The best verification of the Social Security Number is the original Social Security card. If the card is not available, the Housing Authority will accept an original document issued by a federal or state government agency, which contains the name of the individual and the Social Security Number of the individual, along with other identifying information of the individual or such other evidence of the Social Security Number as HUD may prescribe in administrative instructions.



If a member of an applicant family indicates they have a Social Security Number, but cannot readily verify it, the family cannot be assisted until verification is provided.

If an individual fails to provide the verification within the time allowed, the family will be denied assistance or will have their assistance terminated. The Housing Authority may grant one ninety (90) day extension from termination if in its sole discretion it determines that the person's failure to comply was due to circumstances that could not have reasonably been foreseen and there is a reasonable likelihood that the person will be able to disclose a Social Security Number by the deadline. **Medical Need for Larger Unit**

A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable professional.

## **K. VERIFICATION OF WAITING LIST PREFERENCES** [24 CFR 982.207]

*INSTRUCTION: The Authority may elect to continue using any of the former federal preferences as local preferences. The Authority may adopt its own criteria based on local housing needs to establish qualifications for any preferences offered by the Authority. The following criteria are offered as guidelines and are based on the former criteria established by HUD for federal preferences..*

### **Local Preferences**

#### **Involuntary Displacement**

Families who claim they are being or have been displaced due to either a disaster or government action: written verification by the displacing unit or agency of government, **[or by a service agency such as the Red Cross]**.

#### **Domestic Violence**

Families who claim they are being or have been displaced due to domestic violence:

Written verification from police, social service agency, court, clergyperson, physician, and/or public or private facility giving shelter and/or counseling to victims. Verification must be obtained (from a landlord or other source) that the abuser still resides at the unit.

The family must certify that the abuser will not return to the household without the advance written approval of the Authority. Before giving approval, the Authority will require verification of the following:

**\* That the family members involved have been through a counseling program and the service provider believes that a reconciliation is likely.**

**\* Statement from social worker, psychologist, or other professional familiar with the abuser that he/she has received counseling/treatment and is unlikely to continue the abuse.**

**\* Statement from local law enforcement agency that no complaints have been filed since the date of the preference approval.**

**\* Certification that the abuser has completed any of the following programs:**  
[Alcoholics Anonymous, Addiction Services,, Gaudenzia Inc, Compulsive Gambling Center, Inc, etct]

Families who claim they have been or are about to be displaced to avoid reprisals for providing information to assist police in a criminal investigation.

**\* Certification of threat assessment by a law enforcement agency**

**\* Oral or written recommendation from law enforcement agency or HUD.**

### **Homelessness**

The Authority uses the following definition of “homelessness”:

(A) A family or individual who lacks a fixed, regular and adequate night-time residence; AND

(B) A family or individual who has a primary nighttime residence that is:

(i) a supervised publicly or privately operated shelter designed to provide temporary living accommodations;

(ii) an institution that provides a temporary residence for persons intended to be institutionalized, or

(iii) a public or private place not designed for, or ordinarily used as a regular sleeping accommodation for human beings.

To document homelessness, a written certification by a public or private facility providing shelter, the police, or a social services agency will be necessary.

***INSTRUCTION:*** Name the agencies from which the Authority will accept certifications.

**\* The Authority designates agencies for this purpose. Any suitable agency may verify.**

**\* Prior to processing the application, the Authority requires a second certification from the same source that the applicant is not yet permanently housed and has been continuously homeless or temporarily housed since claiming the preference.**

**\* An Authority inspector may verify that the applicant is living in a place not normally used for human habitation.**

**\* If a family is in transitional housing and wishes the Authority to hold the family's place on the waiting list, a statement is required from the agency providing the transitional housing.**

**\* Residency Preference**

**For families who live, work or have been hired to work in the jurisdiction of the Authority. Families who are unable to work due to age or disability automatically qualify for this preference.**

*INSTRUCTION: HUD must approve use of this preference.*

**\* In order to verify that an applicant is a resident, the Authority will require a minimum of [4] of the following documents: rent receipts, leases, utility bills, employer or agency records, school records, drivers licenses, voters registration records, credit reports, statement from household with whom the family is residing.**

**\* For families who have been hired to work in jurisdiction of the Authority, a statement from the employer will be required.**

**Disability:**

The Authority may verify disability to determine whether a family or person meets the definition of disability used to determine eligibility for Section 8 assistance or to identify applicant needs for features of accessible units or reasonable accommodations.

Verification of disability may be obtained through the following methods:

1. A third-party verification form may be sent by the Authority to an appropriate source of information, including, but not limited to the individual's physician, care workers, social worker, psychiatrist, or the Veteran's Administration.
  - a. If a third-party form is used, it must be signed by the applicant authorizing the release of such information to the Authority.
  - b. The form should provide the definitions of disability used to determine eligibility and rent and should request that the source completing the form identify whether the applicant meets the definition.

2. Receipt of social security disability payments is adequate verification of an individual's disability status for the Section 8 rental assistance program.

## **L. EIV - DESCRIPTION, DEVIATIONS AND INCOME DISCREPANCIES**

### **DESCRIPTION OF EIV:**

EIV is a HUD electronic income data system intended to provide Housing Authorities with income and employment information about their Public Housing and Section 8 participants. The EIV system should be used whenever it is necessary to verify family income such as during interim recertifications and annual recertifications.

The EIV system does not necessarily have all income sources for all family members and the income information is not up-to-date. Nevertheless, it is valuable in confirming sources of income provided by the tenant.

HUD now considers EIV as a tool to facilitate the Upfront Income Verification (UIV) method, which is considered as an "automated written 3<sup>rd</sup> party verification" method. HUD now considers EIV as a tool to facilitate the UIV technique.

Ordinarily, a tenant will provide information about his/her income such as pay stubs or a current Social Security benefit letter. The Authority then prints the EIV household income report to documents use of EIV and maintains this EIV information in the tenant's file. If the EIV information corroborates the tenant supplied income information, the Authority then proceeds to calculate income and rent based on the tenant supplied documentation.

Additional third-party information is required if there is a discrepancy between the EIV information and the tenant supplied information. In addition, third-party information is also required if other information is needed such as effective dates of employment, pay rate, number of hours worked, any scheduled pay raise in the next year, and any other change in circumstances. Of course, third-party information is required if the tenant disputes any EIV information such as unreported employment.

UIV supplemented by current tenant provided documentation enables the Authority to comply with the regulatory third-party verification requirement and use the most current information for income and rent determinations **and reduces the administrative burden of obtaining third party verification.**

EIV data should NOT be used to calculate income and rent because such date is not necessarily current and does not necessarily reflect a full quarter of income.

### **Discrepancies in Verified Information**

An EIV Income Report shall be pulled from the system before annual or interim reexamination are conducted for any family and compared with family-reported information. If the EIV report reveals an income source that was not reported by the tenant or a substantial difference (defined as \$2400 or more annually) in the reported income information, the Housing Authority will:

- A. Discuss the income discrepancy with the tenant; and
- B. Request the tenant to provide any documentation to confirm or dispute the unreported or underreported income and/ or income sources; and
- C. In the event the tenant is unable to provide acceptable documentation to resolve the income discrepancy, the Housing Authority will request from the third-party source, any information necessary to resolve the income discrepancy; and
- D. If applicable, determine the tenant's underpayment of rent as a result of unreported or underreported income, retroactively\*; and
- E. Take any other appropriate action, including the following:
  1. Immediately calculate and collect the back rent due to the agency;
  2. Establish a repayment plan for the resident to pay the sum due to the agency (see Section 19 for information on Repayment Agreements); and/or
  3. Utilize other actions including criminal prosecution, reporting to the Credit Bureau, and/or any other appropriate remedy.

\*The Housing Authority will determine the retroactive rent as far back as the existence of complete file documentation (form HUD-50058 and supporting documentation) to support such retroactive rent determinations.

The tenant will be provided an opportunity to contest the Housing Authority's determination of tenant rent underpayment. Tenants will be promptly notified in writing of any adverse findings made on the basis of the information verified through the aforementioned income discrepancy resolution process. The tenant may contest the findings in accordance with established grievance procedures. The Housing Authority will not terminate, deny, suspend, or reduce the family's assistance until the expiration of any notice or grievance period.

When there is an unsubstantial or no disparity between tenant-reported and EIV-reported income information, the Housing Authority will obtain from the tenant, any necessary documentation to complete the income determination process. As noted previously, the Housing Authority may reject any tenant-provided documentation, if the Authority deems the documentation unacceptable. Documentation provided by the tenant will only be rejected for only the following reasons:

- A. The document is not an original; or

- B. The original document has been altered, mutilated, or is not legible; or
- C. The document appears to be a forged document (i.e. does not appear to be authentic).

The Housing Authority will explain to the tenant, the reason(s) the submitted documents are not acceptable and request the tenant to provide additional documentation. If at any time, the tenant is unable to provide acceptable documentation that the Housing Authority deems necessary to complete the income determination process, the Authority will submit a traditional third-party verification form to the third-party source for completion and submission to the Housing Authority.

If the third-party source does not respond to the Housing Authority's request for information, the Authority is required to document the tenant file of its attempt to obtain third-party verification and that no response to the third-party verification request was received.

The Housing Authority will then pursue lower level verifications in accordance with the verification hierarchy.

### **Repayment Agreements**

If the tenant owes an amount (back rent) for a prior period, the tenant must either pay the amount owed promptly (within ten calendar days) or enter into a Repayment Agreement satisfactory to the Housing Authority in accordance with the Repayment Agreement Procedure described in Chapter 18. In all cases, the amount owed to the Housing Authority should be paid back in as short a time as possible, **but in no case longer than twenty-four months**. The Repayment Agreement will contain, at a minimum, the name and address of the tenant family, the total amount owed, the date and amount of the first payment, the monthly payment amount, the term or number of monthly payments to be made and the amount of the last payment. The Repayment Agreement must be signed by the Head of Household and co-Head-of-Household, whose signatures must be witnessed. Other adult members of the family with significant income should sign as well. A model Repayment Agreement will be prepared and made available to all staff members.

### **Termination of Assistance**

If a tenant family refuses to enter into a Repayment Agreement for an amount of back rent owed, it must be made very clear that their rental assistance will be terminated. **If the back rent owed is substantial and there is no prospect of collection within a two year time period, the Authority may opt to terminate assistance.** Under ordinary circumstances, it is not feasible to pursue collection of amounts owed through the legal procedures after termination of assistance because of the cost involved and the lack of likelihood of collection; however, that decision would also

be made on a case-by-case basis. The Authority would never provide rental assistance to any family that owes an amount to the Authority (exclusive of existing Repayment agreements) or to another Housing Authority.

### **Report to Credit Bureau**

If the tenant family fails to sign a Repayment Agreement and, as a consequence, its rental assistance is terminated, the amount owed will be reported to the Credit Bureau or similar entity.

### **Prosecution**

In cases of egregious failure to report income (Fraud) resulting in a debt of a substantial amount of money, the Authority may report the tenant family to the Office of Inspector General for prosecution.

Once the data has served its purpose, it shall be destroyed by either burning or shredding the data. All wage, unemployment, employment, and new hire information shall be destroyed no later than two years from the date it is received.

## **15.1 The EIV's Deceased Tenants Report**

The Authority shall generate the EIV's Deceased Tenants Report monthly shortly before disbursing HAP payments to owners to see if the system flags deceased residents. The Authority shall review the report and follow up with any listed families immediately and take any necessary corrective action as set forth in PIH Notice 2010-9 or successor publications.

If it is a single member household, notify the owner in writing of the deceased Head of Household and suspend HAP payments for any month following the month in which the death occurred. If the property is occupied by a live-in-aide to the deceased person, the assistance will end and the landlord and aide must decide on the future of the aide's tenancy.

If an owner received HAP for any month in which the owner was ineligible to receive HAP because of a deceased tenant, the Authority will immediately notify the owner in writing of the ineligible HAP and require the owner to repay the overpayment within 30 days. If the owner does not comply, the Authority will deduct the amount due to the Agency from any amounts due to the owner under any other HAP contract. If there is no other HAP contract with the owner, the Authority may seek and obtain additional relief by judicial order or action in accordance with state and local laws.

## **M. TEMPORARY COMPLIANCE ASSISTANCE**

Per PIH Notice 2013-03, HUD granted PHAs some temporary administrative burden relief. HACD is hereby adopting the following allowable relief activities.

- A. HACD opts to conduct a streamlined reexamination of income for elderly and disabled families when 100% of the family's income is fixed income. Instead of third-party verification, HACD will merely inflate income and rent by applying any published cost of living adjustments to a previously verified amount.
- B. HACD will utilize the authority granted by the Notice to approve payment standards of up to 120% of FMR without prior HUD approval, if needed, as a reasonable accommodation for a family including a person with a disability. HACD will maintain documentation that the rent reasonableness analysis has been completed and that the unit has the feature(s) needed to meet the needs of the person with disabilities. (HCV Program only)

Per HUD requirements, HACD will send HUD an email to the e-mail address in the PIH Notice as well as a copy to the Philadelphia HUD FO Public Housing Director or Program Center Coordinator to notify them of the adoption of these changes.



## Chapter 8

### VOUCHER ISSUANCE AND BRIEFINGS

[24 CFR 982.301, 982.302]

#### INTRODUCTION

The PHA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit. Families are provided sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the PHA will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, PHA procedures, and how to lease a unit. The family will also receive a briefing packet which provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

#### A. ISSUANCE OF VOUCHERS [24 CFR 982.204(d), 982.54(d)(2)]

When funding is available, the PHA will issue vouchers to applicants whose eligibility has been determined. The number of vouchers issued must ensure that the PHA stays as close as possible to 100 percent lease-up. The PHA performs a monthly calculation [**electronically**] to determine whether applications can be processed, the number of vouchers that can be issued, and to what extent the PHA can over-issue (issue more vouchers than the budget allows to achieve leaseup).

The PHA may over-issue vouchers only to the extent necessary to meet leasing goals. All vouchers which are over-issued must be honored. If the PHA finds it is over-leased, it must adjust future issuance of vouchers in order not to exceed the ACC budget limitations over the fiscal year.

#### B. BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR 982.301]

##### Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in [**groups and individual meetings**]. Families who attend group briefings and still have the need for individual assistance will be referred to [**the Section 8 Supervisor**].

Briefings will be conducted in English. \* **Briefings will also be conducted in [Spanish] when necessary.**

The purpose of the briefing is to explain how the program works and the documents in the

voucher holder's packet to families so that they are fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The PHA will not issue a voucher to a family unless the household representative has attended a briefing and signed the voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend [2] scheduled briefings, without prior notification and approval of the PHA, may be denied admission based on failure to supply information needed for certification. The PHA will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

### **Briefing Packet** [24 CFR 982.301(b)]

The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements. **[The PHA also includes other information and/or materials which are not required by HUD.]**

The family is provided with the following information and materials

The term of the voucher, and the PHA policy for requesting extensions or suspensions of the voucher (referred to as tolling).

A description of the method used to calculate the housing assistance payment for a family, including how the PHA determines the payment standard for a family; how the PHA determines total tenant payment for a family and information on the payment standard and utility allowance schedule. How the PHA determines the maximum allowable rent for an assisted unit. **[including the rent reasonableness standard].**

Where the family may lease a unit. For family that qualifies to lease a unit outside the PHA jurisdiction under portability procedures, the information must include an explanation of how portability works.

The HUD required tenancy addendum, which must be included in the lease.

The form the family must use to request approval of tenancy **[request for tenancy approval]**, and a description of the procedure for requesting approval for a tenancy.

A statement of the PHA policy on providing information about families to prospective owners.

The PHA Subsidy Standards including when and how exceptions are made **[and how the voucher size relates to the unit size selected].**

The HUD brochure on how to select a unit **[and the HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS].**

The HUD pamphlet on lead-based paint entitled *Protect Your Family From Lead in Your Home* [**and information about where blood level testing is available**].

Information on Federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form. **\*The PHA will also include the pamphlet "Fair Housing: It's Your Right" and other information about fair housing laws and guidelines** [and the phone numbers of the local fair housing agency and the HUD enforcement office].

A list of landlords or other parties willing to lease to assisted families or help in the search [**or known units available for the voucher issued**]. The list includes landlords or other parties who are willing to lease units or help families find units outside areas of poverty or minority concentration.

If the family includes a person with disabilities, notice that the PHA will provide [**assistance in locating accessible units and**] a list of available accessible units known to the PHA.

The family obligations under the program [**including any obligations of a family participating in the welfare to work voucher program**].

The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act.

PHA informal hearing procedures including when the PHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.

Information packet including an explanation of how portability works, including a list of neighboring housing agencies with the name, address and telephone number of a portability contact person at each for use by families who move under portability. (required for PHAs in MSAs)

A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families. (required for PHAs in MSAs)

Information regarding the PHA's outreach program which assists families who are interested in, or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations.

A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration (required for PHAs in MSAs).

**PHA's sample lease for owners who do not use a lease for their unassisted tenants.**

- \* **An Owner's Handbook, an HQS checklist and sample contract.**
- \* **Procedures for notifying the PHA and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair.**
- \* **The family's rights as a tenant and a program participant.**
- \* **Requirements for reporting changes between annual recertifications.**
- \* **Information on security deposits and legal referral services.**
- \* **Exercising choice in residency**
- \* **Choosing a unit carefully and only after due consideration.**
- \* **The Family Self Sufficiency program and its advantages.**

If the family includes a person with disabilities, the PHA will ensure compliance with CFR 8.6 to ensure effective communication.

#### **\* Owner Briefing**

**\* Briefings are held for owners [frequency]. All new owners receive a personal invitation and current owners are notified by [describe]. Prospective owners are also welcome. The purpose of the briefing is to assure successful owner participation in the program. The briefing covers the responsibilities and roles of the three parties.**

#### **Signature Briefing**

**All new owners will be required to attend a signature briefing with the family head [at the office/at the unit] to execute contracts and leases. Other owners will be encouraged to attend signature briefings to reduce future conflict between the owner and tenant. The PHA will provide details on the program rules and relationships and responsibilities of all parties.**

**\* The PHA provides group briefings for new owners and any other owners who wish to attend at least [number of times] per [month/year].**

**\* Interested owners who request to sit in on scheduled family briefings to obtain information about the voucher program will be allowed to do so if the request is made within [number] days of the scheduled briefing.**

### **C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION**

*INSTRUCTION: SEMAP requires the PHA to adopt and implement a written policy to*

*encourage participation by owners of units located outside areas of poverty or minority concentration. PHAs must inform voucher holders of the full range of areas where they may lease units both inside and outside the PHA's jurisdiction and supply a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentrations.*

At the briefing, families are encouraged to search for housing in non-impacted areas and the PHA will provide assistance to families who wish to do so.

**\* The PHA has maps that show various areas and information about facilities and services in neighboring areas such as schools, transportation, and supportive and social services.**

**\* The PHA will investigate and analyze when voucher holders are experiencing difficulties locating or obtaining housing units outside areas of concentration.**

**\* The assistance provided to such families includes:**

**\* Providing families with a search record form to gather and record info.**

**\* Direct contact with landlords.**

**\* Counseling with the family.**

**\* Providing information about services in various non-impacted areas.**

**\* Meeting with neighborhood groups to promote understanding.**

**\* Formal or informal discussions with landlord groups**

**\* Formal or informal discussions with social service agencies**

**\* Meeting with rental referral companies or agencies**

**\* Meeting with fair housing groups or agencies**

#### **D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION**

The PHA will give participants a copy of HUD Form 903 to file a complaint.

#### **E. SECURITY DEPOSIT REQUIREMENTS** [24 CFR 982.313]

The owner is not required to but may collect a (one) security deposit from the tenant.

Security deposits charged to families may be any amount the owner wishes to charge, **(subject to the following conditions:)**

**\* Security deposits charged by owners may not exceed those charged to unassisted tenants (nor the maximum prescribed by State or local law.)**

For lease-in-place families, responsibility for first and last month's rent is not considered a

security deposit issue. In these cases, the owner should settle the issue with the tenant prior to the beginning of assistance.

#### **F. TERM OF VOUCHER** [24 CFR 982.303, 982.54(d)(11)]

During the briefing session, each household will be issued a voucher which represents a contractual agreement between the PHA and the Family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective.

#### **Expirations**

The voucher is valid for a period of at least sixty calendar days from the date of issuance. The family must submit a Request for Approval of the Tenancy and Lease within the sixty-day period unless an extension has been granted by the PHA.

If the voucher has expired, and has not been extended by the PHA or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

#### **Suspensions**

***INSTRUCTION:** The PHA must decide whether to suspend or toll the voucher.*

When a Request for Approval of Tenancy is received, the PHA [**will not**] deduct the number of days required to process the request from the 60 day term of the voucher.

#### **Extensions**

***INSTRUCTION:** The final merger rule, published in the Federal Register on 10/22/99, revised 24 CFR 982.303 to allow PHAs discretion to extend the cumulative voucher term beyond the prior 120-day limit, whether for reasonable accommodation or other good cause as determined by the PHA. The PHA must establish policies in the PHA's Administrative plan stating the conditions for granting extensions beyond the initial 60 day term of the voucher.*

**\* The PHA will extend the term up to [30 ] days beyond the initial voucher term if the family needs and requests an extension as a reasonable accommodation to make the program accessible to and usable by a family member with a disability. If the family needs an extension in excess of [30 ] days, the PHA will extend the voucher term for the amount of time reasonably required for said reasonable accommodation.**

**\* A family may request a written request for an extension of the voucher time period. All requests for extensions must be received prior to the expiration date of the voucher.**

**\* Extensions are permissible at the discretion of the PHA up to a maximum of an**

**additional [30 ] days primarily for these reasons:**

- \* Extenuating circumstances such as hospitalization or a family emergency for an extended period of time which has affected the family's ability to find a unit within the initial sixty-day period. Verification is required.**
- \* The PHA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the PHA, throughout the initial sixty-day period. A completed search record [is] required.**
- \* The family was prevented from finding a unit due to disability accessibility requirements or large size [4 or more] bedroom unit requirement. The Search Record [is] part of the required verification.**
- \* The PHA extends in one or more increments. Unless approved by the [Section 8 Program Supervisor], no more than [2] extensions of [30] days or less will be granted and never for a total of more than an additional sixty days.**

## **Assistance to Voucher Holders**

Families who require additional assistance during their search may call the PHA Office to request assistance. Voucher holders will be notified at their briefing session that the PHA periodically updates the listing of available units and how the updated list may be obtained.

The PHA may assist families with negotiations with owners and provide other assistance related to the families' search for housing.

## **G. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS** [24 CFR 982.315]

In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, the [Sec. 8 Supervisor] shall consider the following factors to determine which of the families will continue to be assisted:

- \* **Which of the two new family units has custody of dependent children.**
- \* **Which family member was the head of household when the voucher was initially issued (listed on the initial application).**
- \* **The composition of the new family units, and which unit contains elderly or disabled members.**
- \* **Whether domestic violence was involved in the breakup.**
- \* **Which family members remain in the unit.**
- \* **Recommendations of social service professionals.**

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, the PHA will terminate assistance on the basis of failure to provide information necessary for a recertification.



## **H. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER**

[24 CFR 982.315]

To be considered the remaining member of the tenant family, the person must have been previously approved by the PHA to be living in the unit.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

**\* In order for a minor child to continue to receive assistance as a remaining family member:**

**\* The court has to have awarded emancipated minor status to the minor, or**

**\* The PHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.**

A reduction in family size may require a reduction in the voucher family unit size.

Reserved

## Chapter 9

# REQUEST FOR APPROVAL OF TENANCY AND CONTRACT EXECUTION

### INSTRUCTION

*Effective October 21, 1998 the Quality Housing and Work Responsibility Act of 1998 (QHWRA) made permanent the 90-day owner termination and endless lease requirements. PHAs are no longer limited to the use of the endless leases, exclusively. Owners can now choose from the following options, but the initial term must still be at least 12 months:*

*They can elect to have an indefinite extension of the initial term (the endless lease). This option allows that the owner can only terminate tenancy during the term of the lease by instituting a court action, or*

*They can elect fixed, definite extensions of the initial term, such as month-to-month or year-to-year. This option allows that the owner can terminate tenancy without cause at the end of the initial term or any subsequent term.*

*However, the new legislation permits the HA to approve a shorter initial lease term, if the HA determines that:*

*Such shorter term would improve housing opportunities for the tenant, and*

*Such shorter term is the prevailing local market practice*

## **INTRODUCTION [24 CFR 982.305(a)]**

The Authority's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. The Authority's objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the Authority, or outside of the Authority's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with the Authority. This chapter defines the types of eligible housing, the Authority's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests For Approval of Tenancy (RFAT).

### **A. REQUEST FOR APPROVAL OF TENANCY [24 CFR 982.302, 982.305(b)]**

The Request for Approval of Tenancy (RFAT) and a copy of the proposed lease, including the HUD prescribed tenancy addendum, must be submitted by the family during the term of the voucher. The family must submit the Request for Approval of Tenancy in the form and manner required by the Authority.

The Request for Approval of Tenancy must be signed by both the owner and voucher holder.

\* The Authority [will not] permit the family to submit more than one RFAT at a time.

The Authority will review the proposed lease and the Request for Approval of Tenancy documents to determine whether or not they are approvable. The request will be approved if:

**The unit is an eligible type of housing**

**The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan)**

**The rent is reasonable**

**The security deposit is approvable in accordance with any limitations in this plan.**

**The proposed lease complies with HUD and Authority requirements (See "Lease Review" section below).**

**The owner is approvable, and there are no conflicts of interest (See "Owner Disapproval" section below).**

**In addition to the above, at the time a family initially receives assistance in a unit (new admissions and moves), if the gross rent for the unit exceeds the applicable payment standard for the family, the family share of rent may not exceed 40 percent of the family monthly adjusted income (See "Owner Rents, Rent Reasonableness and Payment Standards" chapter of this Administrative Plan).**

### **Disapproval of RFAT**

**If the Authority determines that the request cannot be approved for any reason, the landlord and the family will be notified in writing. The Authority will instruct the owner and family of the steps that are necessary to approve the request.**

**The owner will be given [15] calendar days to submit an approvable RFAT from the date of disapproval.**

**When, for any reason, an RFAT is not approved, the Authority will furnish another RFAT form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.**

### **B. ELIGIBLE TYPES OF HOUSING [24 CFR 982.353]**

**The Authority will approve any of the following types of housing in the voucher program:**

**All structure types can be utilized.**

**Manufactured homes where the tenant leases the mobile home and the pad.**

**\*Manufactured homes where the tenant owns the mobile home and leases the pad for [vouchers]**

**\*Group homes**

**\*Congregate facilities (only the shelter rent is assisted)**

**\*Single room occupancy**

**\*Units owned see definition (but not subsidized) by the Authority (following HUD-prescribed requirements).**

**A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.**

**The Authority may not permit a voucher holder to lease a unit which is receiving project-based Section 8 assistance or any duplicative rental subsidies.**

### **C. WHERE FAMILY CAN LEASE A UNIT**

(a) *Assistance in the initial PHA jurisdiction.* The family may receive tenant-based assistance to lease a unit located anywhere in the jurisdiction (as determined by State and local law) of the initial PHA. HUD may nevertheless restrict the family's right to lease such a unit anywhere in such jurisdiction if HUD determines that limitations on a family's opportunity to select among available units in that jurisdiction are appropriate to achieve desegregation goals in accordance with obligations generated by a court order or consent decree.

(b) *Portability: Assistance outside the initial PHA jurisdiction.* Subject to paragraph (c) of this section, and to the Authority's policies for denial or termination of assistance for a family as well as denial of admission and termination of assistance for criminals and alcohol abusers, a voucher-holder or participant family has the right to receive tenant-based voucher assistance in accordance with requirements of this part to lease a unit outside the initial PHA jurisdiction, anywhere in the United States, in the jurisdiction of a PHA with a tenant-based program under this part. The initial PHA must not provide such portable assistance for a participant if the family has moved out of the assisted unit in violation of the lease, except that if the family moves out in violation of the lease in order to protect the health or safety of a person who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the dwelling unit, and has otherwise complied with all other obligations under the Section 8 program, the family may receive a voucher from the PHA and move to another jurisdiction under the Housing Choice Voucher Program.

(c) *Nonresident applicants.* (1) This paragraph (c) applies if neither the household head nor spouse of an assisted family already had a "domicile" (legal residence) in the jurisdiction of the initial PHA at the time when the family first submitted an application for participation in the program to the initial PHA.

(2) The following apply during the 12 month period from the time when a family described in paragraph (c)(1) of this section is admitted to the program:

(i) The family may lease a unit anywhere in the jurisdiction of the initial PHA;

(ii) The family does not have any right to portability. This restriction does not apply to voucher recipients under the **2018 Section 811 Mainstream Voucher Project**;

(iii) The initial PHA may choose to allow portability during this period.

(3) If the initial PHA approves, the family may lease a unit outside the PHA jurisdiction under portability procedures.

(d) *Income eligibility.* (1) For admission to the program, a family must be income eligible in the area where the family initially leases a unit with assistance under the program.

(2) If a family is a participant in the initial PHA's voucher program, income eligibility is not redetermined when the family moves to the receiving PHA program under portability procedures.

(e) *Freedom of choice.* The PHA may not directly or indirectly reduce the family's opportunity to select among available units, except as provided in paragraph (a) of this section, or elsewhere in CFR 24 Part 982 (e.g., prohibition on the use of ineligible housing, housing not meeting HQS, or housing for which the rent to owner exceeds a reasonable rent). However, the PHA must provide families the information required in 24 CFR Part §982.301 for both the oral briefing and the information packet to ensure that they have the information they need to make an informed decision on their housing choice.

#### **D. LEASE REVIEW [24 CFR 982.308]**

**The Authority will review the lease, particularly noting the approvability of optional charges and compliance with regulations and state and local law. The tenant also must have legal capacity to enter a lease under state and local law. Responsibility for utilities, appliances and optional services must correspond to those provided on the on the Request For Approval of Tenancy.**

**The family and owner must submit a standard form of lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with state and local law.**

**The lease must specify:**

**The names of the owner and tenant, and**

**The address of the unit rented (including apartment number, if any), and**

**The amount of the monthly rent to owner, and**

**The utilities and appliances to be supplied by the owner, and**

**The utilities and appliances to be supplied by the family.**

**The HUD prescribed tenancy addendum must be included in the lease (or attached and incorporated) word-for-word before the lease is executed.**

**Effective September 15, 2000, the owner's lease must include the Lead Warning Statement and disclosure information required by 24 CFR 35.92(b).**

**The lease must provide that drug-related criminal activity engaged in by the tenant, any household member, or any guest on or near the premises, or any person under the tenant's control on the premises is grounds to terminate tenancy.**

**The lease must also provide that owner may evict family when the owner determines that:**

**Any household member is illegally using a drug; or**

A pattern of illegal use of drug by any household member interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

The lease must provide that the following types of criminal activity by a "covered person" are grounds to terminate tenancy:

Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises);

Any criminal activity that threatens the health, safety or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or

Any violent criminal activity on or near the premises by a tenant, household member, or guest; or

Any violent criminal activity on the premises by any other person under the tenant's control.

The lease must provide that the owner may terminate tenancy if a tenant is:

Fleeing to avoid prosecution or custody or confinement after conviction for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees (high misdemeanor in NJ); or

Violating a condition of probation or parole imposed under Federal or State law.

**\*House Rules of the owner may be attached to the lease as an addendum, provided they are approved by the Authority to ensure they do not violate any fair housing provisions and do not conflict with the tenancy addendum.**

### **Actions Before Lease Term**

**All of the following must always be completed before the beginning of the initial term of the lease for a unit:**

**The Authority has inspected the unit and has determined that the unit satisfies the HQS;**

**The Authority has determined that the rent charged by the owner is reasonable;**

**The landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum;**

**The Authority has approved leasing of the unit in accordance with program requirements;**

**The Authority has signed a Housing Assistance Payments (HAP) Contract with the landlord;**

**When the gross rent exceeds the applicable payment standard for the family, the Authority must determine that the family share (total family contribution) will not be more than 40% of the family's monthly adjusted income.**

#### **E. SEPARATE AGREEMENTS**

**Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.**

**The family is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.**

**Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the Authority.**

**Any appliances, services or other items which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.**

**If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.**

**All agreements for special items or services must be attached to the lease approved by the Authority. If agreements are entered into at a later date, they must be approved by the Authority and attached to the lease.**

**\* The Authority will not approve separate agreements for modifications to the unit for persons with disabilities. The modifications are usually within the dwelling and are critical to the use of the dwelling.**

#### **F. INITIAL INSPECTIONS [24 CFR 982.305(a) & (b)]**

**See "Housing Quality Standards and Inspections" chapter of this Administrative Plan.**



**G. RENT LIMITATIONS [24 CFR 982.507]**

**The Authority will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.**

**By accepting each monthly housing assistance payment from the Authority, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner is required to provide the Authority with information requested on rents charged by the owner on the premises or elsewhere.**

**At all times during the tenancy, the rent to owner may not be more than the most current reasonable rent as determined by the Authority.**

**H. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]**

**In any of the programs, if the proposed gross rent is not reasonable, at the family's request, the Authority will negotiate with the owner to reduce the rent to a reasonable rent. If, in the voucher program, the rent is not affordable because the family share would be more than 40% of the family's monthly adjusted income, the Authority will negotiate with the owner to reduce the rent to an affordable rent for the family.**

**At the family's request, the Authority will negotiate with the owner to reduce the rent or include some or all of the utilities in the rent to owner.**

**If the rent can be approved after negotiations with the owner , the Authority will continue processing the Request for Approval of Tenancy and lease. If the revised rent involves a change in the provision of utilities, a new Request for Approval of Tenancy must be submitted by the owner.**

**If the owner does not agree on the rent to owner after the Authority has tried and failed to negotiate a revised rent, the Authority will inform the family and owner that the lease is disapproved.**

**I. INFORMATION TO OWNERS [24 CFR 982.307(b), 982.54(d)(7)]**

**In accordance with HUD requirements, the Authority will furnish prospective owners, if requested, with the family's current address as shown in the Authority's records and, if known to the Authority, the name and address of the landlord at the family's current and prior address.**

**\* The Authority will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.**

**The Authority will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.**

**A statement of the Authority's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.**

**\* The Authority will furnish prospective owners with information about the family's rental history, or any history of drug trafficking.**

**\* The Authority will provide the following information, based on documentation in its possession:**

- \* Eviction history**
- \* Damage to rental units**
- \* Other aspects of tenancy history [specify]**
- \* Drug trafficking by family members**

**The information will be provided for the last [two] years.**

**The information will be provided [orally or in writing].**

**Only the [Sec 8 management aides or supervisor] may provide this information. The Authority's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.**

#### **J. OWNER DISAPPROVAL [24 CFR 982.306]**

**See chapter on "Owner Disapproval and Restriction."**

#### **K. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE**

**When the family reports changes in factors that will affect the total family share prior to the effective date of the HAP contract at admission, the information will be verified and the total family share will be recalculated. If the family does not report any change, the Authority need not obtain new verifications before signing the HAP contract, even if verifications are more than 60 days old.**

**L. CONTRACT EXECUTION PROCESS [24 CFR 982.305(c)]**

**The Authority prepares the Housing Assistance Contract and Lease for execution. The family and the owner will execute the Lease agreement, and the owner and the Authority will execute the HAP contract. Copies of the documents will be furnished to the parties who signed the respective documents. The Authority will retain a copy of all signed documents.**

**The Authority makes every effort to execute the HAP contract before the commencement of the lease term. The HAP contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed.**

**The following Authority representative(s) is/are authorized to execute a contract on behalf of the Authority: [Executive Director, Deputy Executive Director, or Section 8 Supervisor].**

**\* Owners must provide the current address of their residence (not a Post Office box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit's address.**

**Owners must provide an employer identification number or social security number.**

**\* Owners must also submit proof of ownership of the property, such as a grant deed or tax bill, and a copy of the management agreement if the property is managed by a management agent.**

**\* The owner must provide a home telephone number and business number if applicable.**

**Unless their lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The Authority will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.**

**M. CHANGE IN OWNERSHIP**

**See "Owner Disapproval and Restriction" chapter.**

**Reserved**

## Chapter 10

# HOUSING QUALITY STANDARDS AND INSPECTIONS

[24 CFR 982.401]

### INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and HAP contract.

The Authority will inspect each unit under contract at least annually. The Authority will also have an inspection supervisor perform quality control inspections on the number of files required for file sampling by SEMAP annually to maintain the Authority's required standards and to assure consistency in the Authority's program. This chapter describes the Authority's procedures for performing HQS and other types of inspections, and Authority standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and Authority requirements. (See additions to HQS).

### A. GUIDELINES/TYPES OF INSPECTIONS [24 CFR 982.401(a), 982.405]

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards. The Authority will not promote any additional acceptability criteria which is likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

**\* All utilities must be in service prior to the [effective date of the HAP contract] . If the utilities are not in service at the time of inspection, the inspector will notify the tenant or owner (whoever is responsible for the utilities according to the RFAT) to have the utilities turned on.** [The inspector will schedule a reinspection./The owner and tenant will both certify that the utilities are on.]

**\* If the tenant is responsible for supplying the stove and/or the refrigerator, the Authority will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS.** [The family must then certify that the appliances are in the unit and working]. **The Authority [will not] conduct a reinspection.**

There are five types of inspections the Authority will perform:

1. Initial/Move-in: Conducted upon receipt of Request for Approval of Tenancy.

2. Annual: Must be conducted within twelve months of the last annual inspection.
3. Move-Out/Vacate (for pre 10/2/95 contracts where there could be damage claims)
4. Special/Complaint: At request of owner, family or an agency or third-party.
5. Quality Control

**B. INITIAL HQS INSPECTION** [24 CFR 982.401(a), 982.305(b)(2)]

**Timely Initial HQS Inspection**

*INSTRUCTION: Select if the Authority has up to 1250 budgeted units in its tenant-based program.*

The Authority will inspect the unit, determine whether the unit satisfies the HQS and notify the family and owner of the determination within **[15]** days after the family and the owner have submitted a request for approval of tenancy.

The same **[15]** day clock will be suspended during any period when the unit is not available for inspection.

The Authority will include “date unit available for inspection” on the RFAT form. This date will determine whether the Authority will be required to meet the same **[15]**-day requirement or whether the Authority will suspend the same **[15]**-day period because the unit is not available for inspection until after the same **[15]**-day period.

**\* For file audit purposes, the Authority will note in each tenant file, the date on which the unit first became available for inspection according to information obtained from the RFAT.**

The Initial Inspection will be conducted to:

Determine if the unit and property meet the HQS defined in this Plan.

Document the current condition of the unit as to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.

Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial Housing Quality Standards inspection, the **[family, if there is damage the family is responsible for, and]** the owner will be advised to notify the Authority once repairs are completed.

On an initial inspection, the owner will be given up to [30] days to correct the items noted as Fail, at the inspector's discretion, depending on the amount and complexity of work to be done.

The owner will generally be allowed up to [one] reinspection for repair work to be completed.

If the time period given by the inspector to correct the repairs has elapsed, or the maximum number of failed reinspections has occurred, the family must select another unit.

### **C. ANNUAL HQS INSPECTIONS** [24 CFR 982.405(a)]

The Authority conducts an inspection in accordance with Housing Quality Standards at least annually, [14] days prior to the date which is one year from the last annual inspection, so that the inspections are conducted at least annually, as required by SEMAP. Special inspections may be scheduled between anniversary dates.

HQS deficiencies which cause a unit to fail must be corrected by the landlord unless it is a fail for which the tenant is responsible.

The family must allow the Authority to inspect the unit at reasonable times with reasonable notice. [24 CFR 982.551(d)]

**\*Inspections will be conducted on business days only.**

**\*Reasonable hours to conduct an inspection are between [9:00] a.m. and [4:00] p.m.**

**\* The Authority will notify the family in writing or by phone at least [five] days prior to the date of the inspection.**

Inspection: The family [and owner] [are] notified of the date and time of the inspection appointment by mail [or phone]. If the family or an adult representative designated by the family is unable to be present, the family must reschedule the appointment so that the inspection is completed within [10] days.

**If the family does not contact the Authority to reschedule the inspection, or if the family misses [two] inspection appointments, the Authority will consider the family to have violated a Family Obligation and their assistance will be terminated in accordance with the termination procedures in the Plan.**

**\* Reinspection: The family and owner are provided a notice of the inspection appointment by mail. If the family is not at home for the reinspection appointment, a card will be left at the unit and another appointment is automatically scheduled. The appointment letter contains a warning of abatement (in the case of owner responsibility), and a notice of the owner's responsibility to notify the family.**

**In lieu of a reinspection, the Authority will accept that the defect or defects have been remedied by the owner's written certification along with a receipt from a vendor, a receipt**

**from a contractor indicating the scope of work, a photo of the repair, tenant confirmation, or any combination of these items as determined by the Authority. The corrections will be verified at the next on-site inspection.**

**If any required repair is not made in a timely manner, the rent shall be abated beginning with the next rent check. If two consecutive checks are abated, the assistance shall be cancelled.**

**\* The family is also notified that it is a Family Obligation to allow the Authority to inspect the unit. If the family was responsible for a breach of HQS identified in the "Denial or Termination of Assistance" chapter of this Administrative Plan, they will be advised of their responsibility to correct.**

### **Time Standards for Repairs**

Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of notification. (See Emergency Repair Items section.)

For non-emergency items, repairs must be made within 30 days.

For major repairs, the [Sec 8 Supervisor] may approve an extension beyond 30 days.

### **Rent Increases**

Rent to owner increases may not be approved if the unit is in a failed condition.

### **D. MOVE OUT/VACATE**

**\*A move out inspection will be performed only at the landlord's request if claim is to be submitted for contracts effective before 10/2/95.**

### **E. SPECIAL/COMPLAINT INSPECTIONS** [24 CFR 982.405(c)]

If at any time the family or owner notifies the Authority that the unit does not meet Housing Quality Standards, the Authority will conduct an inspection.

**\*The Authority may also conduct a special inspection based on information from third parties such as neighbors or public officials.**

The Authority will inspect only the items which were reported, but if the inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

**If the annual inspection date is within 120 days of a special inspection, and as long as all items are inspected that are included in an annual inspection, the special inspection will be categorized as annual and all annual procedures will be followed.**



**In the case of complaint inspections, in lieu of a reinspection, the Authority will accept that the defect or defects have been remedied by the owner's written certification along with a receipt from a vendor, a receipt from a contractor indicating the scope of work, a photo of the repair, tenant confirmation, or any combination of these items as determined by the Authority. The corrections will be verified at the next on-site inspection.**

**If any required repair is not made in a timely manner, the rent shall be abated beginning with the next rent check. If two consecutive checks are abated, the assistance shall be cancelled.**

**F. QUALITY CONTROL INSPECTIONS** [24 CFR 982.405(b)]

Quality Control inspections will be performed by the [Supervisor or other designated person] on the number of files required by SEMAP. The purpose of Quality Control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS.

The sampling of files will include recently completed inspections (within the prior 3 months), a cross-section of neighborhoods, and a cross-section of inspectors.

**G. ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS** [24 CFR 982.401 (a)]

The Authority adheres to the acceptability criteria in the program regulations [and local codes] [with the additions described below].

\* **Local Codes** [24 CFR 982.401(a)(4)]

*INSTRUCTION: If you wish to enter local codes, enter them here. The following are samples of additions that other Authorities have added to their plans. Any other reasonable standard may be added as long as it does not unduly restrict the housing stock available to participant families.*

Additions

Walls:

**\* In areas where plaster or drywall is sagging, severely cracked or otherwise damaged, it must be repaired or replaced.**

**\* Any exterior or interior surfaces with peeling or chipping paint must be removed in an appropriate manner and painted with two coats of unleaded paint or other suitable material.**

Windows:

- \* **All window sashes must be in good condition, solid and intact, and fit properly in the window frame. Damaged or deteriorated sashes must be replaced.**
- \* **Windows must be weatherstripped as needed to ensure a watertight seal.**
- \* **Window screens must be in good condition. (Applies only if screens are present)**
- \* **Any room for sleeping must have a window.**

Doors:

- \* **All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.**
- \* **All interior doors must have no holes, have all trim intact, and be openable without the use of a key.**

Floors:

- \* **All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.**
- \* **All floors must be in a finished state (no plywood).**
- \* **All floors should have some type of baseshoe, trim, or sealing for a "finished look." Vinyl baseshoe may be used **anywhere in the unit.****

Sinks:

- \* **All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.**
- \* **All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.**
- \* **All sinks must have functioning stoppers.**

Security:

- \* **If window security bars or security screens are present on emergency exit window, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.**
- \* **Owners are responsible for providing and replacing old batteries for battery powered units. Tenants will be instructed not to tamper with smoke detectors or remove batteries.**

Bedrooms:

- \* **Bedrooms in basements or attics are not allowed unless they meet local code requirements and must have adequate ventilation and emergency exit capability.**
- \* **Minimum bedroom ceiling height is 7'6" or local code, whichever is greater. Sloping ceilings may not slope to lower than five feet in the 70 square foot area.**

#### Modifications

\* **Modifications or adaptations to a unit due to a disability must meet all applicable HQS and building codes.**

**Extension for repair items not required by HQS will be granted for modifications/adaptations to the unit if agreed to by the tenant and landlord. Authority will allow execution of the HAP contract if unit meets all requirements and the modifications do not affect the livability of the unit.**

#### **H. EMERGENCY REPAIR ITEMS** [24 CFR 982.404(a)]

The following items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the inspector:

- \* **Lack of security for the unit**
  - \* **Waterlogged ceiling in imminent danger of falling**
  - \* **Major plumbing leaks or flooding**
  - \* **Natural gas leak or fumes**
  - \* **Electrical problem which could result in shock or fire**
  - \* **No heat when outside temperature is below [60] degrees Fahrenheit and temperature inside unit is below [60] degrees Fahrenheit.**
  - \* **No domestic (potable) water available in unit**
  - \* **No running hot water**
  - \* **Obstacle which prevents tenant's entrance or exit**
  - \* **Lack of functioning toilet**
- \* **In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to make the repair, proper authorities will be notified by the Authority.**

If the emergency repair item(s) are not corrected in the time period required by the Authority, and the owner is responsible, the housing assistance payment will be abated and the HAP contract may be terminated.

If the emergency repair item(s) are not corrected in the time period required by the Authority, and it is an HQS breach which is a family obligation, the Authority may terminate the assistance to the family.

### **Smoke Detectors**

**\* Inoperable smoke detectors are a serious health threat and will be treated by the Authority as an emergency (24 hour) fail item.**

**\* If the smoke detector is not operating properly the Authority will contact the owner by phone and request the owner to repair the smoke detector within 24 hours. The Authority will reinspect the unit the following day, if possible.**

**\* If the Authority determines that the family has purposely disconnected the smoke detector (by removing batteries or other means) , the family will be required to repair the smoke detector within 24 hours and the Authority will reinspect the unit the following day, if possible.**

**\* The Authority will issue a written warning to any family determined to have purposely disconnected the unit's smoke detector. Warning will state that deliberate disconnection of the unit's smoke detector is a health and fire hazard and is considered a violation of the HQS.**

## **I. CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS)**

[24 CFR 982.405, 982.453]

When it has been determined that a unit on the program fails to meet Housing Quality Standards, and the owner is responsible for completing the necessary repair(s) in the time period specified by the Authority, and the necessary repairs are not made within the prescribed time period and no extension has been requested or granted, the assistance payment to the owner will be **[abated]**.

## **Abatement**

A Notice of Abatement will be sent to the owner, and the abatement will be effective from the day after the date of the failed inspection. Since the owner will have received the HAP Payment for the current month, the next month's payment will be abated. The abatement will continue until all deficiencies are corrected and the unit is in full compliance with the Housing Quality Standards. If an owner fails to correct deficiencies within a reasonable period of time after the specified time period, the Housing Assistance Payments Contract may be terminated.

The Authority will endeavor to inspect abated units within [5] days of the owner's notification that the work has been completed.

If the owner makes repairs during the abatement period, the abatement will be lifted on the day the unit passes inspection; however, no retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS.

**\* The family will be notified of the reinspection date and requested to inform the owner.**

**\* The notice of abatement states that the tenant is not responsible for the Authority's portion of rent that is abated.**

### **\* Reduction of Payments**

**\* The Authority will [grant an extension] in lieu of abatement in the following cases:**

**\* The owner has a good history of HQS compliance.**

**\* The failed items are minor in nature.**

**\* There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services.**

**\* The owner makes a good faith effort to make the repairs.**

**\* The repairs are expensive (such as exterior painting or roof repair) and the owner needs time to obtain the funds.**

**\* The repairs must be delayed due to climate conditions.**

**\* The [extension] will ordinarily be made for a period of time not to exceed [30] days; however, a longer extension period will be considered when the repairs, for good reason, could not be completed within a 30 day period. At the end of any extension period, [at the Authority's discretion,] if the work is not completed [or substantially completed], the Authority will begin the [termination of assistance].**

## **Termination of Contract**

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the end of the abatement period, the owner will be sent a HAP Contract Proposed Termination Notice. Prior to the effective date of the termination, the abatement will remain in effect.

If repairs are completed before the effective termination date, the termination **[may]** be rescinded by the Authority if the tenant chooses to remain in the unit. **[Only one]** Housing Quality Standards inspections will be conducted after the termination notice is issued.

### **J. DETERMINATION OF RESPONSIBILITY** [24 CFR 982.404, 982.54(d)(14)]

Certain HQS deficiencies are considered the responsibility of the family:

Tenant-paid utilities not in service

Failure to provide or maintain family-supplied appliances

Removal of battery from smoke detector by tenant or the removal of the smoke detector itself by tenant.

Damage to the unit or premises caused by a household member or guest beyond normal wear and tear

**\* "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.**

The owner is responsible for all other HQS violations.

The owner is responsible for vermin infestation even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The Authority may terminate the family's assistance on that basis.

**\* The inspector will make a determination of owner or family responsibility during the inspection. \* The owner or tenant may appeal this determination to a mediator within [10] days of the inspection.**

**\* If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.**

**K. CONSEQUENCES IF FAMILY IS RESPONSIBLE** [24 CFR 982.404(b)]

*INSTRUCTION: Timeframe should be the same as that the Authority gives to owners.*

If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the Authority will require the family make any repair(s) or corrections within **[30]** days. If the repair(s) or correction(s) are not made in this time period, the Authority will terminate assistance to the family, after providing an opportunity for an informal hearing. Extensions in these cases must be approved by **[Sec 8 Supervisor]**. The owner's rent will not be abated for items which are the family's responsibility.

If the tenant is responsible and corrections are not made, the HAP contract will terminate when assistance is terminated.

## Chapter 11

### **OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS**

[24 CFR 982.502, 982.503, 982.504, 982.505, 982.507]]

#### **INTRODUCTION**

The policies in this chapter reflect the amendments to the HUD regulations, which were implemented by the Quality Housing and Work Responsibility Act of 1998 for the Section 8 Tenant-Based Assistance Program. These amendments became effective on October 1, 1999, which is referred to as the "merger date". These amendments complete the merging of the Section 8 Certificate and Voucher Programs into one program, called the Housing Choice Voucher Program.

All Section 8 participant families have been transitioned to the Housing Choice Voucher Program on or before October 1, 2001. Rent calculation methods for the Housing Choice Voucher Program are described at 24 CFR 982.505. The rent calculation formula is specific and is not subject to interpretation.

The Authority will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is the Authority's responsibility to ensure that the rents charged by owners are reasonable based upon unassisted comparables in the rental market, using the criteria specified in 24 CFR 982.507(b).

This chapter explains the Authority's procedures for determination of rent-reasonableness, payments to owners, adjustments to the payment standards, and rent adjustments.

#### **A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM**

The rent to owner is limited only by rent reasonableness. The Authority must demonstrate that the rent to owner is reasonable in comparison to rent for other comparable unassisted units.

The only other limitation on rent to owner is the maximum rent standard at initial occupancy (24 CFR 982.508). At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, whether it is a new admission or a move to a different unit, if the gross rent for the unit exceeds the applicable payment standard for the family, the family share may not exceed 40 percent of the family's monthly adjusted income.

During the initial term of the lease, the owner may not raise the rent to owner.



## **B. MAKING PAYMENTS TO OWNERS** [24 CFR 982.451]

Once the HAP contract is executed, the Authority begins processing payments to the landlord. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made [**manually**] to the HAP Register for the following month. Checks are disbursed by [**the Accounting Department**] to the owner each month. Checks [**may not**] be picked up by owner at the Authority.\* **Checks will only be disbursed on the** [1<sup>st</sup> and 15th day(s)] **of the month.**

**Checks that are not received will not be replaced until a written request has been received from the payee and a stop payment has been put on the check.**

### **Excess Payments**

The total of rent paid by the tenant plus the Authority housing assistance payment to the owner may not be more than the rent to owner as stipulated in the Housing Assistance Payments Contract or as subsequently modified by the Housing Authority through the form "Notification of Adjustment of Housing Assistance Payments. The owner must immediately return any excess payment to the Authority.

Owners who do not return excess payments will be subject to penalties as outlined in the "Owner or Family Debts to the Authority" chapter of this Administrative Plan.

## **C. RENT REASONABLENESS DETERMINATIONS** [24 CFR 982.507]

***INSTRUCTION:** Authorities should be aware that current SEMAP guidelines require Authorities to have a reasonable written methodology for determining rent reasonableness in its Administrative Plan.*

The Authority will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all programs.

**NOTE:** Reasonable rent is further defined by PIH Notice 2020-19, *Rent Reasonableness – Defining Assisted Units for the Housing Choice Voucher and Project-Based Voucher Program*. The notice supersedes Notice PIH 2011-46, and updates guidance concerning what is considered an assisted unit under Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) for the purpose of rent reasonableness requirements. This notice does not provide comprehensive guidance concerning rent reasonableness requirements, but focuses on specific rent reasonableness issues.

The Authority will not approve a lease until the Authority determines that the initial rent to owner is a reasonable rent. The Authority must redetermine the reasonable rent before any increase in the rent to owner, and if there is a ten (10) percent decrease in the published FMR in

effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.

The Authority must redetermine rent reasonableness if directed by HUD and based on a need identified by the Authority's auditing system. The Authority may elect to redetermine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the Authority.

The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

If requested, the owner must give the Authority information on rents charged by the owner for other units in the premises or elsewhere. **\*The Authority will only request information on the owner's units elsewhere if the Authority has cause to demonstrate that the owner has a tendency to charge higher rents to program participants or if needed for rent reasonableness comparables.**

The data for other unassisted units will be gathered from [newspapers, Realtors, professional associations, inquiries of owners, market surveys, and other available sources].

The market areas for rent reasonableness are [zip codes/subdivisions/census tracts/neighborhoods] within the Authority's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items will be used for rent reasonableness documentation:

Size (number of Bedrooms/square footage)

Location

Quality

Amenities (bathrooms, dishwasher, air conditioning, off-street parking etc.)

Housing Services

Age of unit

Unit Type

Maintenance

Utilities

### **Rent Reasonableness Methodology**

**\* Information is gathered on rental units in the [Dauphin County] market area, and each unit is rated, using the Authority's rent reasonableness system. Using an automated method, the average rents are identified for units of like size and type within the same market area. Each defined factor of the items listed above on the unit to be assisted will be compared, using a point adjustment system, to those factors of comparable unassisted units in the database. The average will be adjusted up or down based on the dollar value of all HUD required comparable items in comparison with the total database.**

**\* The Authority uses a "standard deviation" method and uses automation to identify the average rent for units of like size and type within the same market area. The average is adjusted up or down based on the dollar value of all HUD required comparable items.**

The Authority maintains [an automated database] which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data is updated on an ongoing basis and purged when it is more than [18] months old

#### **D. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM** [24 CFR 982.503]

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation, and at the Authority's discretion, the Voucher Payment Standard amount is set by the Authority between 90 percent and 110 percent of the HUD published FMR. This is considered the basic range. The Authority reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, the Authority will ensure that the Payment Standard is always within the range of 90 percent to 110 percent of the new FMR, unless an exception payment standard has been approved by HUD. All revisions shall occur within three months of HUD's publication of any change in the FMR if the payment standard is no longer in the acceptable range. If there is a decrease to the Payment Standard Schedule during the term of a family's HAP contract, the Authority will continue to use the existing higher Payment Standard for the family's subsidy calculation for as long as the family continues to receive the voucher assistance in that unit. Families who are shopping for a new unit and have been issued a voucher where the search time may extend past the effective date of a new payment standard shall be informed of both the old and new payment standards once the amount of the new payment standard has been determined.

The Authority will establish a single voucher payment standard amount for each FMR area in the Authority jurisdiction. For each FMR area, the Authority will establish payment standard amounts for each "unit size". The Authority may have a higher payment standard within the Authority's jurisdiction if needed to expand housing opportunities outside areas of minority or poverty concentration, as long as the payment standard is within the 90-110% of FMR range.

A separate lower Payment Standard may also be established for any applicant voucher family not yet under HAP Contract and any participant family that is moving (the new reduced payment standard amount is used to determine the family HAP at the new unit.) The reduced Payment Standard amount is also immediately applicable for a participant family that is not moving from their current unit at any time that a new HAP Contract must be executed for the unit, such as

when the owner offers and the family accepts a new lease agreement.

The Authority may approve a payment standard of not more than 120 percent of the FMR without HUD approval if requested as a reasonable accommodation by a family that includes a person with a disability. The payment standard for a family including a disabled person can exceed 120% with HUD's prior approval.

The Authority will maintain documentation that shows:

1. a rent reasonableness analysis was conducted in accordance with the HCV program regulations at 24 CFR 982.507;
2. the family requested in writing, and provided supporting documentation (for example from a medical professional), lease approval for the unit and requested an exception payment standard as a reasonable accommodation; and
3. the unit has features that meet the needs of a family member with disabilities. For example, a unit may be suitable because of its physical features or for other reasons, such as having the requisite number of bedrooms, location on an accessible transit route, or proximity to accessible employment, education, services, or recreation.

#### **E. ADJUSTMENTS TO PAYMENT STANDARDS** [24 CFR 982.503]

Payment Standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. The Authority will not raise Payment Standards solely to make "high end" units available to Voucher holders. The Authority may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.

#### **Assisted Families' Rent Burdens**

**\*The Authority will review its voucher payment standard amounts at least annually to determine whether more than 40 percent of families in a particular unit size are paying more than 30% of their annual adjusted income for rent.**

**\* If it is determined that particular unit sizes in the Authority's jurisdiction have payment standard amounts that are creating rent burdens for families, the Authority will modify its payment standards for those particular unit sizes.**

**\* The Authority will increase its payment standard within the basic range for those particular unit sizes to help reduce the percentage of annual income that participant families in the Authority's jurisdiction are paying.**

**\* The Authority will establish a separate voucher payment standard, within the basic range,**

**for designated parts its jurisdiction if it determines that a higher payment standard is needed in these designated areas to provide families with quality housing choices and to give families an opportunity to move outside areas of high poverty and low income.**

### **Quality of Units Selected**

The Authority will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.

### **Authority Decision Point**

The Authority will review the average percent of income of families on the program. If more than (percent – 25%) of families are paying more than 30% of monthly adjusted income, the Authority will determine whether there is a difference by voucher size, whether families are renting units larger than their voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by the Authority in the Administrative Plan.

If families are paying more than 30% of their income for rent due to the selection of larger bedroom size units or luxury units, the Authority may decline to increase the payment standard. If these are not the primary factors for families paying higher rents, the Authority will continue increasing the payment standard.

### **Rent to Owner Increases**

The Authority may review a sample of the units to determine how often owners are increasing rents and the average percent of increase by bedroom size.

### **Time to Locate Housing**

The Authority may consider the average time period for families to lease up under the Voucher program. If more than [50%] of Voucher holders are unable to locate suitable housing within the term of the voucher and the Authority determines that this is due to [50%] of rents in the jurisdiction being unaffordable for families even with the presence of a voucher the Payment Standard may be adjusted.

### **Lowering of the Payment Standard**

Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below 90 percent of the FMR without authorization from HUD.

If there is a decrease to the Payment Standard Schedule during the term of a family's HAP contract, the Authority will continue to use the existing higher Payment Standard for the family's subsidy calculation for as long as the family continues to receive the voucher assistance in that unit.

### **Financial Feasibility**

Before increasing the Payment Standard, the Authority may review the budget to determine the impact projected subsidy increases would have on funding available for the program and number of families served.

For this purpose, the Authority will compare the number of families who could be served under a higher Payment Standard with the number assisted under current Payment Standards.

### **File Documentation**

A file will be retained by the Authority for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

## **F. EXCEPTION PAYMENT STANDARDS**

If the dwelling unit is located in an exception area, the Authority must use the appropriate payment standard amount established by the Authority for the exception area in accordance with regulation at 24 CFR 982.503(c).

**\* HUD has authorized the Authority to establish a payment standard [110%] for [all unit sizes] in [Authority jurisdiction]. This is referred to by HUD as the upper range.**

## **G. OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM** **[(24CFR 982.308(g))]**

**The owner is required to notify the Authority, in writing, at least sixty days before any change in the amount of rent to owner is scheduled to go into effect. Any requested change in rent to owner will be subject to rent reasonableness requirements. See 24 CFR 982.503.**

# Chapter 12

## RECERTIFICATIONS

[24 CFR 982.516]

### INTRODUCTION

In accordance with HUD requirements, the Authority will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition. This Chapter defines the Authority's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

### A. ANNUAL ACTIVITIES [24 CFR 982.516, 982.405]

There are three activities the Authority must conduct on an annual basis. **\*These activities will be coordinated whenever possible:**

- \* Recertification of income and family composition
- \* HQS inspection
- \* Rent to owner adjustment (following HUD requirements [regular tenancy certificate only])

The Authority produces a monthly listing of units under contract to ensure that timely reviews of rent to owner, housing quality, and factors related to total tenant payment/family share can be made. Requests for rent adjustments and other monetary changes will be transmitted to the **[Accounting department]**.

Reexamination of the family's income and composition must be conducted at least annually.

Annual inspections: See "Housing Quality Standards and Inspections" chapter.

Rent adjustments: See "Owner Rents, Rent Reasonableness and Payment Standards" chapter.

## **B. ANNUAL RECERTIFICATION/REEXAMINATION** [24 CFR 982.516]

Families are required to be recertified at least annually.

### **Moves Between Reexaminations**

When families move to another dwelling unit:

**\* The anniversary date for the recertification will be changed to correspond to the lease and contract date of the new unit.**

Income limits are not used as a test for continued eligibility at recertification.

### **Reexamination Notice to the Family**

The Authority will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview at least [ 90] days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the Authority will provide the notice in an accessible format. The Authority will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

### **Procedure**

The Authority's procedure for conducting annual recertifications will be in one of the two following manners:

1. Schedule the date and time of appointments and mail a notification to the family; when annual recertifications are to be done in person.

OR

2. Recertification documents are sent to the participant families to be recertified and the completed documents are to be returned by a stipulated date.

Owners are also notified at the time of reexamination so that they may request an increase in rent, if they want to increase the rent, and are also notified of the annual inspection of their rental unit so that they can participate in the inspection, if they so desire.

### **Completion of Annual Recertification**

The Authority will make every effort to have all recertifications for families completed before the anniversary date. This includes notifying the family of any changes in rent at least 30 days before the scheduled date of the change in family rent.



## Persons with Disabilities

Persons with disabilities who are unable to come to the Authority's office will be granted an accommodation by conducting the interview **[at the person's home/by mail]**, upon verification that the accommodation requested meets the need presented by the disability.

### **Collection of Information** [24 CFR 982.516(f)]

***INSTRUCTION:** Authoritys utilize two basic methods of data collection: 1) Authority allows the family to complete a recertification form, then reviews the form with the family; or 2) The housing interviewer interviews the family, asks the questions and records the answers on the recertification forms. This system utilizes the Personal Declaration Form so that the Authority has information in the family representative's own handwriting.*

The Authority has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate.

**\* The Authority will allow the family to complete the recertification form.**

### **Procedure is the Family is Required to Attend an Officer Interview:**

If the recertification procedure requires the family to come to an interview at the Authority office, the following family members will be required to attend the recertification interview: **(Applicable only when the recertification interview is done in person.)**

**\* The head of household only**

If the head of household is unable to attend the interview:

**\* The appointment will be rescheduled**

### **Failure to Respond to Notification to Recertify**

The written notification must state which family members are required to attend the interview. The family may call to request another appointment date up to **[two]** days prior to the interview.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the Authority, the Authority **[will]** reschedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the Authority will:

**\* Send family notice of termination and offer them an informal hearing**

**\* Exceptions to these policies may be made by [Section 8 Supervisor] if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability.**

**Procedure if the Family is sent a set of Recertification Documents:**

**Family to be certified will be sent a set of documents that the family must complete and return to the Authority by a specified date.**

**If the recertification documents are not completed and returned to the Authority within two weeks of the date of the first letter, the Authority will send a second letter to indicate that if those documents are not completed and returned with one week of the date of the second letter, the family's rental assistance will be terminated on a date specified in the second letter.**

**If the family does not respond to the second recertification letter within the specified period of time, the family will be sent a third letter ordinarily by certified mail informing the family that their rental assistance is being terminated on a date to be specified in the letter. A copy of the termination letter is also sent to the family's landlord.**

**Documents Required From the Family**

In the notification letter to the family, the Authority will include instructions for the family to bring or send the following:

- \* Application for Recertification
- \* Consent to Release Information
- \* Citizenship Certification (If not previously signed or for any new members of the family.)
- \* Authorization for the Release of Information/Privacy Act Notice
- \* Income and Asset Verification Form
- \* Employment Verification Form
- \* Documentation Regarding all other Sources of Income
- \* Documentation of all other assets. If a participant purchases a home using the Section 8 Homeownership option, if one is offered by the Housing Authority, the value of this asset shall be excluded from the income calculation for the first ten years of ownership from the closing date. For all re-certifications occurring after ten years of ownership, the value of the asset shall equal the fair market value of the property minus any loans on the property and minus 10% of the fair market value of the property (expenses to convert to cash as determined by PIH Notice 2012-3). The fair market value of the property will be determined by the assessed value as determined by the City, Town or Village Assessor if the assessed value is made at market value. This market value will be obtained by reviewing and documenting the local assessment roll or the owner's most recent property tax bill. If a market value tax assessment is not available, then the Housing Authority will

use the sales comparison method examining at least three comparable properties in the surrounding (or similar) neighborhood that possess comparable factors that affect market value. For determining the loans on the property, the Housing Authority will first try to verify the current payoff amount of the loan(s) included on the participant's monthly mortgage statement. If the payoff amount is not available, the Housing Authority may deduct the loan balance from the market value and document the file as to the method used.

\* Documentation of any deductions/allowances

\* Personal Declaration Form completed by head of household

\* Families will be provided the opportunity to update the information on form HUD-92006, Supplement to Application for Federally Assisted Housing, which they completed with their initial application. The form gives families the option to identify an individual or organization that the Housing Authority may contact and the reason(s) the individual or organization may be contacted.

Also, during the recertification, each household shall be asked whether any member is subject to the lifetime registration requirement under a state registration program. The Housing Authority will verify this information using the Dru Sjodin National Sex Offender Database and document this information in the same method used at admission. For any admissions after June 25, 2001 (the effective date of the Screening and Eviction for Drug Abuse and Other Criminal Activity final rule), if the recertification screening reveals that the tenant or a member of the tenant's household is subject to a lifetime sex offender registration requirement, or that the tenant has falsified information or otherwise failed to disclose his or her criminal history on their application and/or recertification forms, the Housing Authority will pursue eviction of the household.

If a family is about to be terminated from housing based on either the criminal check or the sex offender registration program, the applicant will be informed of this fact and given an opportunity to dispute the accuracy of the information before the eviction occurs.

\* **Other** [Documentation from all eligible income sources]

### **Verification of Information**

The Authority will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than **[120]** days old.

### **Tenant Rent Increases**

***INSTRUCTION:** HUD says "reasonable notice." We suggest you follow State law and provide at least a 30-day notice on rent increases (also decreases) for annual reexamination.*

If tenant rent increases, a thirty day notice is mailed to the family prior to the scheduled effective date of the annual recertification.

If less than thirty days are remaining before the scheduled effective date of the annual recertification, the tenant rent increase will be effective on the first of the month following the thirty day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual recertification.

### **Tenant Rent Decreases**

If tenant rent decreases, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the Authority.

### **C. REPORTING INTERIM CHANGES** [24 CFR 982.516]

Program participants must report all changes in household composition **in writing** to the Authority between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. **The family must obtain Authority approval prior to all other additions to the household.**

If any new family member is added, family income must include any income of the new family member. The Authority will conduct a reexamination to determine such additional income and will make the appropriate adjustments to the **Total Tenant Payment** (TTP) in the housing assistance payment and family unit size.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after moving into the unit.

### **Increases in Income**

***INSTRUCTION:** HUD permits Authoritys to decide if increases in income and assets must be reported by the family, when increases must be reported, and whether or not interim adjustments will be done when there is an increase in income. Even if the Authority does not do interim adjustments when families have an increase in income, the Authority can still require families to report any increases.*

### **Interim Reexamination Policy**

Families are required to report all increases in monthly income of **\$ 300.00** or more between reexaminations **in writing** within (14) days of the increase]. This reporting requirement includes the reporting of any asset which results in an increase in income of \$ 300.00 per month or more.

The Authority will conduct interim reexaminations when families have an increase in income between annual reexaminations which is \$ 300.00 per month or more and adjust the Total Tenant Payment accordingly.

### **Decreases in Income**

Participants may report a decrease in income and other changes which would reduce the amount of tenant rent, such as an increase in allowances or deductions. The Authority must calculate the change if a decrease in income is reported; however, if the household has an historical pattern of changing jobs and the household's income was based on an annualization of income based on anticipated and historical income patterns, the tenant's rent may not need to be decreased unless there is a demonstrated hardship. If such a decrease in income affects the Total Tenant Payment (TTP), the decrease in TTP will be effective the first of the following month provided that the decrease in income is reported no later than the 15<sup>th</sup> of the month. If such decrease is reported later than the 15<sup>th</sup> of the month, any decrease in the TTP and retroactive adjustment, if necessary, will occur the first of the second month following the date the decrease in rent is reported. **In any event, no actual decrease in TTP will be made effective until after the new income has been verified.**

### **Authority Errors**

If the Authority makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable, retroactive to when the decrease for the change would have been effective if calculated correctly.

### **D. OTHER INTERIM REPORTING ISSUES**

An interim reexamination does not affect the date of the annual recertification.

An interim reexamination will be scheduled for families with **[zero]** income every **[30]** days.

Any changes reported by participants other than those listed in this section will be noted in the file by the staff person, but will not be processed between regularly scheduled annual recertifications.

### **E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS** [24 CFR 5.615]

***INSTRUCTION:** The QHWRA establishes new requirements for the treatment of income changes resulting from welfare program requirements. These requirements are effective immediately. However, before implementation of the new requirements, the Authority must revise operating procedure to effectuate these provisions.*

The Authority will not reduce the family share of rent for families whose welfare assistance is reduced due to a "specified welfare benefit reduction", which is a reduction in benefits by the welfare agency specifically because of:

- \* Fraud in connection with the welfare program; or
- \* Non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program.

However, the Authority will reduce the rent if the welfare assistance reduction is a result of:

- \* The expiration of a lifetime time limit on receiving benefits; or
- \* A situation where the family has complied with welfare program requirements but cannot or has not obtained employment, or
- \* A situation where a family member has not complied with other welfare agency requirements.

### **Definition of Covered Family**

A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program.

### **Definition of "Imputed Welfare Income"**

The amount of annual income, not actually received by a family, as a result of a specified welfare benefit reduction, that is included in the family's income for purposes of determining rent.

The amount of imputed welfare income is determined by the Authority, based on written information supplied to the Authority by the welfare agency, including:

- \* The amount of the benefit reduction
- \* The term of the benefit reduction
- \* The reason for the reduction
- \* Subsequent changes in the term or amount of the benefit reduction

The family's annual income will include the imputed welfare income, as determined at the

family's annual or interim reexamination, during the term of the welfare benefits reduction (as specified by the welfare agency).

The amount of imputed welfare income will be offset by the amount of additional income the family receives that commences after the sanction was imposed. When additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income will be reduced to zero.

If the family was not an assisted resident when the welfare sanction began, imputed welfare income will not be included in annual income.

If the family claims the amount of imputed welfare income has been calculated incorrectly, the **[Sec. 8 Supervisor]** will review the calculation for accuracy. If the imputed welfare income amount is correct, the Authority will provide a written notice to the family that includes:

- \* A brief explanation of how the amount of imputed welfare income was determined;
- \* A statement that the family may request an informal hearing if they do not agree with the Authority determination.

## **Verification Before Denying a Request to Reduce Rent**

The Authority will obtain written verification from the welfare agency stating that the family's benefits have been reduced due to fraud or noncompliance with welfare agency economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

The Authority will rely on the welfare agency's written notice to the Authority regarding welfare sanctions.

## **Cooperation Agreements** [24 CFR 5.613]

*INSTRUCTION: The final Admissions and Occupancy rule, published in the Federal Register on 3/29/00, requires Authoritys to make best efforts to enter into cooperation agreements with welfare agencies.*

**\*The Authority has executed a Memorandum of Understanding with the local welfare agency under which the welfare agency agrees:**

**\* To target public assistance benefits and services to participants in the Authority's Self-Sufficiency program;**

**\* To provide written verification to the Authority concerning welfare benefits for applicant and participant families, and specified reduction in welfare benefits for a family member, listing: amount of reduction; reason for reduction; term of reduction, and subsequent redetermination.**

**\*The Authority will rely on the welfare agency's written notice regarding the amount of specified benefit reduction.**

**\* The Authority and the local welfare agency have mutually agreed to exchange information regarding any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 tenant-based assistance families.**

## **Family Dispute of Amount of Imputed Welfare Income**

If the family disputes the amount of imputed income and the Authority denies the family's request to modify the amount, the Authority will provide the tenant with a notice of denial, which will include:

**\* An explanation for the Authority's determination of the amount of imputed welfare income**

**\* A statement that the tenant may request an informal hearing.**

**\* A statement that the grievance information received from the welfare agency cannot be disputed at the informal hearing, and the issue to be examined at the informal hearing will**



**be the Authority's determination of the amount of imputed welfare income, not the welfare agency's determination to sanction the welfare benefits.**

**F. NOTIFICATION OF RESULTS OF RECERTIFICATIONS** [HUD Notice PIH 98-6]

The HUD Form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. Signatures **[are]** required by the Authority. If the family disagrees with the rent adjustment, they may request an informal hearing.

**G. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)**

[24 CFR 982.516(c)]

**Standard for Timely Reporting of Changes**

The Authority requires that families report interim changes to the Authority within **[14]** days of when the change occurs. Any information, document or signature needed from the family which is needed to verify the change must be provided within **[14]** days of the change.

**\* An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within [14] days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.**

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

**Procedures when the Change is Reported in a Timely Manner**

The Authority will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

Increases in the Tenant Rent are effective on the first of the month following at least thirty days' notice.

Decreases in the Tenant Rent are effective the first of the month following that in which the change is reported, provided that notification to the Authority had been made prior to the fifteenth of the month. **\* However, no rent reductions will be processed until all the facts have been verified, even if a retroactive adjustment results.** (See also "Decreases in Income" on page 12-6.)

**Procedures when the Change is Not Reported by the Family in a Timely Manner**

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following

guidelines will apply:

Increase in Tenant Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to **[sign a Repayment Agreement or make a lump sum payment]**.

Decrease in Tenant Rent will be effective on the first of the month following the month that the change was reported. If such a decrease in income affects the Total Tenant Payment, the decrease in TTP will be effective the first of the following month provided that the decrease in income is reported no later than the 15<sup>th</sup> of the month. If such decrease is reported later than the 15<sup>th</sup> of the month, any decrease in the TTP will occur the first of the second month following the date the decrease in rent is reported. In any event, no actual decrease in TTP will be made effective until after the new income has been verified; however a delay in verification which is not the fault of the tenant will not, in itself, delay the effective date of the decrease in TTP and may necessitate a retroactive adjustment.

### **Procedures when the Change is Not Processed by the Authority in a Timely Manner**

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the Authority in a timely manner.

In this case, an increase will be effective after the required thirty days' notice prior to the first of the month after completion of processing by the Authority.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

### **H. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES** [24 CFR 982.516(c)]

(See "Subsidy Standards" chapter.)

### **I. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES** [24 CFR 5.518]

*INSTRUCTION: If the Authority implemented the Noncitizens Rule on or after November 29, 1996, mixed families may receive prorated assistance only.*

Under the Noncitizens Rule, "mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

**\*The Noncitizens Rule was implemented prior to November 29, 1996, and "mixed" families**

**who were participants as of June 19, 1995, shall continue receiving full assistance if they meet all of the following criteria:**

**\* The head of household or spouse is a U.S. citizen or has eligible immigrant status;**

**AND**

**\* All members of the family other than the head, the spouse, parents of the head or the spouse, and children of the head or spouse are citizens or eligible immigrants. The family may change the head of household to qualify under this provision.**

**J. MISREPRESENTATION OF FAMILY CIRCUMSTANCES**

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the Authority may terminate assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum.)

Reserved

## Chapter 13

### MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

[24 CFR 982.314, 982.353, 982.355(a)]

#### INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the Authority's jurisdiction, or to a unit outside of the Authority's jurisdiction under portability procedures. The regulations also allow the Authority the discretion to develop policies which define any limitations or restrictions on moves. This chapter defines the procedures for moves, both within and outside of, the Authority's jurisdiction, and the policies for restriction and limitations on moves. This policy is consistent with all civil rights laws and regulations.

#### A. ALLOWABLE MOVES

A family may move to a new unit with continued assistance if:

The assisted lease for the old unit has terminated because the Authority has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.

The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family.

The family has given proper notice of lease termination ( if the family has a right to terminate the lease on notice to the owner, for owner breach, or otherwise).

The family or a member of the family is or has been the victim of domestic violence, dating violence, or stalking, as provided in 24 CFR part 5, subpart L, and the move is needed to protect the health or safety of the family or family member. The Authority may not terminate assistance if the family, with or without prior notification to the Authority, already moved out of a unit in violation of the lease, if such move occurred to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the dwelling unit.

#### B. RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552(a)]

**\* Families [will not] be permitted to move within the Authority's jurisdiction during the initial year of assisted occupancy unless the Landlord has failed to maintain the rental unit in accordance with Housing Quality Standards. Unless an immediate matter of health or safety, the Landlord is ordinarily given time to correct any deficiencies in the rental unit.**

**\* Families [will not] be permitted to move more than once in a 12-month period.**

The Authority will deny permission to move if there is insufficient funding for continued assistance. The Authority will provide written notification to the local HUD Office within 10 business days of determining it is necessary to deny moves to a higher-cost unit based on insufficient funding.

The Authority [will] deny permission to move if:

- 1. The family has violated a family obligation.**
- 2. The family owes the Authority money.**
- 3. The family has moved or been issued a voucher within the last [ twelve] months.**
- 4. The family is not income eligible in the receiving agency's jurisdiction; or**
- 5. The family has moved out of their unit in violation of the lease unless the reason for the move is to protect a victim of VAWA who is otherwise in full compliance with all other program requirements and reasonable believed to be in imminent danger from the abuser.**

**\* With the exception of numbers “4.” and “5.” above, the [Sec 8 Supervisor] may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.**

When a family is being evicted, the Authority will endeavor to determine the cause of the eviction and whether the family has violated a family obligation which would prevent the Authority from providing continued housing assistance.

If a Section 8 participant gives notice to the Housing Authority of his/her intention to move, the Authority will consult with the participant's present landlord to determine whether the participant owes the landlord any legitimate amount for rent or damages. If such an amount is owed, the Authority will not issue the Section 8 participant family another voucher until any amount owed to the landlord is paid or payment arrangements have been made to the satisfaction of the landlord. **In order to establish what the legitimate amount that may be owed to a landlord is, the Authority ordinarily requires that there be some adjudication of the dispute in a court.**

If a family who intends to move or is in the process of moving has already received a voucher and it is later discovered by the Housing Authority that the tenant owes a previous landlord any legitimate amount for rent or damages, the Authority will notify the tenant that he/she has ninety (90) days in which to satisfy any legitimate financial obligation to the previous landlord(s). If the tenant does not satisfy such financial obligation to the previous landlord(s) within such ninety (90) day period, the Housing Authority will rescind the voucher. If the tenant would want to receive rental assistance in the future, the tenant would have to reapply.

## **C. PROCEDURE FOR MOVES** [24 CFR 982.314]

### **Issuance of Voucher**

Subject to the restrictions on moves, if the family has not been recertified within the last [120] days, the Authority will issue the voucher to move **[after conducting the recertification]**.

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

**\* The annual recertification date will be changed to coincide with the new lease-up date.**

### **Notice Requirements**

If the family wants to move to a new unit, the family must notify the Authority and the owner before moving from the old unit. If the family wants to move to a new unit that is located outside the Authority's jurisdiction, the notice to the Authority must specify the area where the family wants to move. See portability procedures in this chapter.

**\* Briefing sessions emphasize the family's responsibility to give the owner and the Authority proper written notice of any intent to move.**

The family must give the owner the required number of days written notice of intent to vacate specified in the lease and must give a copy to the Authority simultaneously.

### **Time of Contract Change**

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move **[except that there will be no overlapping assistance]**.

In a move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy, unless proper notice was given to end a lease mid-month. Assistance will start on the new unit on the effective date of the new lease and contract, **which will be after the termination of the old lease and contract**. Assistance payments may **NOT** overlap for the month in which the family moves.

## **D. PORTABILITY** [24 CFR 982.353]

Portability applies to families moving out of or into the Authority's jurisdiction within the United States and its territories.

When a family moves under portability (in accordance with 24 CFR §982.353(b)) to an area where the unit is located within the Authority's jurisdiction, the Authority will administer assistance for the family. The Authority will not refuse to assist incoming portable families or direct them to another neighboring PHA for assistance.

## **E. OUTGOING PORTABILITY** [24 CFR 982.353, 982.355]

Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit outside the Authority's jurisdiction, anywhere in the United States, in the jurisdiction of an Authority with a tenant-based program. When a family requests to move outside of the Authority's jurisdiction, the request must specify the area to which the family wants to move.

The Authority will determine the family's eligibility to move in accordance with **Chapter 9, Section C** and **Sections A and B** of this chapter of this Administrative Plan.

Once the receiving PHA is determined, the Authority will contact the receiving PHA, via email or other confirmed delivery method, prior to approving the family's request to move in order to determine whether the voucher will be absorbed or billed by the receiving PHA. The receiving PHA must advise the Authority in writing, via email or other confirmed delivery method, of its decision.

If the receiving PHA notifies the Authority that it will absorb the voucher, the receiving PHA cannot reverse its decision at a later date without consent of the Authority.

If the receiving PHA will bill the Authority for the portability voucher and the cost of the HAP will increase due to the move, the Authority may deny the move if it does not have sufficient funding for continued assistance.

If a billing arrangement is approved by the Authority or if the voucher is to be absorbed by the receiving PHA, the Authority will issue the family a voucher to move, if it has not already done so, and advise the family how to contact and request assistance from the receiving PHA.

The Authority will promptly notify the receiving PHA to expect the family. The Authority will give the receiving PHA the form HUD-52665, the most recent form HUD 50058 (Family Report) for the family, and all related verification information.

The family must promptly contact the receiving PHA in order to be informed of the receiving PHA's procedures for incoming portable families and comply with these procedures. The family's failure to comply may result in denial or termination of the receiving PHA's voucher.

The receiving PHA does not redetermine eligibility for a participant family. However, for a family that was not already receiving assistance in the PHA's HCV program, the Authority will determine whether the family is eligible for admission to the receiving PHA's HCV program. In determining income eligibility, the receiving PHA's income limits are used by the Authority.

When a receiving PHA assists a family under portability, administration of the voucher must be in accordance with the receiving PHA's policies. This requirement also applies to policies of Moving to Work agencies. The receiving PHA procedures and preferences for selection among eligible applicants do not apply to the family, and the receiving PHA waiting list is not used.



If the receiving PHA opts to conduct a new reexamination for a current participant family, the receiving PHA may not delay issuing the family a voucher or otherwise delay approval of a unit.

The receiving PHA must determine the family unit size for the family, and base its determination on the subsidy standards of the receiving PHA.

The receiving PHA must issue a voucher to the family. The term of the receiving PHA voucher may not expire before 30 calendar days from the expiration date of the Authority's voucher. If the voucher expires before the family arrives at the receiving PHA, the receiving PHA must contact the Authority to determine if it will extend the voucher.

Once the receiving PHA issues the portable family a voucher, the receiving PHA's policies on extensions of the voucher term apply. The receiving PHA must notify the Authority of any extensions granted to the term of the voucher.

The family must submit a request for tenancy approval to the receiving PHA during the term of the receiving PHA voucher. If the family submits a request for tenancy approval during the term of the voucher, the PHA must suspend the term of that voucher.

The receiving PHA must promptly notify the Authority if the family has leased an eligible unit under the program, or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the voucher.

At any time, either the Authority or the receiving PHA may make a determination to deny or terminate assistance to the family.

### **Restrictions on Portability**

#### **Nonresident Applicants**

If neither the household head nor spouse of an assisted family already had a "domicile" (legal residence) in the jurisdiction of the Authority at the time when the family first submitted an application for participation in the program to the Authority the following apply during the 12 month period from the time when a family is admitted to the program:

- (i) The family may lease a unit anywhere in the jurisdiction of the Authority;
- (ii) The family does not have any right to portability. This restriction does not apply to voucher recipients under the **2018 Section 811 Mainstream Voucher Project**;
- (iii) The Authority may choose to allow portability during this period.

If the Authority approves, the family may lease a unit outside the Authority's jurisdiction under portability procedures.

## Participants

After an applicant has leased-up in the jurisdiction of the initial housing agency, they cannot exercise portability during the first year of assisted occupancy, except in the following circumstances.

- \* The receiving and initial Authority agree to allow the move.
- \* **The family's move relates to an opportunity for education, job training or employment**

The Authority will not permit families to exercise portability:

- \* If the family is in violation of a family obligation.
- \* If the family owes money to the Authority.
- \* If the family has moved out of its assisted unit in violation of the lease.
- \* If the family owes their current landlord any money for rent or damages (as verified.)

Receiving Authority's will be required to submit hearing determinations to the Authority within [30] days.

The Authority will not permit families to port to an area which has a higher Payment Standard than the Housing Authority of the County of Dauphin if the Authority's budgetary situation does not allow such a move, i.e. funds are not available in the Authority's budget to pay the rent in a higher cost area.

## **F. INCOMING PORTABILITY** [24 CFR 982.354, 982.355]

### **Absorption or Administration**

The Authority will accept a family with a valid voucher from another jurisdiction and administer or absorb the voucher. If administering, the family will be issued a "portable" voucher by the Authority. The term of the voucher will not expire before the expiration date of any initial Authority voucher. The family must submit a request for approval of tenancy for an eligible unit to the receiving Authority during the term of the receiving Authority voucher. The receiving Authority may grant extensions in accordance with this Administrative Plan. However, if the family decides not to lease-up in the Authority's jurisdiction, they must contact the initial Authority to request an extension.

The Authority may absorb incoming portable families provided that there is funding available.

When the Authority does not absorb the incoming voucher, it will administer the initial Authority's voucher and the receiving Authority's policies will prevail.

For admission to the program a family must be income eligible in the area where the family initially leases a unit with assistance under the program.

The receiving Authority does not redetermine eligibility for a portable family that was already receiving assistance in the initial housing authority authority Section 8 tenant-based program. However, the Authority will do a criminal check to assure that no adult member of the porting family has engaged in any prohibited criminal activity since the last criminal check was performed. The Authority will also do a credit check to determine if the porting family owes money to a housing authority or is currently under a repayment agreement with a housing authority. If the porting family owes money to a housing authority or is currently under a repayment agreement with a housing authority, the Authority will deny portability. The Authority will issue a "portability voucher" according to its own Subsidy Standards. If the family has a change in family composition which would change the voucher size, the Authority will change to the proper size based on its own Subsidy Standards.

### **Income and Total Tenant Payment of Incoming Portables** [982.353(d)]

**\*As receiving Authority, the Authority will conduct a recertification interview but only verify the information provided if the documents are missing or are over [30] days old, whichever is applicable, or there has been a change in the family's circumstances.**

If the Authority conducts a recertification of the family it will not cause a delay in the issuance of a voucher.

If the family's income is such that a \$0 subsidy amount is determined prior to lease-up in the Authority's jurisdiction, the Authority will refuse to enter into a contract on behalf of the family at \$0 assistance.

### **Requests for Approval of Tenancy**

**\* A briefing will be mandatory for all portability families.**

When the family submits a Request for Tenancy Approval, it will be processed using the Authority's policies. If the family does not submit a Request for Tenancy Approval or does not execute a lease, the initial Authority will be notified within [30] days by the Authority.

If the family leases up successfully, the Authority will notify the initial Authority within [30] days, and the billing process will commence.

The Authority will notify the initial Authority if the family fails to submit a Request for Approval of Tenancy for an eligible unit within the term of the voucher.

If the Authority denies assistance to the family, the Authority will notify the initial Authority within [30] days and the family will be offered a review or hearing.

The Authority will notify the family of its responsibility to contact the initial Authority if the family wishes to move outside the Authority's jurisdiction under continued portability.

### **Regular Program Functions**

The Authority will perform all program functions applicable the tenant-based assistance program, such as:

- \* Annual reexaminations of family income and composition;
- \* Annual inspection of the unit; and
- \* Interim examinations when requested or deemed necessary by the Authority

### **Terminations**

The Authority will notify the initial Authority in writing of any termination of assistance within [15] days of the termination. If an informal hearing is required and requested by the family, the hearing will be conducted by the Authority, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the initial Authority.

The initial Authority will be responsible for collecting amounts owed by the family for claims paid and for monitoring repayment. If the initial Authority notifies the Authority that the family is in arrears or the family has refused to sign a payment agreement, the Authority will terminate assistance to the family.

### **Required Documents**

As receiving Authority, the Authority will require the documents listed on the HUD Portability Billing Form from the initial Authority.

### **Billing Procedures**

As receiving Authority, to cover assistance for a portable family that was not absorbed, the Authority will bill the initial PHA for housing assistance payments and administrative fees.

The initial PHA must promptly reimburse the Authority for the full amount of the housing assistance payments made by the Authority for the portable family. The amount of the housing assistance payment for a portable family in the Authority's program is determined in the same manner as for other families in the Authority's program.

The initial PHA must promptly reimburse the Authority for the lesser of 80 percent of the initial PHA ongoing administrative fee or 100 percent of the Authority's ongoing administrative fee for each program unit under HAP contract on the first day of the month for which the Authority is billing the initial PHA under this section. If administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the Authority may bill under this section (e.g., the Authority may bill for the lesser of 80 percent of the initial PHA's prorated ongoing administrative fee or 100 percent of the Authority's prorated ongoing administrative fee). If both PHAs agree, the PHAs may negotiate a different amount of reimbursement.

When a portable family moves out of the HCV program of the Authority that has not been absorbed, the PHA in the new jurisdiction to which the family moves becomes the receiving PHA, and the Authority is no longer required to provide assistance for the family.

In administration of portability, the Authority will comply with financial procedures required by HUD, including the use of HUD-required billing forms. The Authority will also comply with billing and payment deadlines under the financial procedures.

The Authority will manage the Authority's HCV program in a manner that ensures that the Authority has the financial ability to provide assistance for families that move out of the Authority's program under the portability procedures, and that have not been absorbed by the Authority, as well as for families that remain in the Authority's program.

### **Special Purpose Vouchers**

The Authority will maintain the codes on the Family Report, as long as the Authority chooses to bill the initial PHA.

The Authority will administer special purpose vouchers, such as the HUD-Veterans Affairs Supportive Housing vouchers, in accordance with HUD-established policy in cases where HUD has established alternative program requirements of such special purpose vouchers.

## Chapter 14

### CONTRACT TERMINATIONS

[24 CFR 982.311, 982.314]

#### INTRODUCTION

The Housing Assistance Payments (HAP) contract is the contract between the owner and the Authority which defines the responsibilities of both parties. This chapter describes the circumstances under which the contract can be terminated by the Authority and the owner, and the policies and procedures for such terminations.

#### A. CONTRACT TERMINATION [24 CFR 982.311]

The term of the HAP contract is the same as the term of the lease. The contract between the owner and the Authority may be terminated by the Authority, or by the owner or **by the** tenant terminating the lease.

No future subsidy payments on behalf of the family will be made by the Authority to the owner after the month in which the contract is terminated. The owner must reimburse the Authority for any subsidies paid by the Authority for any period after the contract termination date.

If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner. The owner will have no right to claim compensation from the Authority for vacancy loss under the provisions of certificate HAP contracts effective before October 2, 1995.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit. The contract for the new unit may begin during the month in which the family moved from the old unit, **but the two contracts may not overlap since rental assistance through the Section 8 Program may only be provided through one HAP Contract at one time.**

#### B. TERMINATION BY THE FAMILY: MOVES [24 CFR 982.314(c)(2)]

Family termination of the lease must be in accordance with the terms of the lease.

## **C. TERMINATION OF TENANCY BY THE OWNER: EVICTIONS**

[24 CFR 982.310, 982.455]

If the owner wishes to terminate the lease, the owner must provide proper notice as stated in the lease.

During the term of the lease, the owner may not terminate the tenancy except for the grounds stated in the HUD regulations.

During the term of the lease the owner may only evict for:

- \* Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease;
- \* Violations of Federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises or any drug-related criminal activity on or near the premises.
- \* Other good cause.

During the initial term of the lease, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do (see 982.310)

### **Evidence of Criminal Activity**

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines they have engaged in the criminal activity:

- \* Regardless of arrest or conviction
- \* Without satisfying the standard of proof used for a criminal conviction

### **Termination of Tenancy Decisions**

If the law and regulation permit the owner to take an action but don't require action to be taken, the owner can decide whether to take the action. Relevant circumstances for consideration include:

- \* The seriousness of the offense
- \* The effect on the community

- \* The extent of participation by household members
- \* The effect on uninvolved household members
- \* The demand for assisted housing by families who will adhere to responsibilities
- \* The extent to which leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action
- \* The effect on the integrity of the program

### **Exclusion of culpable household member**

The owner may require a tenant to exclude a household member in order to continue to reside in the assisted unit.

### **Consideration of Rehabilitation**

When determining whether to terminate the tenancy for illegal drug use or alcohol abuse, the owner may consider whether the member:

- \* Is no longer participating
- \* Has successfully completed a supervised drug or alcohol rehab program
- \* Has otherwise been successfully rehabilitated

The owner may require the tenant to submit evidence of any of the three (above).

Actions of termination by the owner must be consistent with the fair housing and equal opportunities **requirements** as stated in 24 CFR 5.105.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

**\* The Authority requires that the owner specify the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for the Authority's decision regarding termination of assistance.**

Housing assistance payments are paid to the owner under the terms of the HAP contract. If the owner has begun eviction and the family continues to reside in the unit, the Authority must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.



**\* The Authority will continue housing assistance payments until the family moves or is evicted from the unit.**

**\* If the action is finalized in court, the owner must provide the Authority with the documentation, including notice of the lock-out date.**

The Authority must continue making housing assistance payments to the owner in accordance with the contract as long as the tenant continues to occupy the unit and the contract is not violated. By endorsing the monthly check from the Authority, the owner certifies that the tenant is still in the unit, the rent is reasonable and s/he is in compliance with the contract.

If an eviction is not due to a serious or repeated violation of the lease, and if the Authority has no other grounds for termination of assistance, the Authority may issue a new voucher so that the family can move with continued assistance.

#### **D. TERMINATION OF THE CONTRACT BY AUTHORITY**

[24 CFR 982.404(a), 982.453, 982.454, 982.552(a)(3)]

The term of the HAP contract terminates when the lease terminates, when the Authority terminates program assistance for the family, and when the owner has breached the HAP contract. (See "Owner Disapproval and Restriction" chapter)

The Authority may also terminate the contract if:

- \* The Authority terminates assistance to the family.
- \* The family is required to move from a unit when the unit does not meet the HQS space standards because of an increase in family size or a change in family composition.
- \* Funding is no longer available under the ACC.

The contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

#### **Notice of Termination**

When the Authority terminates the HAP contract under the violation of HQS space standards, the Authority will provide the owner and family written notice of termination of the contract, and the HAP contract terminates at the end of the calendar month that follows the calendar month in which the Authority gives such notice to the owner.

## Expiration of Lease

The Owner also has the right not to renew a lease that is expiring, provided that the Owner gives appropriate notice to the tenant as required by the lease. If the Owner opts not to renew a lease, the Owner should also provide a copy of the non-renewal notice to the Authority.

### **E. HAP CONTRACT TERMINATIONS NECESSITATED BY LACK OF FUNDING**

#### 1. Measures to be taken to reduce monthly HAP/UAP payments because of lack of funding

The Housing Authority monitors HAP/UAP expenditures every month. The number of participants to whom the Housing Authority can provide rental assistance is limited by HUD both in terms of the number of participants as well as the amount of funds provided for the Housing Choice Voucher Program. If the amount of funds provided by HUD is not sufficient to support the number of families in a leased-up status, measures will have to be taken to reduce the number of participants as follows:

- a. The issuance of new vouchers to applicants on the Section 8 waiting list will be suspended resulting in attrition over time.
- b. Termination of absorption of port-in vouchers from other Authorities (if applicable)
- c. Termination of vouchers previously issued to applicants, but not yet under a HAP Contract
- d. Disallowance of ports to higher cost areas
- e. Suspension of rental assistance to current HCV Program participants

Item 'e.' above would only be initiated if there were insufficient funding available through both the current monthly HAP subsidies provided by HUD and the Net Restricted Assets (NRA) account to support HAP/UAP payments in future months.

If the Housing Authority is forced to stop issuing Housing Choice Vouchers due to a funding shortfall as a result of HUD funding shortfalls, and has special purpose vouchers for non-elderly disabled persons (NED), Family Unification Program (FUP), or HUD-Veterans Affairs Supportive Housing (VASH) then when it resumes issuing Housing Choice Vouchers it will re-issue the NED, FUP and/or VASH Vouchers in the same proportion as they exist in relation to the overall program

The absolutely last step the Housing Authority will take to resolve its Housing Choice Voucher financial problems will be to terminate the vouchers of families already receiving assistance. The HUD Field Office and the FMC financial analyst will be notified prior to notices of termination being issued. If this becomes necessary, the following sequence shall be used to determine which individual Housing Choice Vouchers are terminated first.

- \* HACD will review the participant list and not initially terminate the HAP contract of any family in which the HOH is 62 years of age or older or of which the HOH has a permanent physical or mental disability.
- \* HACD will then select participant families at random (by numerical lottery) until the monthly HAP payments are reduced to the amount of HUD monthly HAP payment subsidy provided.
- \* Elderly and Disabled families
- \* If the Housing Authority has a special need voucher program (s) (i.e., NED, FUP, VASH, etc.) allocation of Housing Choice Vouchers, they shall be the last to be terminated.
- \* All participant families selected for HAP payment suspension, as described above, shall receive no less than a 30 day written notification of the suspension of rental assistance. Such notice shall also be provided to the affected property owner.

If it becomes necessary for the Housing Authority to terminate Housing Choice Vouchers, the participants terminated shall be reinstated onto the program as soon as fiscally and practically feasible. Readmission shall occur in reverse order of terminations outlined above. However, if the Housing Authority has a special needs (i.e., NED, FUP, VASH, etc.) allocation of Housing Choice Vouchers that were terminated, they shall be the first to be reinstated until the full NED, FUP, and VASH allocations are leased.

Participant families whose rental assistance is suspended under this Section shall not be afforded the opportunity for an Informal Hearing.

Suspension of assistance to the participant under this Section shall result in the termination of the Housing Assistance Payments Contract with the property owner on the same date as assistance to the participant family is suspended. This would be done in accordance with Section 4. b. (5) of the Section 8 Housing Assistance Payments Contract (HAP Contract).

## 2. Restoration of Assistance

Any participant family whose rental assistance was terminated through the method described in this policy, as a result of the lack of funds, may have such assistance restored at such time as HUD HAP/UAP funding permits. The restoration of rental assistance to these families would take precedence over the issuance of vouchers to applicants from the HCV-Section 8 waiting list or port-in families.

The sequence of reinstatement would be the same as the sequence of suspension of rental assistance as determined by random numbers (lottery). That is to say, the first person whose rental payment was terminated will be the first offered reinstatement and in that sequence until HAP payments approximate monthly HUD HAP/UAP subsidy. Funding may not allow all

previously terminated tenants to be reinstated; however, natural attrition may allow gradual reinstatement to occur.

Reinstatement shall be available to any suspended participant family who, as of the date of the reinstatement offer, is not receiving rental assistance in any form from another entity. Such other subsidized rental assistance shall mean assistance calculated in a manner similar to the manner in which rental calculations are done in the Section 8 Program.

Reinstatement shall also be subject to a new criminal record check to assure that none of the suspended family's members have engaged in any criminal activity since having their Section 8 rental assistance suspended. When offered the opportunity for reinstatement, suspended participant families will also have to follow the same procedures as an applicant, including, but not limited to issuance of a new voucher valid for 60 days, request for tenancy approval, housing HQS inspection, rent reasonableness and the execution of a HAP contract.

If sufficient HUD HAP funding were made available to offer reinstatement to previously suspended participant families, the Housing Authority shall in no way be liable for any HAP payments which would have been paid during the suspension period regardless of whether the tenant family is living in the same rental unit or not.

All suspended participant families shall be notified in writing of the offer of reinstatement. Such written notice will be sent to the last known mailing address provided by the participant. Failure of the suspended participant family to respond to the offer of reinstatement within 30 days of the date of the offer shall negate that family's eligibility for reinstatement.

### 3. Multiple Suspension Events

In the event the Authority must suspend Section 8 assistance on more than one occasion, the same procedures in this Section will be followed; however, in no event will the same participant family be subject to more than one suspension.

### 4. New Program Admission - Income Targeting

If a family is reinstated, such reinstatement shall not be considered a new admission for purposes of compliance with HUD's income targeting requirements.

## **F. VAWA PROTECTIONS**

Under the Violence Against Women Act (VAWA, notwithstanding the title of the statute, protections are not limited to women but cover victims regardless of sex, gender identity, or sexual orientation), Housing Choice Voucher participants have the following specific protections, which will be observed by the Housing Authority:

- A. An incident or incidents or actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as a serious or repeated

violation of the lease by the victim or threatened victim of that violence, and shall not in itself be good cause for terminating the assistance, tenancy, or occupancy rights of the victim of such violence by either the Housing Authority or the owner or property manager.

- B. An applicant for assistance or a tenant/participant receiving assistance under a covered housing provider may not be denied admission to, denied assistance under, terminated from participation in, or evicted from housing on the basis or as a direct result of the fact that the applicant or tenant/participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy.
- C. The Housing Authority shall provide each applicant and participant a HUD prescribed Notice of Occupancy Rights and Certification form. It shall also be provided with any notice of eviction. In addition, the Authority shall make an adopted Emergency Transfer Plan and Emergency Transfer Request available upon request.
- D. The Housing Authority may terminate the assistance to remove a lawful occupant or tenant who engages in criminal acts or threatened acts of violence or stalking to family members or others without terminating the assistance or evicting victimized lawful occupants. Also, the owner or property manager may evict a lawful occupant or tenant who engages in criminal acts or threatened acts of violence or stalking to family members or others without evicting other victimized lawful occupants. This is also true even if the household member is not a signatory to the lease. Under VAWA, both the Housing Authority and the owner or property manager are granted the authority to bifurcate the lease.
- E. The Housing Authority and owner or property manager may honor court orders regarding the rights of access or control of the property.
- F. There is no limitation on the ability of the Housing Authority to terminate assistance for other good cause unrelated to the incident or incidents of domestic violence, dating violence, sexual assault or stalking, other than the victim may not be subject to a “more demanding standard” than non-victims. Likewise, an owner or property manager can evict for good cause unrelated to the incident or incidents of domestic violence, dating violence, sexual assault or stalking. This is provided that neither subjects such a tenant to a more demanding standard than other tenants in making the determination whether to evict, or to terminate assistance or occupancy rights.

- G. There is no prohibition on the owner evicting if it “can demonstrate an actual and imminent threat to other tenants or those employed at or providing goods or services to the property if that tenant’s (victim’s) tenancy is not terminated.” An actual and imminent threat consists of a physical danger that is real, would occur within an immediate timeframe, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.
- H. Any protections provided by law which give greater protection to the victim are not superseded by these provisions.

***VERIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT OR STALKING***

The Housing Authority shall require and the owner or property manager may require verification in all cases where an individual claims protection under VAWA against an action involving such individual proposed to be taken by the Housing Authority. The request for verification shall take the form of a written request by the Housing Authority to the claimant.

- A. ***Requirement for Verification.*** The law allows, but does not require, the Housing Authority or a Section 8 owner or property manager to verify that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking claimed by a tenant or other lawful occupant is bona fide and meets the requirements of the applicable definitions set forth in this policy. The Housing Authority shall require verification in all cases where an individual claims protection against an action involving such individual proposed to be taken by the Housing Authority. Section 8 owners or managers receiving rental assistance administered by the Housing Authority may elect to require verification, or not to require it as permitted under applicable law.

Verification of a claimed incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking may be accomplished in one of the following three ways:

- 1. ***HUD-approved form*** - By providing to the Housing Authority or to the requesting Section 8 owner or property manager a written certification, on the form approved by the U.S. Department of Housing and Urban Development (HUD), that the individual is a victim of domestic violence, dating violence, sexual assault or stalking that the incident or incidents in question are bona fide incidents of actual or threatened abuse meeting the

requirements of the applicable definition(s) set forth in this policy. The incident or incidents in question must be described in reasonable detail as required in the HUD-approved form, and the completed certification must include the name of the perpetrator.

2. ***Other documentation*** - by providing to the Housing Authority or to the requesting Section 8 owner or property manager documentation signed by an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing the domestic violence, dating violence, sexual assault or stalking, or the effects of the abuse, described in such documentation. The professional providing the documentation must sign and attest under penalty of perjury (28 U.S.C. 1746) to the professional's belief that the incident or incidents in question are bona fide incidents of abuse meeting the requirements of the applicable definition(s) set forth in this policy. The victim of the incident or incidents of domestic violence, dating violence, sexual assault or stalking described in the documentation must also sign and attest to the documentation under penalty of perjury.
3. ***Police or court record*** – by providing to the Housing Authority or to the requesting Section 8 owner or property manager a Federal, State, tribal, territorial, or local police or court record describing the incident or incidents in question.

**B. *Time allowed to provide verification/failure to provide.*** An individual who claims protection against adverse action based on an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking, and who is requested by the Housing Authority, or a Section 8 owner or property manager to provide verification, must provide such verification within 14 business days after receipt of the written request for verification. Failure to provide verification, in proper form within such time will result in loss of protection under VAWA and this policy against a proposed adverse action. The submission of false information may be the basis for the termination of assistance or for eviction.

**C. *Managing conflicting documentation.*** In cases where the Housing Authority receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the Housing Authority may determine which is the true victim by requiring third-party documentation as described in 24 CFR 5.2007 and in accordance with any HUD guidance as to how such determinations will be made. The Housing Authority shall honor any court orders addressing rights of access or control of the property, including civil

protection orders issued to protect the victim and issued to address the distribution or possession of property among the household.

***CONFIDENTIALITY***

All information provided under VAWA including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, shall be retained in confidence and shall not be entered into any shared database or provided to any related entity except to the extent that the disclosure is:

- A. Requested or consented to by the individual in writing;
- B. Required for used in an eviction proceeding; or
- C. Otherwise required by applicable law.

The Housing Authority shall provide its tenants notice of their rights under VAWA including their right to confidentiality and the limits thereof.



Reserved

## Chapter 15

### DENIAL OR TERMINATION OF ASSISTANCE

[24 CFR 5.902, 5.902, 5.903, 5.905, 982.4, 982.54, 982.552, 982.553]

#### INTRODUCTION

The Authority may deny or terminate assistance for a family because of the family's action or failure to act. The Authority will provide families with a written description of the family obligations under the program, the grounds under which the Authority can deny or terminate assistance, and the Authority's informal hearing procedures. This chapter describes when the Authority is required to deny or terminate assistance, and the Authority's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

#### A. GROUNDS FOR DENIAL/TERMINATION [24 CFR 982.54, 982.552, 982.553]

If denial or termination is based upon behavior resulting from a disability, the Authority will delay the denial or termination in order to determine if there is an accommodation that would negate the behavior resulting from the disability.

#### Form of Denial/Termination

Denial of assistance for an applicant may include any or all of the following:

- \* Denial for placement on the Authority waiting list
- \* Denying or withdrawing a voucher
- \* Refusing to enter into a HAP contract or approve a tenancy
- \* Refusing to process or provide assistance under portability procedures

Termination of assistance for a participant may include any or all of the following:

- \* Refusing to enter into a HAP contract or approve a tenancy
- \* Terminating housing assistance payments under an outstanding HAP contract
- \* Refusing to process or provide assistance under portability procedures

**Mandatory Denial and Termination** [24 CFR 982.54 (d), 982.552(b), 982.553(a), 982.553(b)]

The Authority must deny assistance to applicants, and terminate assistance for participants if the family is under contract and 180 days (or 12 months, depending on the HAP contract used) have elapsed since the Authority's last housing assistance payment was made. (See "Contract Terminations" chapter.)

The Authority must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.

The Authority must deny admission to the program for applicants, and terminate assistance for program participants if the Authority determines that any household member is currently engaging in illegal use of a drug. See Section B of this chapter for the Authority's established standards.

The Authority must deny admission to the program for applicants, and terminate assistance for program participants if the Authority determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents. See Section B of this chapter for the Authority's established standards.

The Authority must deny admission to an applicant or terminate assistance to a Section 8 participant if the Authority determines that any member of the household is subject to a registration requirement under a Federal or State sex offender registration program. See section B of this chapter for the Authority's established standards regarding criminal background investigation and determining whether a member of the household is subject to a registration requirement under a Federal or State sex offender registration program.

The Authority must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.

The Authority must deny admission to the program for an applicant or terminate program assistance for a participant if any member of the family fails to sign and submit consent forms for obtaining information in accordance with Part 5, subparts B and F.

The Authority must deny admission or terminate assistance when required under the regulations to establish citizenship or eligible immigration status.

### **Grounds for Denial or Termination of Assistance** [24 CFR 982.552(c)]

The Authority will deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

- \* **If any family member violates any family obligation under the program as listed in 24 CFR 982.551.**
- \* If any family member has violated the family obligation under 24 CFR 982.551 not to engage in any drug-related criminal activity. (See also 24 CFR 982.553 of the regulations.)
- \* If any family member has violated the family obligation under 24 CFR 982.551 not to engage in any violent criminal activity or other criminal activity that threatens the health, safety or right of peaceful enjoyment of other residents or persons residing in the immediate vicinity of the premises.
- \* **Any member of the family has a felony charge.**
- \* **Any member of the family has been evicted from federally assisted housing in the last five years.**
- \* **If any Authority has ever terminated assistance under the program for any member of the family.**
- \* **If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.**
- \* **If any member of the family engages in the abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises.**
- \* **The family currently owes rent or other amounts to the Authority or to another Authority in connection with Section 8 or public housing assistance under the 1937 Act.**
- \* **The family has not reimbursed any Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.**
- \* **The family breaches an agreement with an Authority to pay amounts owed to an Authority, or amounts paid to an owner by an Authority.**
- \* **The family participating in an FSS program fails to comply, without good cause, with the family's FSS contract of participation.**

- \* **If the family fails to fulfill its obligation under the Section 8 welfare-to-work voucher program.**
- \* **The family has engaged in or threatened abusive or violent behavior toward Authority personnel.**
  - \* **"Abusive or violent behavior towards Authority personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.**
  - \* **"Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.**

Actual physical abuse or violence will always be cause for termination.

Refer to "Eligibility for Admission" chapter, "Other Criteria for Admission" section for further information.

## **B. SCREENING AND TERMINATION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY**

INSTRUCTION: *HUD no longer uses the term "One-Strike" so this section, formerly known as "One-Strike" Policy, has been re-titled.*

### **Purpose**

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of [Dauphin County Housing Authority] to fully endorse and implement a policy designed to:

- \* Help create and maintain a safe and drug-free community
- \* Keep our program participants free from threats to their personal and family safety
- \* **Support parental efforts to instill values of personal responsibility and hard work**
- \* **Help maintain an environment where children can live safely, learn and grow up to be productive citizens**
- \* **Assist families in their vocational/educational goals in the pursuit of self-sufficiency**

### **Administration**

All screening and termination of assistance procedures shall be administered fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability, [sex] or other legally protected groups.

- \* **To the maximum extent possible, the Authority will involve other community and governmental entities in the promotion and enforcement of this policy.**
- \* **This policy will be posted on the Authority's bulletin board and copies made readily available to applicants and participants upon request.**

### **Screening of Applicants**

In an effort to prevent future drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by 24 CFR 982, Subpart L and CFR Part 5, Subpart J, the Authority will endeavor to screen applicants as thoroughly and fairly as possible **for drug-related and violent criminal behavior and other felonious criminal activity.**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

Such screening will apply to any member of the household who is 18 years of age or older.

### **HUD Definitions**

*Covered person*, for purposes of 24 CFR Part 982 and this chapter, means a tenant, any member of the tenant's household, a guest or another person under the tenant's control.

*Drug* means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

*Drug-related criminal activity* means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

*Guest*, for purposes of this chapter and 24 CFR part 5, subpart A and 24 CFR Part 982, means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. The requirements of part 982 apply to a guest as so defined.

*Household*, for the purposes of 24 CFR Part 982 and this chapter, means the family and Authority-approved live-in aide.

*Other person under the tenant's control*, for the purposes of the definition of *covered person* and for 24 CFR Parts 5 and 982 and for this chapter, means that the person, although not staying as a guest (as defined in this chapter) in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not *under the tenant's control*.

*Violent criminal activity* means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

### **Standard for Violation**

The Authority will deny participation in the program to applicants and terminate assistance to participants in cases where the Authority determines there is reasonable cause to believe that a household member is illegally using a drug or if the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents, including cases where the Authority determines that there is a pattern of illegal use of a drug or a pattern of alcohol abuse.

**\* The Authority will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous [36] months.**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse termination, or eviction decision. Before the Housing Authority of the County of Dauphin evicts an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such

as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

"Engaged in or engaging in" violent criminal activity means any act within the past [five] years by an applicant or participant or household member which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage, which [resulted in] [did or did not result in] the conviction of the applicant, participant, or household member.

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse termination, or eviction decision. Before the Housing Authority of the County of Dauphin evicts an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

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**\* The activity is being engaged in by any family member.**

**\* The existence of the above-referenced behavior by any household member, regardless of the applicant or participant's knowledge of the behavior, shall be grounds for denial or termination of assistance.**

**\* In evaluating evidence of negative past behavior, the Authority will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.**



## **Drug Related and Violent Criminal Activity**

Ineligibility for admission if Evicted for Drug-Related Activity: Persons evicted from federally assisted housing because of drug-related criminal activity are ineligible for admission to the Section 8 program for a [five]-year period beginning on the date of such eviction.

*Instruction: HUD regulations at 982.553(a)(1)(i) allow the Authority to admit a household in less than 3 years following eviction for drug-related criminal activity under the conditions below. The Authority is not required to adopt the exceptions below, but may choose to do so. If the Authority does adopt a policy containing all or part of the provisions below, the Authority will still have discretion in determining whether to waive denial in individual cases.*

**\*However, the household may be admitted if, after considering the individual circumstances of the household, the Authority determines that:**

- \* The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the Authority.**
- \* The circumstances leading to eviction no longer exist because:**
  - \* The criminal household member has died.**
  - \* The criminal household member is imprisoned (The criminal household member may NOT rejoin the household upon release without authorization from the Authority.)**

**\* Applicants will be denied assistance if they have been:**

**Evicted from Federally assisted housing or convicted for violent criminal activity within the last [five] years prior to the date of the certification interview. This activity includes, but is not necessarily limited to the following:**

**Burglary, Corruption of minors, Endangering the welfare of children, Harassment, Murder, Voluntary Manslaughter, Simple Assault, Discharging a Firearm with an Occupied Structure, Aggravated Assault, Terroristic Threats (If graded as a felony), Stalking (If graded as a felony), Kidnapping, Rape, Statutory Sexual Assault, Involuntary Deviate Sexual Intercourse, Aggravated Indecent Assault, Indecent Assault, Arson, Causing or Risking a Catastrophe, Robbery (If considered a felony), other Felonious Activity and a Pattern of Criminal Behavior**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity

by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

### **Denial of Assistance for Sex Offenders**

The Authority will deny admission if any member of the household is subject to a registration requirement under a Federal or Pennsylvania State sex offender registration program. In screening applicants, the Authority will perform criminal history background checks to determine whether any household member is subject to a Federal or Pennsylvania State sex offender registration requirement.

### **Termination of Assistance for Participants**

#### **Termination of Assistance for Drug-related Criminal Activity or Violent Criminal Activity:**

Under the family obligations listed at 24 CFR 982.551, the members of the household must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. HUD regulations at 24 CFR 982.553(b) require the Authority to establish standards for termination of assistance when this family obligation is violated. The [Dauphin County Housing Authority] has established the following standards for termination of assistance for the family when a household member has violated the family obligation to refrain from participating in drug-related or violent criminal activity.

Assistance will be terminated for participants who have been:

**[convicted/evicted from a unit assisted under any Federally assisted housing program]** for drug-related or violent criminal activity during participation in the program, and within the last [five] years prior to the date of the notice to terminate assistance.

**Violent criminal activity includes, but is not necessarily limited to the following:**

**Burglary, Corruption of minors, Endangering the welfare of children, Harassment, Murder, Voluntary Manslaughter, Simple Assault, Discharging a Firearm with an Occupied Structure, Aggravated Assault, Terroristic Threats (If graded as a felony),**

**Stalking (If graded as a felony), Kidnapping, Rape, Statutory Sexual Assault, Involuntary Deviate Sexual Intercourse, Aggravated Indecent Assault, Indecent Assault, Arson, Causing or Risking a Catastrophe, Robbery (If considered a felony), other Felonious Activity and a Pattern of Criminal Behavior**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse termination, or eviction decision. Before the Housing Authority of the County of Dauphin evicts an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

- \* **If any member of the household violates the family obligations by engaging in drug-related or violent criminal activity, the Authority will terminate assistance.**
- \* **In appropriate cases, the Authority may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the Authority may consider individual circumstances with the advice of Juvenile Court officials.**
- \* **The Authority will waive the requirement regarding drug-related criminal activity if:**
  - \* **The person demonstrates successful completion of a credible rehabilitation program approved by the Authority, or**
  - \* **The circumstances leading to the violation no longer exist because the person who engaged in drug-related criminal activity or violent criminal activity is no longer in the household due to death or incarceration.**

## **Terminating Assistance for Alcohol Abuse by Household Members**

Under the family obligations listed at 24 CFR 982.551, the members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. Assistance will be terminated due to violation of a family obligation if the Authority determines that a member of the household has demonstrated a pattern of alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

- \* **Assistance will **also** be terminated if a household member is [convicted/incarcerated] for any alcohol-related criminal activity on or near the premises within any [6 month] period.**
- \* **In appropriate cases, the Authority [may] permit the family to continue receiving assistance provided that household members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the Authority may consider individual circumstances with the advice of Juvenile Court officials.**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse termination, or eviction decision. Before the Housing Authority of the County of Dauphin evicts an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

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### **Notice of Termination of Assistance**

In any case where the Authority decides to terminate assistance to the family, the Authority must give the family written notice which states:

- \* The reason(s) for the proposed termination,
- \* The effective date of the proposed termination,
- \* The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.

- \* The date by which a request for an informal hearing must be received by the Authority.

If the Authority proposes to terminate assistance for criminal activity as shown by a criminal record, the Authority will provide the subject of the record and the tenant with a copy of the criminal record.

The Authority will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reason for termination of assistance.

## **Required Evidence**

*Preponderance of evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

*Credible evidence* may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

- \* **The Authority will terminate assistance for criminal activity by a household member, as described in this chapter, if the Authority determines, based on a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.**
- \* **The Authority will pursue fact-finding efforts as needed to obtain credible evidence.**
- \* **The Authority may terminate assistance for criminal activity by a household member under this section if the Authority has determined that the household member has engaged in the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

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## **Confidentiality of Criminal Records**

The Authority will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

- \* **All criminal reports, while needed, will be secured with access limited to individuals responsible for screening and determining eligibility for initial and continued assistance [and to upper level Section 8 management.]**
- \* **Misuse of the above information by any employee will be grounds for termination of employment. Legal penalties may also be imposed by the appropriate governmental entities.**
- \* **If the family is determined eligible for initial or continued assistance, the criminal report shall be shredded as soon as the information is no longer needed for eligibility or continued assistance determination.**
- \* **If the family's assistance is denied or terminated, the criminal record information shall be shredded immediately upon completion of the review or hearing procedures and a final decision has been made.**
- \* **The Authority will document in the family's file the circumstances of the criminal report and the date the report was destroyed.**

### **C. FAMILY OBLIGATIONS** [24 CFR 982.551]

The family must supply any information that the Authority or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR 982.551). "Information" includes any requested certification, release or other documentation.

The family must supply any information requested by the Authority or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

The family must disclose and verify Social Security Numbers (as provided by 24 CFR 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.

All information supplied by the family must be true and complete.

The family is responsible for an HQS breach caused by the family as described in 982.404(b).

The family must allow the Authority to inspect the unit at reasonable times and after reasonable notice.

The family may not commit any serious or repeated violations of the lease.

The family must notify the owner and, at the same time, notify the Authority before the family moves out of the unit or terminates the lease upon notice to the owner.

The family must promptly give the Authority a copy of any owner eviction notice.

The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

The composition of the assisted family residing in the unit must be approved by the Authority. The family must promptly inform the Authority of the birth, adoption or court-awarded custody of a child. The family must request Authority approval to add any other family member as an occupant of the unit **prior to that person's moving into the unit.**

The family must promptly notify the Authority if any family member no longer resides in the unit.

If the Authority has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or Authority 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 the lease or transfer the unit.

The family must supply any information or certification requested by the Authority to verify that the family is living in the unit, or relating to family absence from the unit, including any Authority-requested information or certification on the purposes of family absences. The family must cooperate with the Authority for this purpose. The family must promptly notify the Authority of absence from the unit.

The family must not own or have any interest in the unit.

The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.

The household members may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. 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 not disconnect a smoke detector in any manner, removing any batteries from a smoke detector or otherwise render the smoke detectors inoperable or fail to notify the Housing Authority if the smoke detector is inoperable for any reason.

**Housing Authority Discretion** [24 CFR 982.552(c)]

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the Authority has discretion to consider all of the circumstances in each case, including the seriousness of the case. The Authority will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. The Authority may also review the family's more recent history and record of compliance, and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.

In deciding whether to exercise their discretion to deny or terminate an individual or household that has engaged in criminal activity, the Housing Authority of the County of Dauphin will consider all of the circumstances relevant to the particular admission or eviction decision, including but not limited to: the seriousness of the offending action; the effect that eviction of the entire household would have on family members not involved in the criminal activity; and the extent to which the leaseholder has taken all reasonable steps to prevent or mitigate the criminal activity.

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An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse termination, or eviction decision. Before the Housing Authority of the County of Dauphin evicts an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

**\* The Authority may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in, or were culpable for the**

**action or failure to act, will not reside in the unit. The Authority may permit the other members of a family to continue in the program.**

### **Enforcing Family Obligations**

#### Explanations and Terms

The term "promptly" when used with the family obligations always means "within **[14 FOURTEEN]** days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

#### HQS Breach

The **[inspector/mediator/supervisor]** will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by **[Sec 8 Supervisor]**.

#### Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

- \* **If the owner terminates tenancy through court action for serious or repeated violation of the lease.**
- \* **If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the Authority determines that the cause is a serious or repeated violation of the lease based on available evidence.**
- \* **If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and**
- \* **If there are police reports, neighborhood complaints or other third party information, that has been verified by the Authority.**
- \* **Nonpayment of rent is considered a serious violation of the lease.**

#### Notification of Eviction

If the family requests assistance to move and they did not notify the Authority of an eviction within **[30 thirty]** days of receiving the Notice of Lease Termination, the move will be denied.

#### Proposed Additions to the Family

The Authority will deny a family's request to add additional family members who are:

- \* **Persons who have been evicted from public housing.**
- \* **Persons who have previously violated a family obligation listed in 24 CFR 982.51 of the HUD regulations.**
- \* **Persons who have been part of a family whose assistance has been terminated under the Certificate or Voucher program.**
- \* **Persons who commit drug-related criminal activity, violent criminal activity or other felonious criminal activity.**
- \* **Persons who do not meet the Authority's definition of family.**
- \* **Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.**
- \* **Persons who currently owe rent or other amounts to the Authority or to another Authority in connection with Section 8 or public housing assistance under the 1937 Act.**
- \* **Persons who have engaged in or threatened abusive or violent behavior toward Authority personnel.**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

### Family Member Moves Out

Families are required to notify the Authority if any family member leaves the assisted household. When the family notifies the Authority, they must furnish the following information:

- \* **The date the family member moved out.**

**\* The new address, if known, of the family member.**

**\* A statement as to whether the family member is temporarily or permanently absent.**

#### Limitation on Profit-Making Activity in Unit

**\* If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business which is not available for sleeping, it will be considered a violation.**

If the Authority determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a program violation.

If the Authority determines the business is not legal, it will be considered a program violation.

#### Interest in Unit

The owner may not reside in the assisted unit regardless of whether (s)he is a member of the assisted family, unless the family owns the mobile home and rents the pad.

#### Fraud

In each case, the Authority will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent members.

**\* In the event of false citizenship claims:** (See section below)

### **D. PROCEDURES FOR NON-CITIZENS** [24 CFR 5.514, 5.516, 5.518]

#### **Denial or Termination due to Ineligible Immigrant Status**

Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The Authority must offer the family an opportunity for a hearing. (See "Eligibility for Admission" chapter, section on Citizenship/Eligible Immigration Status.)

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

#### **False or Incomplete Information**

**\* When the Authority has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be**

**conducted and the individual will be given an opportunity to present relevant information.**

- \* **If the individual is unable to verify their citizenship, the Authority [will/will not] give him/her an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend their status.**
- \* **The Authority will then verify eligible status, deny, terminate, or prorate as applicable.**
- \* **The Authority will deny or terminate assistance based on the submission of false information or misrepresentation.**

### **Procedure for Denial or Termination**

If the family (or any member) claimed eligible immigrant status and the USCIS primary and secondary verifications failed to document the status, the family may make an appeal to the USCIS and request a hearing with the Authority either after the USCIS appeal or in lieu of the USCIS appeal.

After the Authority has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).

### **E. ZERO (\$0) ASSISTANCE TENANCIES**

#### **HAP Contracts Prior to 10/2/95**

For contracts which were effective prior to 10/2/95, the Authority is liable for unpaid rent and damages if the family vacates during the allowable 12 months after the last HAP payment. The Authority must perform all of the functions normally required, such as reexaminations and inspections.

The participant will be notified of the right to remain on the program at \$0 assistance for 12 months. If the family is still in the unit after 12 months, the assistance will be terminated.

In order for a family to move to another unit during the 12-month period, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

#### **HAP Contracts On or After 10/2/95** [24 CFR 982.455 (a)]

For contracts effective on or after 10/2/95, the Authority has no liability for unpaid rent or damages, and the family may remain in the unit at \$0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If, within the 180 day time frame, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, the Authority will resume assistance payments for the family.

In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

**F. OPTION NOT TO TERMINATE FOR MISREPRESENTATION**

[24 CFR 982.551, 982.552(c)]

If the family has misrepresented any facts that caused the Authority to overpay assistance, the Authority may choose not to terminate and may offer to continue assistance provided that the family **[executes a Repayment Agreement and makes payments in accordance with the agreement][or reimburses the Authority in full within {60} calendar days].**

**G. MISREPRESENTATION IN COLLUSION WITH OWNER**

[24 CFR 982.551, 982.552 (c)]

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, the Authority will deny or terminate assistance.

**\* In making this determination, the Authority will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.**

**H. MISSED APPOINTMENTS AND DEADLINES** [24 CFR 982.551, 982.552 (c)]

It is a Family Obligation to supply information, documentation, and certification as needed for the Authority to fulfill its responsibilities. The Authority schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the Authority to inspect the unit, and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the Authority, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the Authority to inspect the unit.

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- \* Eligibility for Admissions
- \* Verification Procedures
- \* Certificate/Voucher Issuance and Briefings
- \* Housing Quality Standards and Inspections

- \* Recertifications

- \* Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- \* **Medical emergency**

- \* **Incarceration**

- \* **Family emergency**

### **Procedure when Appointments are Missed or Information not Provided**

For most purposes in this Plan, the family will be given [2] opportunities before being issued a notice of termination or denial for breach of a family obligation.

After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing:

- \* **The termination will be rescinded after the family cures the breach.\* The notice will be rescinded if the family offers to cure and the family does not have a history of non-compliance.**

Reserved



## Chapter 16

# OWNER DISAPPROVAL AND RESTRICTION

[24 CFR 982.54, 982.306, 982.453]

### INTRODUCTION

It is the policy of the Authority to recruit owners to participate in the Voucher program. The Authority will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of the Authority. The regulations define when the Authority must disallow an owner participation in the program, and they provide the Authority discretion to disapprove or otherwise restrict the participation of owners in certain categories. This Chapter describes the criteria for owner disapproval, and the various penalties for owner violations.

### A. DISAPPROVAL OF OWNER [24 CFR 982.306, 982.54(d)(8)]

The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

The Authority will disapprove the owner for the following reasons:

- \* HUD [**or other agency directly related**] has informed the Authority that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.
- \* HUD has informed the Authority that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.
- \* HUD has informed the Authority that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other federal equal opportunity requirements.
- \* Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The Authority will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.
- \* **In cases where the owner and tenant bear the same last name, the Authority may, at its discretion, require the family and or owner to certify whether they are related to each other in any way.**
- \* **The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).**

- \* **The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.**
- \* **The owner has engaged in drug-related criminal activity or any violent criminal activity.**
- \* **The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.**
- \* **The owner has a history or practice of renting units that fail to meet State or local housing codes.**
- \* **The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:**
  - Threatens the right to peaceful enjoyment of the premises by other residents;**
  - Threatens the health or safety of other residents, of employees of the Authority, or of owner employees or other persons engaged in management of the housing.**
  - Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or**
  - Is drug-related criminal activity or violent criminal activity;**
- \* **The owner has not paid State or local real estate taxes, fines or assessments.**
- \* **The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.**

## **B. OWNER RESTRICTIONS AND PENALTIES** [ 24 CFR 982.453]

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, the Authority will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The Authority may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner the Authority will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

See Program Integrity Addendum for guidance as to how owner fraud will be handled.

## **C. CHANGE IN OWNERSHIP**

A change in ownership [**does not**] require execution of a new contract [**and lease**].

- \* **The Authority may approve the assignment of the HAP contract at the old owner's request. The Authority may approve the assignment, since they are a party to the contract. The Authority may deny approval of assignment of the contract, for any of the reasons listed in Section A. of this chapter.**
- \* **The Authority must receive a written request by the old owner in order to change the HAP payee and/or the address to which payment is to be sent.**
- \* **If the new owner does not want an assignment of the contract, the Authority will terminate the HAP contract with the old owner, since they are no longer the owner. The new owner may offer the family a new assisted lease. The family may elect to enter into the new lease or move to another unit.**

Reserved

## Chapter 17

### CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS (For HAP Contracts Effective Before October 2, 1995)

#### INFORMATION

*This chapter has been removed.*

*The Quality Housing and Work Responsibility Act of 1998 provided that families assisted under the pre-merger certificate program would be transferred to the Housing Choice Voucher Program no later than the second annual reexamination on or after the merger date (October 1, 1999). Families assisted under the pre-merger voucher program were transferred to the Housing Choice Voucher Program as of October 1, 1999. Under pre-merger voucher contracts, owner claims against the PHA were limited to the amount the owner was allowed to collect as the family's security deposit. This meant that the amount the owner could collect from the PHA was zero.*

*Under the Housing Choice Voucher Program, the PHA is not responsible for owner claims against the family. If the security deposit is not sufficient to cover amounts the family owes under the lease, the owner may collect the balance from the family.*

Reserved

## Chapter 18

### OWNER OR FAMILY DEBTS TO THE PHA

[24 CFR 982.552]

#### INTRODUCTION

This chapter describes the Authority's policies for the recovery of monies, which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the Authority's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support the Authority's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner; the family or other interested parties.

When families or owners owe money to the Authority, the Authority will make every effort to collect it. The Authority will use a variety of collection tools to recover debts including, but not limited to:

- \* **Requests for lump sum payments**
- \* **Payment agreements**
- \* **Abatements**
- \* **Reductions in HAP to owner**
- \* **Collection agencies**
- \* **Credit bureaus**

#### A. PAYMENT AGREEMENT FOR FAMILIES [24 CFR 982.552 (c)(v-vii)]

*INSTRUCTION: The use of payment agreements for Authorities is optional.*

A Payment Agreement as used in this Plan is a document entered into between the Authority and a person who owes a debt to the Authority. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the Authority upon default of the agreement.

- \* **The Authority will prescribe the terms of the payment agreement, including determining whether to enter into a payment agreement with the family based on the circumstances surrounding the debt to the Authority.**
- \* **There are some circumstances in which the Authority will not enter into a payment agreement. They are:**
  - \* **If the family already has a Payment Agreement in place.**
  - \* **If the Authority determines that the debt amount is larger than can be paid back by the family within 24 months.** (And, if applicable, the family cannot repay the amount in excess of \$ 2,500.00 with a thirty day period.).
- \* **The maximum amount for which the Authority will enter into a payment agreement with a family is [\$2,500.00]**
- \* **The maximum length of time the Authority will enter into a payment agreement with a family is [24 months].**
- \* **The minimum monthly amount of monthly payment for any payment agreement is [\$25.00].**

**Note: If the amount owed by the tenant exceeds \$ 2,500.00, the Authority has the option of accepting the amount owed in excess of \$ 2,500.00 within a thirty day period (the starting and ending date of which will be determined by the Authority) and then agreeing to enter into a repayment agreement for the \$ 2,500.00 balance of the amount owed.**

**Payment Schedule for Monies Owed to the Authority**

<u>(Downpayment</u>	<u>Amount Owed</u>	<u>Maximum Term</u>
10%	0 - \$500	6 months
10%	\$ 501 - \$ 1,000	12 months
10%	\$ 1,001 - \$ 2,500	24 months

**B. DEBTS OWED FOR CLAIMS** [24 CFR 792.103, 982.552 (c)(v-vii)]

If a family owes money to the Authority for claims paid to an owner:

- \* **The Authority will require the family to pay the amount in full.**
- \* **The Authority will review the circumstances resulting in the overpayment and decide whether the family must pay the full amount.**



- \* **The Authority [may] enter into a Payment Agreement.**

### **Late Payments**

A payment will be considered to be in arrears if:

- \* **The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.**

If the family's payment agreement is in arrears, and the family has not contacted or made arrangements with the Authority, the Authority will:

- \* See Section H, Repayment Agreement Procedures, of this Chapter.

If the family requests a move to another unit and has a payment agreement in place for the payment of an owner claim, and the payment agreement is not in arrears:

- \* **The family will be permitted to move.**

If the family requests a move to another unit and is in arrears on a payment agreement for the payment of an owner claim:

- \* **If the family pays the past due amount, they will be permitted to move.**

### **C. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION** [24 CFR 982.163]

*INSTRUCTION: There are many ways in which Authorities differ in the treatment of the collection of monies due to misrepresentations and program fraud versus the collection of monies due to owner claims and the untimely reporting of increases in income. We are offering the option here of either treating all monies owed in the same manner, or treating them differently depending on the reason the money is owed.*

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.

### **Family Error/Late Reporting**

- \* Families who owe money to the Authority due to the family's failure to report increases in income will be required to repay in accordance with the payment procedures below.

### **Program Fraud**

If a family owes an amount that exceeds \$2,500.00 as a result of program fraud, the case may be referred to the Inspector General or, where appropriate, the Authority may refer the case for criminal prosecution.

### **Payment Procedures for Untimely Reporting of Increases in Income**

- \* Families who untimely report increases in income will be subject to the following procedures:
- \* The family will be required to pre-pay 10% of the amount owed prior to or upon execution of the Payment Agreement.
- \* The amount of the monthly payment will be determined in accordance with the family's current income and the maximum terms as stipulated above.
- \* The maximum amount for which the Authority will enter into a payment agreement with a family is [\$2,500.00]
- \* The maximum length of time the Authority will enter into a payment agreement with a family is [24 months].
- \* The minimum monthly amount of monthly payment for any payment agreement is [\$25.00].

**Note:** If the amount owed by the tenant exceeds \$ 2,500.00, the Authority has the option of accepting the amount owed in excess of \$ 2,500.00 within a thirty day period and then agreeing to enter into a repayment agreement for the \$ 2,500.00 balance of the amount owed. If the excess above \$ 2,500.00 is greater than \$ 250.00, the family will be not required to pay an additional downpayment. If the family cannot repay the amount of the debt exceeding \$ 2,500.00 within this thirty day period, the family will be terminated and the Authority may still pursue legal means to collect the amount owed.

## **D. DEBTS DUE TO MINIMUM RENT TEMPORARY HARDSHIP**

- \* **Minimum rent arrears that are less than [\$200.00] will be required to be paid in full the first month following the end of the minimum rent period.**
- \* **If the family goes into default on the payment agreement for back rent incurred during a minimum rent period, the Authority will reevaluate the family's financial situation and determine whether the family has the ability to pay the increased rent amount and if not, restructure the existing payment agreement.**

**E. GUIDELINES FOR PAYMENT AGREEMENTS** [24 CFR 982.552(c)(v-vii)]

- \* **Payment agreements will be executed between the Authority and the [head of household and spouse].**
- \* **The payment agreement must be executed by the Executive Director or his/her designee**
- \* **Payments may be made by **cash, personal check,** money order or cashier's check.**
- \* **Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family, verification of the hardship, and the approval of the [Section 8 Supervisor].**
- \* **No move will be approved until the debt is paid in full unless the move is the result of the following causes, and the payment agreement is current:**
  - \* **Family size exceeds the HQS maximum occupancy standards**
  - \* **The HAP contract is terminated due to owner non-compliance or opt-out**
  - \* **A natural disaster**

Additional Monies Owed: If the family already has a payment agreement in place and incurs an additional debt to the Authority:

- \* **The Authority [will not] enter into more than one payment agreement with the family.**
- \* **After entering one payment agreement for unreported income, if at a future date the family is found to owe money to the Authority for **additional** unreported income, the family will be terminated and the Authority may still take measures to recover the amounts owed.**

**F. OWNER DEBTS TO THE AUTHORITY** [24 CFR 982.453(b)]

If the Authority determines that **an** owner has retained housing assistance or claim payments the owner is not entitled to, the Authority may reclaim the amounts from future housing assistance or claim payments owed the owner for any units under contract.

If future housing assistance or claim payments are insufficient to reclaim the amounts owed, the Authority will:

- \* **Require the owner to pay the amount in full within [14] days.**
- \* **Enter into a payment agreement with the owner for the amount owed.**
- \* **Pursue collections through the local court system.**
- \* **Restrict the owner from future participation.**

#### **G. WRITING OFF DEBTS**

Debts will be written off if:

- \* **A determination is made that the debtor is judgment proof.**
- \* **The debtor is deceased.**
- \* **The debtor is confined to an institution indefinitely or for more than [10] years.**
- \* **The amount is less than [\$200.00] and the debtor cannot be located.**

#### **H. REPAYMENT AGREEMENT PROCEDURE**

If a tenant owes an amount (back rent), the tenant must either pay the amount owed promptly (within ten calendar days) or enter into a Repayment Agreement satisfactory to the Housing Authority. (See policy for debts in excess of \$ 2,500.00.) In all cases, the amount owed to the Authority should be paid back in **as short a term as possible**. Whenever possible, the term should not exceed one year, **although for amounts exceeding \$ 1,000.00,** it may be necessary to extend the repayment period beyond a year depending upon the tenant family's fiscal circumstances. When the amount owed exceeds \$2,000.00, the situation must be discussed with the Executive Director or the Deputy Executive Director to determine the exact course of action.

The Repayment Agreement will contain, at a minimum, the name and address of the tenant family, the total amount owed, the date and amount of the first payment (**downpayment**), the monthly payment amount, the term or number of monthly payments to be made and the amount of the last payment. The Repayment Agreement must be signed by the Head of Household and co-Head of Household, whose signatures must be witnessed. Other adult members of the family with significant incomes should sign as well. A model repayment agreement is available to all staff members.

The Repayment Agreement is to be prepared by the Section 8 caseworkers for Section 8 tenants. Once the terms of the Repayment Agreement are determined, the adult family members sign the agreement form and it is then given to the Executive Director for his review and, if approvable, signature. A copy is then given to the family. The original is retained by the Authority for its records and should be kept in the family's file.

The Section 8 caseworker will take a copy of the executed Repayment Agreement to the Clerk-Bookkeeper in the Fiscal Department. The Clerk-Bookkeeper will log the Agreement in and set up a sub-account to record payments and current balances. Section 8 tenants with Repayment Agreements will have to come to the main office to pay on their accounts, or mail in a payment. When a Section 8 tenant makes a payment, the Clerk-Bookkeeper will make the appropriate receipt, give it to the tenant, and record the payment and new balance. If there is a missed payment, the Clerk-Bookkeeper will notify the respective caseworker, who will then remind the tenant family of the consequences of a missed payment (and penalty amount). The Clerk-Bookkeeper will notify the caseworker when the amount owed is paid in full. Each caseworker will keep a list of their tenants with Repayment Agreements who have balances owed.

If a tenant (or participant) misses a monthly payment, the tenant will be in default; however, the tenant will be able to be reinstated in a current standing by paying the missed payment plus a 10% penalty (10% of missed payment) before the next payment comes due. If the missed payment and the 10% penalty amount is not paid within the thirty-day period before the next payment comes due, the full amount of the debt will be due and payable within thirty days of the second missed payment. It is understood that if full payment is not made within this thirty (30) day period, rental assistance may be terminated.

Reserved

## Chapter 19

# COMPLAINTS AND APPEALS

### INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the Authority. This chapter describes the policies, procedures and standards to be used when families disagree with a Authority decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the Authority to ensure that all families have the benefit of all protections due to them under the law.

***INSTRUCTION:** In addition to complaints from families, Authoritys also receive complaints from owners, employees, and the public. It is suggested that Authoritys develop specific procedures for how such complaints will be processed.*

### A. COMPLAINTS TO THE Authority

The Authority will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The Authority [**does**] require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone.

A summary of the Authority hearing procedures will be provided to families in the briefing packet.

### Categories of Complaints

Complaints from families: If a family disagrees with an action or inaction of the Authority or owner.

- \* **Complaints from families will be referred to the [caseworker]. \*If a complaint is not resolved, it will be referred to [Section 8 Supervisor].**

Complaints from owners: If an owner disagrees with an action or inaction of the Authority or a family.

- \* **Complaints from owners will be referred to [caseworker]**

Complaints from staff: If a staff person reports an owner or family either violating or not complying with program rules, the complaint will be referred to the [**Section 8 Supervisor**]

Complaints from the general public: Complaints or referrals from persons in the community in regard to the Authority, a family or an owner.

- \* **Complaints from the general public will be referred to the [caseworker] \*If a complaint is not resolved, it will be referred to [Section 8 Supervisor].**

### B. PREFERENCE DENIALS

***INSTRUCTION:*** *The requirement to provide federal preferences has been removed from the CFR, but if the Authority denies a preference to an applicant, and the applicant disagrees with the decision, the Authority may want to offer the applicant an informal meeting. This is different from an informal review or hearing. The person who made the decision to deny the preference, or any other Authority representative, may conduct the meeting. The meeting is limited only to the circumstances pertaining to the preference denial.*

- \* **When the Authority denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with Authority staff to discuss the reasons for the denial and to dispute the Authority's decision.**
- \* **The person who conducts the meeting will be:**
  - \* **Any officer or employee of the Authority except the person who made or approved the decision or a subordinate of those persons.**

### **C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS**

[24 CFR 982.54(d)(12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

When the Authority determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

- \* The reason(s) they are ineligible,
- \* The procedure for requesting a review if the applicant does not agree with the decision and
- \* The time limit for requesting a review.

When denying admission for criminal activity as shown by a criminal record, the Authority will provide the subject of the record and the applicant with a copy of the criminal record upon which the decision to deny was based.

The Authority must provide applicants with the opportunity for an informal review of decisions denying:

- \* **Qualification for preference**
- \* Listing on the Authority's waiting list
- \* Issuance of a voucher



- \* Participation in the program
- \* Assistance under portability procedures

Informal reviews are not required for established policies and procedures and Authority determinations such as:

- \* Discretionary administrative determinations by the Authority
- \* General policy issues or class grievances
- \* A determination of the family unit size under the Authority subsidy standards
- \* A determination not to approve an extension of the voucher term.\* An Authority determination not to grant approval of the tenancy
- \* Determination that unit is not in compliance with HQS
- \* Determination that unit is not in accordance with HQS due to family size or composition

### **Procedure for Review**

A request for an informal review must be received **[in writing]** by the close of the business day, no later than **[10] calendar** days from the date of the Authority's notification of denial of assistance. The Authority will endeavor to schedule the informal review within **[14] calendar** days from the date the request is received.

The informal review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person.

The review may be conducted by:

- \* **A staff person**
- \* **A commissioner**
- \* **An individual from outside the Authority**

The applicant will be given the option of presenting oral or written objections to the decision. Both the Authority and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

A notice of the review findings will be provided in writing to the applicant within **[14 calendar]** days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision. In some cases, additional time may be needed to render a decision if the review officer needs to request additional information from a third party. In such a case, the review officer will endeavor to render a decision as soon as possible after the additional information is obtained. The

Hearing Officer may also ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

**D. INFORMAL HEARING PROCEDURES** [24 CFR 982.555(a-f), 982.54(d)(13)]

When the Authority makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The Authority will give the family prompt notice of such determinations which will include:

- \* The proposed action or decision of the Authority;
- \* The date the proposed action or decision will take place;
- \* The family's right to an explanation of the basis for the Authority's decision.
- \* The procedures for requesting a hearing if the family disputes the action or decision;
- \* The time limit for requesting the hearing.
- \* **To whom the hearing request should be addressed**
- \* **A copy of the Authority's hearing procedures**

When terminating assistance for criminal activity as shown by a criminal record, the Authority will provide the subject of the record and the tenant/participant with a copy of the criminal record upon which the decision to terminate was based.

The Authority must provide participants with the opportunity for an informal hearing for decisions related to any of the following Authority determinations:

- \* Determination of the family's annual or adjusted income and the computation of the housing assistance payment
- \* Appropriate utility allowance used from the utility allowance schedule
- \* Family unit size determination under Authority subsidy standards
- \* Determination to terminate assistance for any reason.
- \* Determination to terminate a family's FSS contract, withhold supportive services, or propose forfeiture of the family's escrow account

The Authority must always provide the opportunity for an informal hearing before termination of assistance.

Informal hearings are not required for established policies and procedures and Authority determinations such as:

- \* Discretionary administrative determinations by the Authority
- \* General policy issues or class grievances
- \* Establishment of the Authority schedule of utility allowances for families in the program
- \* An Authority determination not to approve an extension of the voucher term.
- \* An Authority determination not to approve a unit or lease
- \* An Authority determination that an assisted unit is not in compliance with HQS (Authority must provide hearing for family breach of HQS because that is a family obligation determination)
- \* An Authority determination that the unit is not in accordance with HQS because of the family size
- \* A Authority determination to exercise or not exercise any right or remedy against the owner under a HAP contract

### **Notification of Hearing**

It is the Authority's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the Authority will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When the Authority receives a request for an informal hearing, a hearing will ordinarily be scheduled within [14] days. The notification of hearing will contain:

- \* The date and time of the hearing
- \* The location where the hearing will be held
- \* The family's right to bring evidence, witnesses, legal or other representation at the family's expense
- \* The right to view any documents or evidence in the possession of the Authority upon which the Authority based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing.
- \* A notice to the family that the Authority will request a copy of any documents or evidence the family will use at the hearing.

### **\* The Authority's Hearing Procedures**

- \* **After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.**
- \* **If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the Authority within [24] hours, excluding weekends and holidays. The Authority will reschedule the hearing only if the family can show good cause for the failure to appear.**

Families have the right to:

- \* Present written or oral objections to the Authority's determination.
  - \* Examine the documents in the file which are the basis for the Authority's action, and all documents submitted to the Hearing Officer;
  - \* Copy any relevant documents at their expense;
  - \* Present any information or witnesses pertinent to the issue of the hearing;
  - \* Request that Authority staff be available or present at the hearing to answer questions pertinent to the case; and
  - \* Be represented by legal counsel, advocate, or other designated representative at their own expense.
- \* **If the family requests copies of documents relevant to the hearing, the Authority will make the copies for the family and assess a charge of [\$ .50] per copy. In no case will the family be allowed to remove the Authority's file or any document within the file from the Authority's office.**

In addition to other rights contained in this Chapter, the Authority has a right to:

- \* Present evidence and any information pertinent to the issue of the hearing;
- \* Be notified if the family intends to be represented by legal counsel, advocate, or another party;
- \* Examine and copy any documents to be used by the family prior to the hearing;
- \* Have its attorney present; and
- \* Have staff persons and other witnesses familiar with the case present.

The informal hearing shall be conducted by the Hearing Officer appointed by the Authority who is neither the person who made or approved the decision, nor a subordinate of that person. The Authority appoints hearing officers who:

- \* **Are Authority commissioners/Are Authority management or staff members**
- \* **Are managers from other departments in the government of the jurisdiction**
- \* **Are managers or staff members from other Authorities**
- \* **Are professional mediators or arbitrators** [employed by the county Bar Association/a mediation, dispute resolution, or arbitration service/other].

The hearing shall concern only the issues, including related issues, for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

- \* **The family must request an audio recording of the hearing, if desired, [two] days prior to the hearing date.**

The Hearing Officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision.

- \* **If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the Authority shall take effect and another hearing will not be granted.**

The Hearing Officer will determine whether the action, inaction or decision of the Authority is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the hearing findings shall be provided in writing to the Authority and the family within [14] days and shall include:

- \* A clear summary of the decision and reasons for the decision;
- \* If the decision involves money owed, the amount owed [**and documentation of the calculation of monies owed**];
- \* The date the decision goes into effect.

The Authority is not bound by hearing decisions:

- \* Which concern matters in which the Authority is not required to provide an opportunity for a hearing
- \* Which conflict with or contradict to HUD regulations or requirements;
- \* Which conflict with or contradict Federal, State or local laws; or
- \* Which exceed the authority of the person conducting the hearing.

The Authority shall send a letter to the participant if it determines the Authority is not bound by the Hearing Officer's determination within [14] days. The letter shall include the Authority's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

**E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS"** [24 CFR Part 5, Subpart E]

***INSTRUCTION:** In accordance with the Quality Housing and Work Responsibility Act of 1998, Authoritys may no longer elect not to comply with ("opt-out" of) the noncitizen requirements (Part 5, Subpart E).*

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the USCIS appeal.

Assistance to a family may not be terminated or denied while the Authority hearing is pending but assistance to an applicant may be delayed pending the Authority hearing.

**INS Determination of Ineligibility**

If a family member claims to be an eligible immigrant and the USCIS SAVE system and manual search do not verify the claim, the Authority notifies the applicant or participant within ten days of their right to appeal to the USCIS within thirty days or to request an informal hearing with the Authority either in lieu of or subsequent to the USCIS appeal.

If the family appeals to the USCIS, they must give the Authority a copy of the appeal and proof of mailing or the Authority may proceed to deny or terminate. The time period to request an appeal may be extended by the Authority for good cause.

The request for a Authority hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the USCIS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the Authority will:

- \* Deny the applicant family
- \* Defer termination if the family is a participant and qualifies for deferral
- \* Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, the Authority will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

- \* If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide **such documentation**, the family will be denied or terminated for failure to provide.
- \* Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.
- \* Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.
- \* Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

## **F. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES** [24 CFR 982.204, 982.552(c)]

When applicants are denied placement on the waiting list, or the Authority is terminating assistance, the family will be informed that the presence of a disability may be considered as a mitigating circumstance during the informal review process.

***INSTRUCTION:*** *Examples of mitigating circumstances are: a) A person with a cognitive disorder may not have understood the requirement to report increases in income, b) A person may not understand the need to make regular repayments on a promissory note, c) Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.*



Reserved

## Chapter 20

# SPECIAL HOUSING TYPES

[24 CFR 982.601]

### **INTRODUCTION**

**\* The Authority will permit the use of [SRO, Group Housing, Congregate Housing, and Shared Housing] in its program only if the applicant/participant can demonstrate that it is needed as a reasonable accommodation for a person with a disability. Acceptable demonstration will include documentation from one or more knowledgeable professionals who are familiar with the applicant/participant and or the type of special housing requested as accommodation.**

The Authority will not set aside any program funding for special housing types, or for a special housing type. **\* A family may choose whether to rent housing that qualifies as a special housing type or to rent other eligible housing in accordance with requirements of the program.**

### **\* Verification of Need for Reasonable Accommodation**

**\* Acceptable documentation as verification of the need for reasonable accommodation would be a letter to the Authority describing how the special housing type requested provides the accommodation of which the person is in need. The request and documentation will be reviewed by [Section 8 Supervisor] and a written response stating approval or disapproval will be sent to the applicant/participant within [15] days of receipt of the request.**

**\* A copy of the Authority's response with supporting documentation will be maintained in the applicant/participant's file. The requested housing type must be approvable by all other HUD standards and HQS requirements in accordance with 24 CFR 982 Section M - Special Housing Types.**

### **A. SINGLE ROOM OCCUPANCY** [24 CFR 982.602]

The Authority will use a separate lease and housing assistance payments contract for each assisted person residing in a SRO. [24 CFR 982.603]

### **SRO Rent and Housing Assistance Payment** [24 CFR 982.604]

The Authority SRO payment standard is 75 percent of the zero bedroom payment standard schedule. For a person residing in an exception area the payment standard is 75 percent of the HUD-approved zero bedroom exception payment standard amount. While an assisted person resides in SRO housing, the SRO payment standard must be used to calculate the housing

assistance payment.

### Utility Allowance

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

### **Housing Quality Standards**

The Authority will ensure that all SRO units approved for the program are in compliance with all of the Housing Quality Standards for SROs as regulated in 24 CFR 982.605.

### **B. CONGREGATE HOUSING** [24 CFR 982.606]

An elderly person or a person with disabilities may reside in a congregate housing unit.

The Authority may approve a family member or live-in aide to reside with the elderly person or person with disabilities.

The Authority will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

### **Congregate Housing Lease and HAP Contract** [24 CFR 982.607]

For congregate housing there will be a separate lease and HAP contract for each assisted family.

Unless there is a live-in aide, the payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard on the Authority payment standard schedule.

However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family that resides in a congregate housing unit is the one bedroom payment standard amount.

If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

### **Housing Quality Standards**

The Authority will ensure that all congregate housing units approved for the program are in compliance with all of the Housing Quality Standards for congregate housing as regulated in 24 CFR 982.609.

**C. GROUP HOMES** [24 CFR 982.610, 982.612]

A group home must be licensed, certified, or otherwise approved in writing by the State, or the State's licensing department.

An elderly person or a person with disabilities may reside in a State-approved group home. If approved by the Authority, a live-in aide may reside with a person with disabilities.

The Authority must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Except for a live-in aide, all residents of a group home must be elderly persons or persons with disabilities.

The Authority will not approve assistance for a person to live in a group home if file documentation indicates that the person is in need of continual medical or nursing care.

No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

**Group Home Lease and HAP Contract** [24 CFR 982.611]

There will be a separate HAP contract and lease for each assisted person living in a group home. For a group home the term "pro-rata portion" means that which is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any Authority-approved live-in Aide.

**Group Home Rent and HAP Contract** [24 CFR 982.613]

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with 982.503. In determining reasonable rent the Authority will consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private.

**Maximum Subsidy**

Unless there is a live-in aide, the family unit size is **[zero]**. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard amount on the Authority payment standard schedule for the group home size.

### **Utility Allowance**

The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

### **Housing Quality Standards**

The Authority will ensure that all group home units approved for the program are in compliance with all of the Housing Quality Standards for group homes as regulated in 24 CFR 982.614.

### **D. SHARED HOUSING** [24 CFR 982.615]

#### **Occupancy**

An assisted family may reside in shared housing. In shared housing, an assisted family may share a unit with another resident or residents of a unit. The unit may be a house or an apartment.

The Authority may approve a live-in aide to reside with a family in order to care for a person with a disability. The Authority must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Other persons who are assisted or not assisted under the tenant-based program may reside in a shared housing unit. The owner of a shared housing unit may reside in the unit.

A resident owner may enter into a HAP contract with the Authority. However, housing assistance may not be paid on behalf of an owner. The Authority will not approve assistance for a person or family that is related by blood or marriage to a resident owner.

There will be a separate housing assistance payment contract and lease for each assisted family residing in a shared housing unit.

#### **Rent and HAP Contract**

For shared housing, the term "pro-rata portion" means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five bedroom unit, the ratio would be 3/5.

The rent to owner to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit. The reasonable rent must be in accordance with the guidelines set in the "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

## **Maximum Subsidy**

For a family that resides in a shared housing unit the payment standard is the lower of the payment standard amount on the Authority payment standard schedule for the family unit size or the pro-rata portion of the payment standard amount on the Authority payment standard for the shared housing unit size.

If the Authority approves a live-in aide, the live-in aide will be counted in determining the family unit size.

## **Utility Allowance**

The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

## **Housing Quality Standards**

The Authority will ensure that all shared housing units approved for the program are in compliance with all of the Housing Quality Standards for shared housing as regulated in 24 CFR 982.618.

## **E. COOPERATIVE HOUSING** [24 CFR 982.619]

The Authority will approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families. The Authority will not approve assistance for a family in cooperative housing until the Authority has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

The reasonable rent in cooperative housing is determined in accordance with "Owner Rents, Rent Reasonableness, and Payment Standards" chapter. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperatives debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down-payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility.

For a cooperative, rent adjustments are applied to the carrying charge as determined in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Section 8 limitations on rent to owner. The housing assistance payment will be

determined in accordance with the guidelines in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The Authority may approve a live-in aide to reside with the family to care for a person with disabilities. The Authority will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. If the Authority approves a live-in aide, the live-in aide will be counted when determining the family unit size.

### **Housing Quality Standards**

The Authority will ensure that all cooperative housing units approved for the program are in compliance with all of the Housing Quality Standards outlined in the "Housing Quality Standards and Inspections" chapter, and regulated by 24 CFR 982.401.

### **F. MANUFACTURED HOMES** [24 CFR 982.620]

The Authority will permit a family to lease a manufactured home and space with assistance under the program. The Authority **[will not]** provide assistance for a family that owns the manufactured home and leases only the space.

The Authority may approve a live-in aide to reside with a family to care for a person with disabilities. The Authority will approve a live-in aide if needed as a reasonable accommodation so that the program is accessible to and usable by persons with disabilities. If the Authority approves a live-in aide, the live-in aide must be counted when determining the family unit size.

### **Housing Quality Standards** [24 CFR 982.621]

A manufactured home must meet all the HQS requirements outlined in the "Housing Quality Standards and Inspections" chapter and regulated by 24 CFR 982.401. In addition the manufactured home also must meet the following requirements:

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.

A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

*[INSTRUCTION: The rest of this section only applies when the Authority agrees to provide assistance to families who own the manufactured home but need to lease space.]*

### **Manufactured Home Space Rental** [24 CFR 982.622]

Rent to owner for a manufactured home space will include payment for maintenance services that the owner must provide to the tenant under the lease for the space.

Rent to owner does not include the cost of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

### **Reasonable Rent**

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined by the Authority.

The Authority will not approve a lease for a manufactured home space until the Authority has determined that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the Authority will redetermine that the rent is reasonable.

The Authority will determine whether the rent to owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. The Authority will consider the size and location of the space and any services and maintenance provided by the owner in accordance with the lease.

By accepting each monthly housing assistance payment from the Authority, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. If requested by the Authority, the owner must provide the Authority information on rents for other manufactured home space.

### **Housing Assistance Payments for Manufactured Home Space** [24 CFR 982.623]

The FMR for a manufactured home space will be determined by HUD.

#### **HAP for the Regular Tenancy Program**

For the Regular Tenancy Program the initial rent to owner for leasing a manufactured home space may not exceed the published FMR for a manufactured home space.

During the term of a certificate tenancy, entered prior to the merger date, the amount of the monthly housing assistance payment equals the lesser of:

The manufactured home space cost minus the:

The Total Tenant Payment; OR

The rent to owner for the manufactured home space.

"Manufactured home space cost" means the sum of: the amortization cost, the utility allowance,



and the rent to owner for the manufactured home space.

The amortization cost may include debt service to amortize costs (other than furniture costs) included in the purchase price of the manufactured home. The debt service includes the payment for principal and interest on the loan. The debt service amount will be reduced by 15 percent to exclude debt service to amortize the cost of furniture, unless the Authority determines that furniture was not included in the purchase price.

Any debt service due to refinancing the manufactured home after purchase of the home is not included in the amortization costs.

The Authority **[will not]** approve as part of the monthly amortization payment, set-up charges to be included in the debt service incurred by a family that relocates its home.

The Authority **[will not]** include as part of the monthly amortization payment, set-up charges incurred before the family became an assisted family, if monthly payments are still being made to amortize such charges.

### **HAP for the Voucher Tenancy**

The payment standard for a participant renting a manufactured home space is the published FMR.

### **Subsidy Calculation for the Voucher Program**

During the term of a voucher tenancy, the amount of the monthly housing assistance payment for a family will equal the lesser of:

The payment standard minus the total tenant payment; or

The rent paid for rental of the real property on which the manufactured home owned by the family is located (the space rent) minus the total tenant payment.

The space rent is the sum of the following as determined by the Authority:

- \* Rent to owner for the manufactured home space;
- \* Owner maintenance and management charges for the space;
- \* Payments made to amortized the cost of purchasing the manufactured home, including taxes and insurance (any increase due to refinancing after purchase is not included); and
- \* The utility allowance for tenant paid utilities.

### **Utility Allowance Schedule for Manufactured Home Space Rental** [24 CFR 982.624]

The Authority will establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move.

Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place.

Utility allowances for manufactured home space will not be applied to cover the costs of digging a well or installation of a septic system.

### **G. HOMEOWNERSHIP** [24 CFR 982.625]

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

The Authority must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

The Authority may make homeownership available to all who qualify, or restrict homeownership to families or purposes defined by the Authority. The Authority may also limit the number of families assisted with homeownership.

**\*The Authority will offer the homeownership option only to participating families who:**

\*[Have a minimum income of \$10,300.00

\* Have not owned a home in the last three (3) years.]

**\* Even though it is not a requirement, the Authority encourages enrollment in the FSS Program**

**\* The Authority will limit homeownership to a maximum of [50] families at any given time.**

### **Eligibility Requirements** [24 CFR 982.627]

**The family must meet all of the requirements listed below before the commencement of homeownership assistance.**

**The family must be eligible for the Housing Choice Voucher program, and have been a participant in the Housing Choice Voucher Program for a minimum of one year.**

**The family must qualify as a first-time homeowner, may be a co-operative member, or 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, in accordance with part 8 of CFR Title 24: Housing and Urban Development.

The family must meet the Federal minimum income requirement. **Based on the income of adult family members who will own the home, the family must have a gross annual income of not less than the Federal minimum wage multiplied by 2000, or in the case of a disabled family not less than the monthly Federal Supplemental Security Income (SSI) benefit for an individual living alone (or paying his or her share of food and housing costs) multiplied by twelve.** Unless the family is elderly or disabled, income from welfare assistance will not be counted toward this requirement.

The family must meet the Federal minimum employment requirement.

At least one adult family member who will own the home must be currently employed full time and must have been continuously employed for one year prior to homeownership assistance.

HUD regulations define “full time employment” as not less than an average of 30 hours per week.

\*A family member will be considered to have been continuously employed even if that family member has experienced a break in employment, provided that the break in employment:

- \* did not exceed [ 30 calendar days]; and
- \* did not occur within the [3 month] period immediately prior to the family’s request to utilize the homeownership option; and
- \* has been the only break in employment within the past 12 calendar months.

The Federal minimum employment requirement does not apply to elderly or disabled families.

Any family member who has previously defaulted on a mortgage obtained through the homeownership option is barred from receiving future homeownership assistance.

\*The Authority will impose the following additional initial requirements:

\*The family has had no family-caused violations of HUD’s Housing Quality standards within the last [1 year].

\*The family does not owe money to the Authority.

**\*The family has not committed any serious or repeated violations of a Authority-assisted lease within the past [1 year].**

**Homeownership Counseling Requirements [24 CFR 982.630]**

**When the family has been determined eligible, they must attend and complete homeownership counseling sessions. These counseling sessions will be conducted by [Harrisburg Fair Housing Council]. Such counseling shall be consistent with HUD-approved housing counseling.**

**The following topics will be included in the homeownership counseling sessions:**

- \*Home maintenance (including care of the grounds);**
- \*Budgeting and money management;**
- \*Credit counseling;**
- \*How to negotiate the purchase price of a home;**
- \*How to obtain homeownership financing and loan preapprovals, including a description of types of financing that may be available, and the pros and cons of different types of financing;**
- \*How to find a home, including information about homeownership opportunities, schools, and transportation in the Authority jurisdiction;**
- \*Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;**
- \*Information about RESPA, state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions;**
- \*[List other topics]**

**Eligible Units [24 CFR 982.628]**

**The unit must meet all of the following requirements:**

**The unit must meet HUD's "Eligible Housing" requirements. The unit may not be any of the following:**

- A public housing or Indian housing unit;**
- A unit receiving Section 8 project-based assistance;**
- A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;**

**A college or other school dormitory;**

**On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.**

**The unit is a one-unit property (including a manufactured home) or a single dwelling unit in a cooperative or condominium.**

**The unit has been inspected by the Authority and by a qualified independent inspector designated by the family.**

**The unit meets HUD Housing Quality Standards.**

**Homeownership assistance may be provided for the purchase of a home where the family will not own fee title to the real property on which the home is located, but only if:**

**The home is located on a permanent foundation; and**

**The family has the right to occupy the home site for at least forty years.**

**The Authority may not commence homeownership assistance for occupancy of a home if the Authority has been informed (by HUD or otherwise) that the seller of the home is debarred, suspended, or subject to a limited denial of participation.**

**The family may enter into a contract of sale for a unit not yet under construction at the time the family enters into the contract for sale. However, the Authority will not commence homeownership assistance for the family for that unit, unless and until:**

**Either: (i) a responsible entity has completed the environmental review procedures as required by HUD regulations, and HUD approved the environmental certification and request for release of funds prior to commencement of construction; or (ii) HUD performed an environmental review as required by HUD regulations and notified the Authority in writing of environmental approval of the site prior to commencement of construction;**

**Construction of the unit has been completed; and**

**The unit has passed the required HQS inspection and independent inspect.**

#### **Authority Search and Purchase Requirements [24 CFR 982.629]**

**The Authority has established the maximum time that will be allowed for a family to locate and purchase a home.**

**The family's deadline date for locating a home to purchase will be [nine months] from the**

**date the family's eligibility for the homeownership option is determined.**

**The family must obtain financing for the home within [six months] of [ locating a home to purchase].**

**The family must purchase the home within [nine months] of [locating a home to purchase].**

**The Authority [will] require periodic reports on the family's progress in finding and purchasing a home. \*Such reports will be provided by the family at intervals of [30 days].**

**If the family is unable to purchase a home within the maximum time limit, the Authority [will issue the family a voucher to lease a unit].**

**Home Inspections, Contract of Sale, and Authority disapproval of Seller [24 CFR 982.631]**

**The unit must meet Housing Quality Standards, and must also be inspected by an independent professional inspector selected and paid by the family.**

**The independent inspection must cover major building systems and components. The inspector must be qualified to identify physical defects and report on property conditions, including major building systems and components. These systems and components include, but are not limited to:**

**Foundation and structure;**

**Housing interior and exterior;**

**Roofing;**

**Plumbing, electrical and heating systems.**

**The independent inspector must not be a Authority employee or contractor. The Authority will not require the family to use an independent inspector selected by the Authority, but the Authority has established the following standards for qualification of inspectors selected by the family.**

**Copies of the independent inspection report will be provided to the family and the Authority. Based on the information in this report, the family and the Authority will determine whether any pre-purchase repairs are necessary.**

**The Authority may disapprove the unit for homeownership assistance because of information in the report.**

**The family must enter into a contract of sale with the seller of the unit. A copy of the contract must be given to the Authority. The contract of sale must specify the price and**

**terms of sale, and provide that the purchaser will arrange for a pre-purchase independent inspection of the home. The contract must also:**

**Provide that the purchaser is not obligated to buy the unit unless the inspection is satisfactory;**

**Provide that the purchaser is not obligated to pay for necessary repairs; and**

**Contain the seller's certification that he or she has not been debarred, suspended or subject to a limited denial of participation.**

**In addition to the above provisions contained in this section, a contract for the sale of units not yet under construction at the time the family is to enter into the contract for sale must also provide that:**

- (i) The purchaser is not obligated to purchase the unit unless an environmental review has been performed and the site has received environmental approval prior to commencement of construction in accordance with HUD regulations.**
- (ii) The construction will not commence until the environmental review has been completed and the seller has received written notice from the Authority that environmental approval has been obtained. Conduct of the environmental review may not necessarily result in environmental approval, and environmental approval may be conditioned on the contracting parties' agreement to modifications to the unit design or to mitigation actions.**
- (iii) Commencement of construction in violation of provision (ii) of this section voids the purchase contract and renders homeownership assistance unavailable for purchase of the unit.**

**The Authority may deny approval of the seller for any of the following reasons:**

**The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act;**

**The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;**

**The owner has engaged in any drug-related criminal activity or any violent criminal activity;**

**The owner has a history or practice of non-compliance with the HQS for**

**units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;**

**The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:**

**Threatens the right to peaceful enjoyment of the premises by other residents;**

**Threatens the health or safety of other residents, of employees of the Authority, or of owner employees or other persons engaged in management of the housing;**

**Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or**

**Is drug-related criminal activity or violent criminal activity; or**

**The owner has a history or practice of renting units that fail to meet State or local housing codes; or**

**The owner has not paid State or local real estate taxes, fines or assessments.**

### **Financing [24 CFR 982.632]**

**The family is responsible for securing financing. The Authority has established financing requirements, listed below, and may disapprove proposed financing if the Authority determines that the debt is unaffordable.**

- \* The Authority will prohibit the following forms of financing:**
  - \* balloon payment mortgages**
  - \* variable interest rate loans**
  - \* seller financing on a case-by-case basis**
  
- \* The Authority will require a minimum cash down payment of 3 percent of the purchase price of the house of which a minimum one percent of the purchase price must be paid from the family's own resources.**



**The Total Tenant Payment may not exceed 50% of the family's Monthly Adjusted Gross Income.**

**Continued Assistance [24 CFR 982.633]**

**Homeownership assistance may only be paid while the family is residing in the home. The family or lender is not required to refund homeownership assistance for the month when the family moves out.**

**The family must comply with the following obligations:**

- \* The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.**
- \* The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to CFR 982.551 (h) and (I).**
- \* The family must supply information to the Authority or HUD as specified in CFR 982.551(b). The family must further supply any information required by the Authority or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.**
- \* The family must notify the Authority before moving out of the home.**
- \* The family must notify the Authority if the family may be in danger of defaulting on the mortgage used to purchase the home. In such a case of possible default, the Authority may require the family to attend budgeting and money management counseling sessions.**
- \* No family member may have any ownership interest in any other residential property.**
- \* The family must attend and complete ongoing homeownership counseling, if required by the lender or the Authority.**
- \* The home must pass an initial HUD Housing Quality Standards inspection.**

**Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership**

option.

**Maximum Term of Homeownership Assistance [24 CFR 982.634]**

Except in the case of elderly or disabled families, the maximum term of homeownership assistance is:

**15 years, if the initial mortgage term is 20 years or longer, or  
10 years in all other cases (if initial mortgage term is less than twenty years).**

**The elderly exception only applies if the family qualified as elderly at the start of homeownership assistance. The disabled exception applies if, at any time during receipt of homeownership assistance, the family qualifies as disabled.**

**If the family ceases to qualify as elderly or disabled during the course of homeownership assistance, the maximum term becomes applicable from the date assistance commenced. However, such a family must be afforded at least 6 months of homeownership assistance after the maximum term becomes applicable.**

**If the family receives homeownership assistance for different homes, or from different Authoritys, the total is subject to the maximum term limitations.**

**Homeownership Assistance Payments and Homeownership Expenses [24 CFR 982.635]**

**The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.**

**In determining the amount of the homeownership assistance payment, the Authority will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described in this plan for the Housing Choice Voucher program.**

**The Authority will pay the homeownership assistance payment directly to the family.**

**Some homeownership expenses are allowances or standards determined by the Authority in accordance with HUD regulations. These allowances are used in determining expenses for all homeownership families and are not based on the condition of the home.**

**Homeownership expenses include:**

- \* Principal and interest on mortgage debt.**
- \* Mortgage insurance premium.**
- \* Taxes and insurance.**

- \* **The Authority utility allowance used for the voucher program.**
  - \* **The Authority allowance for routine maintenance costs [\$25.00].**
  - \* **The Authority allowance for major repairs and replacements [\$50.00].**
  - \* **Principal and interest on debt for improvements.**
  - \* **Land lease payments (where a family does not own fee title to the real estate on which the home is located).**
- \* **If the home is a cooperative or condominium, expenses also include operating expenses or maintenance fees assessed by the homeowner association.**

**Portability [24 CFR 982.636, 982.353(b) and ©, 982.552, 982.553]**

**Subject to the restrictions on portability included in HUD regulations and in Chapter 13 of this plan, the family may exercise portability if the receiving Authority is administering a voucher homeownership program and accepting new homeownership families.**

**The receiving Authority may absorb the family into its voucher program, or bill the initial Authority. The receiving Authority arranges for housing counseling and the receiving Authority's homeownership policies apply.**

**Moving With Continued Assistance [24 CFR 982.637]**

**A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.**

- \* **The Authority prohibits more than one move by the family during any one year period.**
- \* **The Authority will deny permission to move with continued rental or homeownership assistance if the Authority determines that it does not have sufficient funding to provide continued assistance. The Authority will provide written notification to the local HUD Office within 10 business days of determining it is necessary to deny moves based on insufficient funding.**
- \* **The following requirements must have been satisfied (including the environmental requirements with respect to a unit not yet under construction) if a family that has received homeownership assistance wants to move to such a unit with continued homeownership assistance:**

**(1) The family is qualified to receive homeownership assistance. However, the following requirements do not apply:**

**(a) The requirement that a family must qualify as a first-time homeowner, may be a co-operative member, or 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, in accordance with part 8 of CFR Title 24: Housing and Urban Development is not applicable, and**

**(b) The Homeownership Counseling Requirement is not applicable. However, the Housing Authority may require that the family complete additional counseling (before or after moving to a new unit with continued assistance under the homeownership option); and**

**(2) The unit is eligible.**

### **Denial or Termination of Assistance [24 CFR 982.638]**

**Termination of homeownership assistance is governed by the policies for the Housing Choice Voucher program contained in chapter 15 of the Administrative Plan. However, the provisions of CFR 982.551 © through (j) are not applicable to homeownership.**

**The Authority will terminate homeownership assistance if the family is dispossessed from the home due to a judgment or order of foreclosure.**

- \* The Authority will permit such a family to move with continued voucher rental assistance. However, rental assistance will be denied if the family defaulted on an FHA-insured mortgage, and the family fails to demonstrate that:**
- \* The family has conveyed or will convey, title to the home as required by HUD, and**
- \* The family has moved or will move within the period required by HUD.**
- \* The Authority will not permit such a family to move with voucher rental assistance.**

**\*The Authority will terminate homeownership assistance if the family violates any of the family obligations contained in this section including the following family obligations:**

- \* Transfer or conveyance of ownership of the home;**
- \* Providing requested information to the Authority or HUD;**
- \* Notifying the Authority before moving out of the home.**

## H. SHELTER PLUS CARE

The Shelter Plus Care Program is not a Section I Program; however, it is administered in a similar way. The Authority's Shelter Plus Care Program is intended to assist homeless persons with serious mental disabilities. The Authority's Contract with HUD to administer the Shelter Plus Care Program, subsequent to the initial five year contract, is being renewed by HUD for a year at a time. There is concern for participants in the Shelter Plus Care Program if, for whatever reason, the Program would not be renewed.

It is the Authority's intention to request a renewal of the Shelter Plus Care Program every year so that rental assistance may be continued. Nevertheless, if the Shelter Plus Care Program should not receive continued funding, it is the Authority's intention to issue "regular" Housing Choice Vouchers, if available, to those participants in the Shelter Plus Care Program who might still need continued rental assistance.

There may also be other extraordinary circumstances in which a participant in the Shelter Plus Care Program may not be able to continue in that Program, but still need continued rental assistance in order to avoid the possibility of homelessness. These situations will be considered individually and, when conditions warrant, a "regular" Housing Choice Voucher may be issued to that person in order to continue rental assistance.

## I. EMERGENCY HOUSING VOUCHERS (EHVs)

EHVs are tenant-based vouchers under Section 8(o) of the United States Housing Act of 1937. Unless expressly indicated below, all statutory and regulatory requirements and Department of Housing and Urban Development (HUD) directives regarding the Housing Choice Voucher (HCV) program are applicable to EHVs, including the use of all HUD-required contracts and other forms. The administrative policies adopted in the Housing Authority's written administrative plan apply to the EHVs vouchers unless such local policy conflicts with the requirements of the American Rescue Plan Act of 2021 (ARP), the requirements of Notice PIH 2021-15 (HA), or the waivers and alternative requirements outlined below.

These waivers and alternative requirements have been determined by the Secretary to be necessary to expedite and facilitate the use of the EHV funding. These waivers or alternative requirements are exceptions to the normal HCV requirements, which otherwise apply to the administration of the EHVs.

HUD may waive and/or establish alternative requirements for additional statutory and regulatory provisions by subsequent notice. The Housing Authority may request additional good cause regulatory waivers in connection with the use of the EHVs, which HUD will consider and assess upon the request of the Housing Authority.

**a. COVID-19 waivers (waivers authorized for the regular HCV program under the CARES Act)**

The Coronavirus Aid, Relief and Economic Security (CARES) Act (Public Law 116-136) provides HUD with broad authority to waive or establish alternative requirements for numerous statutory and regulatory requirements for the HCV program. However, the CARES Act waiver authority does not cover EHV funding appropriated by the ARP.

HUD recognizes that the challenges the COVID-19 pandemic has created for the regular HCV program will likewise apply to the administration of the EHV. Consequently, HUD is exercising its waiver authority under the ARP to provide some of the same menu of HCV-applicable CARES Act waivers to housing authorities for administration of the EHV assistance. The use of these COVID-19-related EHV waivers is at the discretion of the individual housing authority. A housing authority may choose to apply all, some, or none of the waivers to the EHV assistance.

Unlike the other ARP waivers provided, these EHV COVID-19 waivers have limited periods of availability that currently match the same periods of availability for the CARES Act waivers. The period of availability for these EHV COVID-19 waivers/alternative requirements, collectively or individually, may be further extended by PIH notice should HUD determine that such similar extension is necessary for the CARES Act waivers, or if HUD otherwise determines it necessary to further extend these waivers for the EHV. Housing authorities that implement these waivers are not required to keep the waiver/alternative requirement in-place for the full period of availability (including any extension) but may at any time choose to revert to regular program requirements and operations.

Attachment 1 of **Notice PIH 2021-15 (HA)** provides the list of COVID-19 related waivers that the Housing Authority may apply to the EHV. The Housing Authority should refer to Notice PIH 2021-14 or successor notice(s) for detailed information on the individual waivers listed in Attachment 1.

**b. Required partnerships with the Continuum of Care (CoC) and other organizations for direct referrals and services**

EHVs are one of several resources that communities can use to house individuals and families who are experiencing homelessness or have unstable housing. To ensure that the EHV assist families who are most in need, the Housing Authority is required to work with community partners to determine the best use and targeting for the vouchers along with other resources available in the community.

HUD's CoC program is authorized by subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381-11389). The program is designed to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, States, and local governments to quickly rehouse homeless individuals (including unaccompanied youth) and families, while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effective utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.

The CoC is organized to carry out the responsibilities required under the program and is composed of representatives of organizations, including nonprofit homeless providers, victim service providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons to the extent these groups are represented within the geographic area and are available to participate.

Provisions in the CoC Program Interim Rule at 24 CFR § 578.7(a)(8) require that CoCs establish a Coordinated Entry (CE) System. The CE System is a centralized or coordinated process designed to coordinate program participant intake assessment and provision of referrals. A centralized or coordinated assessment system covers the geographic area of the CoC, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool.

HUD is establishing an alternative requirement under which the Housing Authority must enter into a Memorandum of Understanding (MOU) with the CoC to establish a partnership for the administration of the EHV. The primary responsibility of the CoC under the MOU is to make direct referrals of qualifying individuals and families to the Housing Authority (see section 9.c below). Partner CoCs are responsible for determining whether the family qualifies under one of the four eligibility categories for EHV. Additionally, CoCs are encouraged to offer or make connections to supportive services for families that are referred to the Housing Authority, including, but not limited to, short- or long-term case management, collecting necessary verifications to support referrals, housing counseling, housing search assistance and utility deposit assistance. (The Housing Authority may use services fee funding for housing search assistance and utility deposit services, but if such services are already available through the CoC, the services fee funding should be directed to other uses that are not available through the CoC. It is important that the Housing Authority collaborate with the CoC and any other partnering agencies in designing its menu of uses for the services fee funding.) HUD recommends CoCs and housing authorities seek a diverse range of supportive services by partnering with organizations trusted by people experiencing homelessness. The specific services that the CoCs will provide to individuals or families referred for the EHV program must be outlined in the MOU with the CoC.

Housing authorities that agree to accept an allocation must enter into an MOU with a partnering CoC within 30 days of the effective date of the ACC funding increment for the EHV.

The MOU is a complete statement of the responsibilities of the parties and evidence of a commitment of resources to the EHV program. The MOU may be subsequently amended to add or change the services that the CoC may provide but must always retain the direct referral responsibility of the CoC. A sample MOU template is included in Attachment 2 of **Notice PIH 2021-15 (HA)**.

The MOU must include at a minimum:

1. The Housing Authority's and CoC's commitment to administering the EHV in partnership.

2. The goals and standards of success in administering the EHV's.
3. The staff position for each organization that will serve as the lead EHV liaison.
4. A statement that all parties agree to cooperate with any program evaluation efforts undertaken by HUD, or a HUD-approved contractor, including compliance with HUD evaluation protocols and data sharing requests.
5. The specific population eligible for the EHV assistance that will be referred to the Housing Authority by the CoC or other partnering referral agency.
6. The services, including financial assistance, that will be provided to assist EHV applicants and participants and who will provide them.
7. The roles and responsibilities of the Housing Authority and CoC, including but not limited to the CoC making direct referrals of families to the Housing Authority through the CE system.

A housing authority that experiences difficulty in identifying a CoC partner, or where the CoC may be unwilling or reluctant to enter the MOU due to capacity issues or other concerns, or where the Housing Authority is worried about its ability to fulfill this requirement within the required deadline despite a good-faith effort, is encouraged to contact HUD as promptly as possible for assistance. HUD or its Technical Assistance (TA) provider will work with the Housing Authority to help facilitate a partnership, which may include using a partnering referral agency other than the CoC. In rare circumstances HUD may waive the partnership/direct referral requirement for the Housing Authority for an interim period if such a step is necessary while building capacity at the CoC or other potential partnering referral agency. Information on EHV technical assistance and how to request it will be provided by HUD during the EHV webinar to be conducted after issuance of this notice.

### **c. Admissions process - Direct referrals from the CoC and other partnering organizations**

The Housing Authority must accept referrals for EHV's directly from the CE System. Accepting direct referrals from the CE System will help ensure families are able to get assistance quickly and eliminate the administrative burden on the Housing Authority regarding the determination as to whether the family meets the definition of a qualifying individual or family for EHV assistance. CoC partners may also support applicants through the application process and attend meetings with applicants and the Housing Authority to aid individuals and families through the admissions process. Direct referrals for EHV's are not added to the Housing Authority's regular HCV Waiting list.

In general, EHV families are issued EHV's as the result of either:

- (1) The direct referral process from the CoC CE System and/or other partnering organizations, or
- (2) A situation where the Housing Authority makes an EHV available in order to facilitate an emergency transfer in accordance with the Violence Against Women Act (VAWA) as outlined in the Housing Authority's Emergency Transfer Plan. (Housing Authorities are strongly encouraged to utilize EHV's as a resource to effectuate emergency transfers for a victim of domestic violence, dating violence, sexual assault, or stalking, as part of their Violence Against Women Act (VAWA) Emergency Transfer Plan.)



The Housing Authority must also take direct referrals from outside the CoC CE system if:

- (1) the CE system does not have a sufficient number of eligible families to refer to the Housing Authority, or
- (2) the CE system does not identify families that may be eligible for EHV assistance because they are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking.

In those instances the Housing Authority must enter into a partnership to receive direct referrals from another entity (a Victim Services provider or anti-trafficking service provider, for example, if the CE system is not referring victims fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human tracking) or another homeless services provider (if there are not enough direct referrals coming through the CE system), assuming there are such additional organizations that can certify that an individual or family is homeless or at risk of homelessness, formerly homeless, is an individual or family is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking. (Applicants under the “Recently homeless” category must by definition (see **Notice PIH 2021-15 (HA)**) always be referred by the CoC or its designee.) The Housing Authority must enter an MOU with partnering referral agency as described above in **Notice PIH 2021-15 (HA)**. Alternatively, the partnering referral agency may be added to the MOU between the Housing Authority and CoC.

The referring agency must provide documentation to the Housing Authority of the referring agency’s verification that the family meets one of the four eligible categories for EHV assistance. The Housing Authority must retain this documentation as part of the family’s file. HUD has attached to **Notice PIH 2021-15 (HA)** two examples of certifications that could be used to document the referring agency’s verification. (See Attachments 3 and 4).

Other than cases where a family is requesting an emergency transfer in accordance with VAWA as outlined in the Housing Authority’s Emergency Transfer Plan, the Housing Authority must refer a family that is seeking EHV assistance directly from the Housing Authority to the CoC or other referring agency partner for initial intake, assessment, and possible referral for EHV assistance.

If at any time the Housing Authority is not receiving enough referrals or is not receiving referrals in a timely manner from the CoC CE system or other partner referral agencies (or the Housing Authority and CoC cannot identify any such alternative referral partner agencies), the Housing Authority should contact HUD for assistance. HUD may permit the Housing Authority on a temporary or permanent basis to take EHV applications directly from applicants and admit eligible families to the EHV program in lieu of or in addition to direct referrals in those circumstances.

The Housing Authority must inform families on the HCV waiting list of the availability of EHV by, at a minimum, either by posting the information to their website or providing public notice in their respective communities. The Housing Authority notice must describe the eligible populations to which the EHV are limited and clearly state that the availability of these EHV is managed through

a direct referral process. The Housing Authority notice must advise the family to contact the CoC (or any other Housing Authority referral partner, if applicable) if the family believes they may be eligible for EHV assistance. In providing this notice, the Housing Authority must ensure effective communication with persons with disabilities, including those with vision, hearing, and other communication-related disabilities. The Housing Authority must also take reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP). (See Section 11 of **Notice PIH 2021-15 (HA)** for more information.)

If the Housing Authority has a preference for victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking for the regular HCV program, the Housing Authority must refer any applicant on the waiting list that indicated they qualified for this preference to the CoC or the applicable partnering referral agency. The CoC or partnering referral agency will determine if the family is eligible (based on the qualifying definition for EHV assistance for those fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking or another eligible category as applicable) for an EHV.

If the Housing Authority has a homeless preference for the regular HCV program, the Housing Authority must refer any applicant on the waiting list that indicated they qualified for the homeless preference to the CoC. The CoC will determine whether the family is eligible for an EHV (based on the qualifying definition for EHV assistance for homelessness or another eligible category as applicable). The CoC will also determine if the family is eligible for other homeless assistance through the CE system.

With the exception of special admissions, (a special admission (24 CFR § 982.203) is a non-waiting list admission that is only applicable if HUD awards a housing authority program funding that is targeted for families living in specified units) the HCV regulations require that the Housing Authority admit an applicant as a waiting list admission. In order to implement the above alternative requirements, HUD is waiving § 982.204(a), which requires that except for special admissions, participants must be selected from the Housing Authority waiting list and that the Housing Authority must select participants from the waiting list in accordance with admission policies in the Housing Authority administrative plan.

#### **d. Required housing search assistance**

Housing search assistance can help EHV participants successfully move to areas of higher opportunity, as well as broaden the pool of landlords participating in the EHV program, including culturally or racially diverse landlords and landlords with smaller numbers of units. HUD has established as an alternative requirement that the Housing Authority must ensure housing search assistance is made available to EHV families during their initial housing search. The housing search assistance may be provided directly by the Housing Authority or through the CoC or another partnering agency or entity.

Housing search assistance will include (1) helping individual families identify potentially available units during their housing search, including physically accessible units with features for family members with disabilities, as well as units in low-poverty neighborhoods, (2) providing

transportation assistance and directions to potential units, (3) conducting owner outreach, (4) assisting with the completion of rental applications and Housing Authority forms, and (5) helping expedite the EHV leasing process for the family. Other housing search activities may include helping individual families identify barriers to leasing (e.g., low credit score, evictions history) and strategies to address these barriers, workshops on how to conduct an effective housing search, enhanced support for portability processing, regular proactive check-ins for families searching with a voucher, regular reminders to the family of their voucher expiration date and extension policies, and a dedicated landlord liaison for EHV voucher families. The Housing Authority may use any of the EHV administrative fees (including the services fees) described in section 6 of **Notice PIH 2021-15 (HA)** for EHV housing search assistance.

#### **e. Separate waiting list for EHV's**

The HCV program regulations at § 982.204(f) provide that a housing authority must use a single waiting list for admission to its HCV program.

It is possible that the number of applicants referred by partnering agencies at a given time may exceed the EHV's available for the Housing Authority to issue to families. HUD recognizes that requiring housing authorities to utilize its existing HCV waiting list to manage EHV referrals will create unnecessary administrative burden, complications, and delays.

HUD is therefore waiving § 982.204(f) to establish an alternative requirement under which the Housing Authority shall maintain a separate waiting list for EHV referrals/applicants to help expedite the leasing process, both at initial leasing and for any turnover vouchers that may be issued prior to the September 30, 2023 turnover voucher cut-off date.

Because the EHV waiting list is based on direct referrals or requests through the Housing Authority's VAWA emergency transfer plan and not applications from the general public, HUD is also waiving § 982.206, which requires the Housing Authority to give public notice when opening and closing the waiting list. Under this alternative requirement, the Housing Authority will work directly with its CoC and other referral agency partners to manage the number of referrals and the size of the EHV waiting list.

#### **f. Local Preferences**

Local preferences established by the Housing Authority for HCV admissions do not apply to EHV's.

#### **g. Restrictions on Housing Authority denial of assistance to an EHV applicant**

##### *Mandatory Prohibitions.*

(1) The Housing Authority will apply the standards it established under § 982.553(a)(1)(ii)(C) that prohibit admission if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing to EHV applicants.

(2) The Housing Authority will apply the standards it established under § 982.553(a)(2)(i) that prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program to EHV applicants.

*Permissive Prohibitions.*

The Housing Authority will prohibit admission of a family for the grounds stated below:

Determinations must be made based on an individualized assessment of relevant mitigating information. (See Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions (April 4, 2016), available at [https://www.hud.gov/sites/documents/HUD\\_OGCGUIDAPPFHASTANDCR.PDF](https://www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF) at 7 (“individualized assessment of relevant mitigating information beyond that contained in an individual’s criminal record is likely to have a less discriminatory effect than categorical exclusions that do not take such additional information into account. Relevant individualized evidence might include: the facts or circumstances surrounding the criminal conduct . . . evidence that the individual has maintained a good tenant history before and/or after the . . . conduct; and evidence of rehabilitation efforts.”)).

The permissive prohibitions are:

- (1) If the Housing Authority determines that any household member is currently engaged in, or has engaged in within the previous 12 months:
  - a. Violent criminal activity.
  - b. Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity. (Please see PIH Notice 2015-19. The purpose of PIH 2015-19 is to inform Housing Authorities and owners of other federally-assisted housing that arrest records may not be the basis for denying admission, terminating assistance or evicting tenants, to remind Housing Authorities and owners that HUD does not require their adoption of “One Strike” policies, and to remind them of their obligation to safeguard the due process rights of applicants and tenants. *See also* Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions (April 4, 2016), available at [https://www.hud.gov/sites/documents/ HUD\\_OGCGUIDAPPFHASTANDCR.PDF](https://www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF) (overviewing how applying criminal records screening too broadly may implicate fair housing liability for housing providers)).
- (2) If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program within the previous 12 months.
- (3) If the family engaged in or threatened abusive or violent behavior toward Housing Authority personnel within the previous 12 months.

The Housing Authority may not deny an EHV applicant admission regardless of whether:

- Any member of the family has been evicted from federally assisted housing in the last five years.
- Any housing authority has ever terminated assistance under the program for any member of the family.

- The family currently owes rent or other amounts to the Housing Authority or to another housing authority in connection with Section 8 or public housing assistance under the 1937 Act.
- The family has not reimbursed any Housing Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- The family breached an agreement with the Housing Authority to pay amounts owed to a housing authority, or amounts paid to an owner by a housing authority.
- The family would otherwise be prohibited admission under alcohol abuse standards established by the Housing Authority in accordance with §982.553(a)(3).
- The Housing Authority determines that any household member is currently engaged in or has engaged in during a reasonable time before the admission, drug-related criminal activity.

Similar to the HUD-Veterans Affairs Supportive Housing (HUD-VASH) program, HUD is eliminating the Housing Authority's permissive prohibitions for EHV admissions for drug-related criminal activity. The eligible populations of homeless and at-risk of homelessness individuals and families may include individuals struggling with drug addiction, and that addiction may be one of the root causes of their homelessness. As demonstrated by the "Housing First" model, providing the individual with safe housing may be a critical first step in helping the individual recover from addiction. Consequently, prohibitions based on criminal activity for the eligible EHV populations regarding drug possession should be considered apart from criminal activity against persons (i.e., violent criminal activity). Further, the Department remains concerned about the potential discriminatory effect that reliance on drug-related criminal activity history as grounds for denial of admission may pose for the EHV program. For further information on the use of criminal histories and the Fair Housing Act, please see HUD's Office of General Counsel Guidance on the Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions, issued on April 4, 2016. (*Available at [https://www.hud.gov/sites/documents/HUD\\_OGCGUIDAPPFHASTANDCR.PDF](https://www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF)*. This Guidance cautions against the screening of applicants for tenancy using criminal records where such screening may disproportionately impact protected classes, and where the housing provider cannot prove such a policy is necessary to achieve a substantial, legitimate, nondiscriminatory interest.)

The Housing Authority must still deny admission to the program if any member of the family fails to sign and submit consent forms for obtaining information in accordance with 24 CFR part 5 as required by § 982.552(b)(3), but should notify the family of the limited EHV grounds for denial of admission first.

When adding a family member after the family has been placed under a HAP contract with EHV assistance, the regulations at § 982.551(h)(2) apply. Other than the birth, adoption or court-awarded custody of a child, the Housing Authority must approve additional family members and will apply its regular screening criteria in doing so.

#### **h. Income Verification at Admissions**

The Housing Authorities may consider self-certification as the highest form of income verification at admission. Applicants must submit an affidavit attesting to reported income, assets, expenses and other factors which would affect an income eligibility determination. Additionally, applicants may provide third-party documentation which represents the applicant's income within the 60-day period

prior to admission or voucher issuance but is not dated within 60 days of the Housing Authority's request. For example, a Supplemental Security Income (SSI) benefit letter that was issued in November 2020 to represent the applicant's benefit amount for 2021 and was provided to the Housing Authority in September 2021 would be an acceptable form of income verification. The Housing Authority may also use the SSI benefit letter as proof of disability. Once HUD makes the EIV data available to the Housing Authority, the Housing Authority will review the EIV Income and Income Validation Tool (IVT) Reports to confirm/validate family-reported income within 90 days of the PIC-NG (see Section 15 of **Notice PIH 2021-15 (HA)**) submission date; print and maintain copies of the EIV Income and IVT Reports in the tenant file; and resolve any income discrepancy with the family within 60 days of the EIV Income or IVT Report dates.

Prior to admission, the Housing Authority will continue to use HUD's EIV system to search for all household members using the Existing Tenant Search. The Housing Authority may be required to deny assistance to household members already receiving assistance from another program.

The Housing Authority is responsible for addressing any material discrepancies (i.e., unreported income or a substantial difference in reported income) that may arise later and must take necessary enforcement actions if the tenant was never eligible due to their income, as well as initiate HUD-compliant payment plans for those whose unreported income was unintentional and do not make the tenant ineligible for the program accordingly.

The provisions described in this section does not authorize any ineligible family to receive assistance under these programs. If a Housing Authority later determines that an ineligible family received assistance, the Housing Authority must take steps to terminate that family from the program.

#### **i. Eligibility Determination: Social Security Number and Citizenship Verification**

This documentation may not be readily on hand and may be difficult to obtain for individuals and families experiencing homelessness. The Housing Authority may accept self-certifications and delay the receipt of documentation and/or third-party verification allowing the Housing Authority to assist EHV families more quickly and provide time for the family (with assistance from the CoC or other partnering agencies) to obtain the necessary documentation. Therefore, the Housing Authority will not be required to obtain and verify SSN documentation and documentation evidencing eligible noncitizen status before admitting the family to the EHV program.

EHV applicants who are unable to provide the required SSN or citizenship documentation during the initial eligibility determination must provide the required documentation within 180 days of admission to be eligible for continued assistance, pending verification, unless the Housing Authority provides an extension based on evidence from the family or confirmation from the CoC or other partnering agency that the family has made a good-faith effort to obtain the documentation. If a family member appeals secondary verification of immigration documents, assistance may not be delayed, denied, reduced or terminated on the basis of immigration status pending the completion of the appeal as described in § 5.514(e).

Additionally, the Housing Authority may accept self-certification of date of birth and disability status if a higher level of verification is not immediately available. If self-certification is used, the Housing Authority must obtain a higher level of verification within 90 days of admission or verify the information in EIV.

The Housing Authority is responsible for addressing any material discrepancies (i.e., erroneous SSNs) that may arise later and must take necessary enforcement actions accordingly.

The provisions described in this section does not authorize any ineligible family to receive assistance under these programs. If a Housing Authority determines that an ineligible family received assistance, the Housing Authority must take steps to terminate that family from the program.

#### **j. Inapplicability of Income Targeting Requirements**

The income targeting requirements of section 16(b) of the United States Housing Act of 1937 and § 982.201(b)(2) are waived and do not apply for EHV families so that the Housing Authority can effectively serve individuals and families in all the eligibility categories under the ARP who may be at a variety of income levels, including low-income families. In conformance with normal program rules, the Housing Authority may not deny admission to a family with zero income and must consider hardship circumstances before charging a minimum rent in accordance with § 5.630(b).

#### **k. Use of recently conducted initial income determinations and verifications at admission**

Some families who were recently homeless but are now currently residing in rapid rehousing or are receiving other time-limited housing assistance may have had their income recently verified under that housing assistance program. Furthermore, families who are eligible for EHV assistance as victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking may be currently assisted through other subsidized housing programs such as public housing. The Housing Authority may accept income calculations and verifications from third-party providers or from an examination that the Housing Authority conducted on behalf of the family for another subsidized housing program in lieu of conducting an initial examination of income as long as the income was (1) calculated in accordance with rules outlined at 24 CFR Part 5 and within the last six months and (2) the family certifies there has been no change in income or family composition in the interim. At the time of the family's annual reexamination the Housing Authority must conduct the annual reexamination of income as outlined at 24 CFR § 982.516.

For each new admission under this provision, the Housing Authority will: review the EIV Income and IVT Reports to confirm/validate family-reported income within 90 days of the PIC-NG (see Section 15 of this **Notice PIH 2021-15 (HA)**) submission date; print and maintain copies of the EIV Income and IVT Reports in the tenant file; and resolve any income discrepancy with the family within 60 days of the EIV Income or IVT Report dates.

#### **l. Pre-inspection of HQS units**

To expedite the leasing process, the Housing Authority may pre-inspect available units that EHV families may be interested in leasing in order to maintain a pool of eligible units. If an EHV family selects a unit that passed a HQS inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval (form HUD-52517), the unit may be approved as long as it meets all other conditions under § 982.305. However, the family must be free to select their unit and cannot be required to accept a pre-screened unit.

#### **m. Initial Search Term**

The initial search term for an EHV will be at least 120 days. Any extensions, suspensions, and progress reports will remain under the policies in the Housing Authority's administrative plan but will apply after the minimum 120-day initial search term.

The Housing Authority will grant reasonable accommodation requests to extend the housing search term that may be necessary for individuals with disabilities to find a unit that meets their disability-related needs. For example, it may be challenging to find a unit that includes specific accessibility features, is close to accessible transportation, or close to supportive services or medical facilities.

#### **n. Initial lease term**

The initial lease term for an EHV family may be less than 12 months regardless of whether the shorter term is a prevailing market practice.

#### **o. Portability**

The normal HCV portability procedures and requirements generally apply to EHV's with the following exceptions.

##### *i. No prohibition on portability for non-resident applicants*

All EHV families are allowed to immediately move under portability. The Housing Authority may not restrict an EHV family from exercising portability because they are a non-resident applicant.

##### *ii. Portability billing and absorption*

A receiving housing authority cannot refuse to assist an incoming EHV family, regardless of whether the housing authority does or does not currently administer EHV's under its own ACC.

If the EHV family moves under portability to another housing authority that administers EHV's under its own ACC:

- The receiving housing authority may only absorb the incoming EHV family with an EHV (assuming it has an EHV voucher available to do). If the housing authority does not have an EHV available to absorb the family, it must bill the initial housing authority. The receiving housing



authority must allow the family to lease the unit with EHV assistance and may not absorb the family with a regular HCV when the family leases the unit.

- Regardless of whether the receiving housing authority absorbs or bills the initial housing authority for the family's EHV assistance, the EHV administration of the voucher is in accordance with the receiving housing authority's EHV policies.

If the EHV family moves under portability to another housing authority that does not administer EHV under its own ACC, the receiving housing authority may absorb the family into its regular HCV program or may bill the initial housing authority.

*iii. Family briefing/initial housing authority and receiving housing authority coordination on services*

In addition to the applicable family briefing requirements at § 982.301(a)(2) as to how portability works and how portability may affect the family's assistance, the initial housing authority must inform the family how portability may impact the special EHV services and assistance that may be available to the family.

The initial housing authority is required to help facilitate the family's portability move to the receiving housing authority and inform the family of this requirement in writing taking reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP). If the portability move is in connection with the EHV family's initial lease-up, the receiving housing authority and the initial housing authority must consult and coordinate on the EHV services and assistance that will be made available to the family. The primary purpose of this communication is to ensure there is no duplication of EHV services and assistance provided to the family and that the receiving housing authority is aware of the maximum amount of services fee funding that the initial housing authority may provide to the receiving housing authority on behalf of the family. (Further information on this subject is provided in subsection iv below.)

*iv. EHV portability – HAP and EHV administrative fees*

A. HAP and ongoing fees

The requirements at 982.355(e) apply to portability billing arrangements on behalf of an EHV family:

- The initial housing authority must promptly reimburse the receiving housing authority for the full amount of the housing assistance payments made by the receiving housing authority for the family.
- The initial housing authority must promptly reimburse the receiving housing authority for the lesser of 80 percent of the initial housing authority's EHV ongoing administrative fee or 100 percent of the receiving housing authority's ongoing administrative fee (or the receiving housing authority's EHV ongoing administrative fee if the receiving housing authority administers the

EHV program). If both housing authorities agree, the housing authorities may negotiate a different amount of reimbursement.

#### B. Services Fee Funding:

If the receiving housing authority, in consultation and coordination with the initial housing authority, will provide eligible services or assistance to the incoming EHV family, the receiving housing authority may be compensated for those costs by the initial housing authority. This is the case regardless of whether the receiving housing authority bills the initial housing authority or absorbs the family into its own program at initial lease-up.

If the receiving housing authority administers EHV's under its CACC, the receiving housing authority may use its own services fee and may be reimbursed by the initial housing authority, or the initial housing authority may provide the services funding upfront to the receiving housing authority for those fees and assistance. If the receiving housing authority does not administer EHV's under its CACC, the initial housing authority must provide the services funding upfront to the receiving housing authority. Any amounts provided to the receiving housing authority that are not used for services or assistance on behalf of the EHV family must promptly be returned by the receiving housing authority to the initial housing authority.

The amount of the service fee provided by the initial housing authority may not exceed the lesser of the actual cost of the services and assistance provided to the family by the receiving housing authority or \$1750, unless the initial housing authority and receiving housing authority mutually agree to change the \$1750 cap.

#### C. Placement fee/issuance reporting fee:

If the portability lease-up qualifies for the placement fee/issuance reporting fee, the receiving housing authority receives the full amount of the placement component of the placement/issuance reporting fee. The receiving housing authority is eligible for the placement fee regardless of whether the receiving housing authority bills the initial housing authority or absorbs the family into its own program at initial lease-up. The initial housing authority qualifies for the issuance reporting component of the placement fee, as applicable.

Note that the entire preliminary fee is always paid to and retained by the initial housing authority and is not impacted by an EHV portability move.

#### **p. Payment standard amounts**

The Housing Authority is not establishing a separate EHV payment standard.

#### **q. Increase in Payment Standard During HAP Contract Term**

If the payment standard amount is increased during the term of the HAP contract, the increased payment standard amount shall be used to calculate the monthly housing assistance payment for the

family beginning at the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard amount.

## **HOUSING AUTHORITY OF THE COUNTY OF DAUPHIN**

### **ADDENDUM TO HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN**

#### **G. FAIR HOUSING POLICY [24 CFR 982.54(d)(6)]**

One of the primary strategic goals of the Housing Authority of the County of Dauphin (PHA) is to ensure equal housing opportunity and to affirmatively further fair housing rights and choice for all applicants and program participants by fully complying with and promoting all Federal, State, and Local nondiscrimination laws and the rules and regulations governing fair housing and equal opportunity in housing.

In doing so, the PHA will not deny any family or individual an equal opportunity to apply for or receive assistance under the Housing Choice Voucher and accompanying Family Self Sufficiency, Family Unification Programs, and Rental Assistance for Non-Elderly Persons with Disabilities Program on the basis of race, color, sex or sexual orientation, religion, creed, national origin, ethnic origin, age, marital or familial status, handicap or disability.

No inquiries shall be made about a person's sexual orientation or gender identity. However, the PHA may inquire about a person's sex in order to determine the number of bedrooms a household may be eligible for under the occupancy standards or to accurately complete HUD's 50058.

The PHA will keep records of all complaints, investigations, notices and corrective actions for five years.

The PHA will initiate the following steps toward achieving this goal:

1. The PHA staff will be required to attend fair housing training in an effort to stay informed on the importance of furthering fair housing and providing equal housing opportunity to all applicants, including providing reasonable accommodations to persons with disabilities, as part of the overall commitment to quality customer service.
2. The PHA will provide relevant Federal, State, and Local information to voucher holders regarding unlawful discrimination and advise individuals and families who believe they are victims of discrimination on the possible avenues of recourse, including referrals to appropriate fair housing agencies. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the voucher holder's briefing packet and will also be available upon request at the front desk.

3. The PHA will post available fair housing rights and nondiscrimination information on its web site for easy access by applicants, program participants and the general public, as well. In addition, fair housing posters will be displayed throughout the PHA offices, including lobbies and interview rooms, and the equal opportunity logo will be used on all outreach materials. It should be noted that the offices of the PHA are accessible to persons with disabilities and accessibility for the hearing impaired is provided by the TTD telephone service provider 1-800-545-1833, Extension 304.
4. Efforts shall also be made to reach persons with limited English proficiency by utilizing when possible, bilingual staff, or arranging for a translation service to ensure that such applicants or program participants are properly informed of their rights under the law. All applicants and program participants will also be provided with the toll-free number for the Housing Discrimination Hotline: 1-800-669-9777 and the Federal Information Relay Service at (800) 887-8339.
5. The PHA will continue its periodic outreach to landlords and service providers in an effort to partner with those that operate in areas that are receptive to promoting and expanding housing choice to its program applicants and participants.
6. The PHA will continue to review all of its programs, proposed programs and related policies to ensure that they serve to continually advance the cause of fair housing rights and choice for the people of Dauphin County in need of affordable housing.
7. The PHA will identify and ensure certification of Family Unification Program (FUP) eligible families and youth that may be on the PHA's waiting list and ensure that the family or youth maintain their original position on the waiting list after certification. Furthermore, the PHA will appropriately place all FUP eligible families and youth referred from the Dauphin County Social Services for Children and Youth on the HCV waiting list in order of first come, first served. This does not imply that all FUP eligible families and youth will be placed at the top of the HCV waiting list, but will ensure proper placement of FUP eligible families and youth within the HCV waiting list.
8. The PHA will, where requested by an individual, assist FUP applicants and participants gain access to supportive services available within the community, but not require eligible applicants or participants to accept supportive services as a condition of continued participation in the program.

These steps will be reinforced and monitored by the PHA management on a regular basis and applicable data covering but not limited to such items as race, ethnicity, family status, and disability will be accumulated, tracked and maintained in the PHA data base as a means of verifying the ongoing impact of this important goal on program applicants and participants.

## GLOSSARY

### A. ACRONYMS USED IN SUBSIDIZED HOUSING

<b>AAF</b>	Annual Adjustment Factor. A factor published by HUD in the Federal Register which is used to compute annual rent adjustment.
<b>ACC</b>	Annual Contributions Contract
<b>BR</b>	Bedroom
<b>CDBG</b>	Community Development Block Grant
<b>CFR</b>	Code of Federal Regulations. Commonly referred to as "the regulations". The CFR is the compilation of Federal rules which are first published in the Federal Register and define and implement a statute.
<b>CPI</b>	Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
<b>ELI</b>	Extremely low income
<b>FDIC</b>	Federal Deposit Insurance Corporation
<b>FHA</b>	Federal Housing Administration
<b>FICA</b>	Federal Insurance Contributions Act - Social Security taxes
<b>FmHA</b>	Farmers Home Administration
<b>FMR</b>	Fair Market Rent
<b>FSS</b>	Family Self-Sufficiency (program)
<b>FY</b>	Fiscal Year
<b>FYE</b>	Fiscal Year End
<b>GAO</b>	Government Accounting Office
<b>GFC</b>	Gross Family Contribution. Note: Has been replaced by the term Total Tenant Payment (TTP).
<b>GR</b>	Gross Rent
<b>HAP</b>	Housing Assistance Payment
<b>HAP Plan</b>	Housing Assistance Plan
<b>HCDA</b>	Housing and Community Development Act
<b>HQS</b>	Housing Quality Standards
<b>HUD</b>	The Department of Housing and Urban Development or its designee.
<b>HURRA</b>	Housing and Urban/Rural Recovery Act of 1983; resulted in most of the 1984 HUD regulation changes to definition of income, allowances, rent calculations
<b>IG</b>	Inspector General

<b>IGR</b>	Independent Group Residence
<b>IPA</b>	Independent Public Accountant
<b>IRA</b>	Individual Retirement Account
<b>MSA</b>	Metropolitan Statistical Area established by the U.S. Census Bureau
<b>NAHA</b>	(Cranston-Gonzalez) National Affordable Housing Act
<b>NOFA</b>	Notice of Funding Availability
<b>OMB</b>	(U.S.) Office of Management and Budget
<b>PHA</b>	Public Housing Agency
<b>PMSA</b>	A Primary Metropolitan Statistical Area established by the U.S. Census Bureau
<b>PS</b>	Payment Standard
<b>QC</b>	Quality Control
<b>QHWRA</b>	Quality Housing and Work Responsibility Act of 1998
<b>RFAT</b>	Request for Approval of Tenancy
<b>RFP</b>	Request for Proposals
<b>RRP</b>	Rental Rehabilitation Program
<b>SSA</b>	Social Security Administration
<b>SRO</b>	Single Room Occupancy
<b>SSMA</b>	Standard Statistical Metropolitan Area. Has been replaced by MSA, Metropolitan Statistical Area.
<b>TR</b>	Tenant Rent
<b>TTP</b>	Total Tenant Payment
<b>UA</b>	Utility Allowance
<b>URP</b>	Utility Reimbursement Payment
<b>USCIS</b>	United States Citizenship and Immigration Service

## **B. GLOSSARY OF TERMS IN SUBSIDIZED HOUSING**

**50058 Form:** The HUD form that housing authorities are required to complete and electronically submit to HUD for each assisted household in public housing to record information used in the certification and re-certification process and, at the option of the housing authority, for interim reexaminations. Housing Authorities must retain at a minimum the last three years of the form 50058, and supporting documentation, during the term of each assisted lease, and for a period of at least three years from the end of participation date. Electronic retention of form HUD 50058 and HUD 50058-FSS and supporting documentation fulfills the record retention requirement.

**1937 ACT.** The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.)

**ABSORPTION:** In portability, the point at which a receiving housing authority starts making assistance payments with funding under its consolidated ACC, rather than billing, the initial housing authority. [24 CFR 982.4(b)]

**ACC RESERVE ACCOUNT (FORMERLY "PROJECT RESERVE").** Account established by HUD from amounts by which the maximum payment to the PHA under the consolidated ACC (during a PHA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

**ACTUAL OR IMMINENT THREAT:** a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: The duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.

**ADA.** Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.)

**ADJUSTED ANNUAL INCOME.** The amount of household income, after deductions for specified allowances, on which tenant rent is based. (24 CFR 5.611)

**ADJUSTED INCOME.** Annual income, less allowable HUD deductions.

**ADMINISTRATIVE FEE.** Fee paid by HUD to the PHA for administration of the program.

**ADMINISTRATIVE FEE RESERVE (Formerly "Operating reserve").** Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

**ADMINISTRATIVE PLAN.** The HUD required written policy of the PHA governing its administration of the Section 8 tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA's board and a copy submitted to HUD as a supporting document to the PHA Plan.

**ADMISSION.** The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

**ADULT:** A household member who is 18 years or older or who is the head of the household, or spouse, or co-head. An emancipated minor is also considered an adult. An adult must have the



legal capacity to enter a lease under State and local law. In the anti-drug portions of this policy, it also refers to a minor who has been convicted of a crime as an adult under any Federal, State or tribal law.

**AFFILIATED INDIVIDUAL:** with respect to an individual, means: (1) A spouse, parent, brother, sister, or child of that individual, or a person to whom that individual stands in the place of a parent or guardian (for example, the affiliated individual is a person in the care, custody, or control of that individual); or (2) Any individual, tenant, or lawful occupant living in the household of that individual.

**ALLOWANCES:** Amounts deducted from the household's annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, medical expenses for elderly and disabled families, disability expenses, and child care expenses for children under 13 years of age. Other allowances can be given at the discretion of the housing authority.

**ANNUAL BUDGET AUTHORITY.** The maximum annual payment by HUD to a PHA for a funding increment.

**ANNUAL CONTRIBUTIONS CONTRACT (ACC).** A written contract between HUD and a PHA. Under the contract HUD agrees to provide funding for operation of the program, and the PHA agrees to comply with HUD requirements for the program.

**ANNUAL INCOME.** All amounts, monetary or not, that:

- A. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member; or
- B. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- C. Are not specifically excluded from annual income.

Annual Income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access. (1937 Housing Act; 24 CFR 5.609)

**ANNUAL INCOME AFTER ALLOWANCES.** The Annual Income (described above) less the HUD-approved allowances.

**APPLICANT.** (or applicant family). A person or family that has applied for admission to a program but is not yet a participant in the program. (24 CFR 5.403)

**"AS-PAID" STATES.** States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs. Currently, the four as-paid States are New Hampshire, New York, Oregon, and Vermont.

**ASSETS.** The value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles are not counted as assets. (Also see "net family assets.")

**ASSET INCOME:** Income received from assets held by family members. If assets total more than \$5,000, income from the assets is "imputed" and the greater of actual asset income and imputed asset income is counted in annual income.

**ASSISTED TENANT.** A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and 221 (d)(3) BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.

**BIFURCATE:** means to divide a lease as a matter of law, subject to the permissibility of such process under the requirements of the applicable HUD covered program and State or local law, such that certain tenants or lawful occupants can be evicted or removed and the remaining tenants or lawful occupants can continue to reside in the unit under the same lease requirements or as may be revised depending upon the eligibility for continued occupancy of the remaining tenants and lawful occupants.

**BUDGET AUTHORITY.** An amount authorized and appropriated by the Congress for payment to PHAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

**BUSINESS DAYS:** Days the housing authority is open for business.

**CERTIFICATE.** A Certificate issued by the PHA under the Section 8 pre-merger certificate program, declaring a family to be eligible for participation in this program and stating the terms and conditions for such participation. Will no longer be issued after October 1, 1999.

**CERTIFICATE PROGRAM.** Pre-merger rental certificate program.

**CERTIFICATION:** The examination of a household's income, expenses, and family composition to determine the family's eligibility for program participation and to calculate the family's share of rent.

**CHILD:** For purposes of citizenship regulations, a member of the family other than the family head or spouse who is under 18 years of age. (24 CFR 5.504(b))

**CHILD CARE EXPENSES.** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income. (24 CFR 5.603(d))

**CITIZEN:** A citizen or national of the United States. (24 CFR 5.504(b))

**CO-HEAD.** An individual in the household who is equally responsible for the lease with the Head of Household. (A family never has a Co-head and a Spouse and; a Co-head is never a Dependent).

**COMMON SPACE.** In shared housing: Space available for use by the assisted family and other occupants of the unit.

**CONGREGATE HOUSING.** Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing.

**CONSENT FORM:** Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs, return information from the Social Security Administration, and return information for unearned income from the Internal Revenue Service. The consent forms may authorize the collection of other information from assistance applicants or participant to determine eligibility or level of benefits. (24 CFR 5.214)

**COOPERATIVE.** A dwelling unit owned and or shared by a group of individuals who have individual sleeping quarters and share common facilities such as kitchen, living room and some bathrooms.

**CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT.** (Consolidated ACC). See 24 CFR 982.151.

**CONTIGUOUS MSA.** In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

**CONTINUOUSLY ASSISTED.** An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

**CONTRACT.** (See Housing Assistance Payments Contract.)

**COOPERATIVE.** (term includes mutual housing). Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type: See 24 CFR 982.619.

**COVERED FAMILIES.** Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

**COVERED PERSON:** For purposes of the anti-drug provisions of this policy, a covered person is a tenant, any member of the tenant's household, a guest or another person under the tenant's control.

**CURRENTLY ENGAGING IN.** With respect to behavior such as illegal use of a drug, other drug-related criminal activity, or other criminal activity, currently engaging in means that the individual has engaged in the behavior recently enough to justify a reasonable belief that the individual's behavior is current. Arrests alone are not sufficient evidence of criminal activity.

**DATING VIOLENCE.** Violence committed by a person: (A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship.

**DECENT, SAFE, AND SANITARY:** Housing is decent, safe, and sanitary if it satisfies the applicable housing quality standards.

**DEPARTMENT:** The Department of Housing and Urban Development. (24 CFR 5.100)

**DEPENDENT.** A member of the family (except foster children and foster adults), other than the family head or spouse, who is under 18 years of age or is a person with a disability or is a full-time student. (24 CFR 5.603(d))

**DEPENDENT ALLOWANCE:** An amount, equal to \$480 multiplied by the number of dependents, that is deducted from the household's annual income in determining adjusted annual income.

**DISABILITY ASSISTANCE EXPENSES.** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source. (24 CFR 5.603(d))

**DISABILITY ASSISTANCE EXPENSE ALLOWANCE:** In determining adjusted annual income, the amount of disability assistance expenses deducted from annual income for families with a disabled household member.

**DISABLED FAMILY.** A family whose head (including co-head), spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides. (24 CFR 5.403(b)) (Also see "person with disabilities.")

**DISABLED PERSON.** See Person with Disabilities.

**DISPLACED FAMILY:** A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws. (24 CFR 5.403(b))

**DISPLACED PERSON:** A person displaced by governmental action or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws. *[1937 Act]*

**DOMESTIC VIOLENCE.** Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim share a child in common, by a person who is cohabitated with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that persons acts under the domestic or family violence laws of the jurisdiction. The term “spouse or intimate partner of the victim” includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.

**DOMICILE.** The legal residence of the household head or spouse as determined in accordance with State and local law.

**DRUG:** means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

**DRUG-RELATED CRIMINAL ACTIVITY:** Drug trafficking or the illegal use, or possession for personal use, of a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

**ECONOMIC SELF-SUFFICIENCY PROGRAM.** Any program designed to encourage, assist, train or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include programs for job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program necessary to ready a participant for work (including a substance abuse or mental health treatment program), or other work activities.

**ELDERLY FAMILY.** A family whose head (including co-head), spouse, or sole member is a person who is at least 62 years of age; two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides. (24 CFR 5.403)

**ELDERLY/DISABLED FAMILY ALLOWANCE:** For elderly families, an allowance of \$400 is deducted from the household's annual income in determining adjusted annual income.

**ELDERLY PERSON.** A person who is at least 62 years of age. (1937 Housing Act)

**ELIGIBILITY INCOME.** May 10, 1984, regulations deleted Eligibility Income, per se, because Annual Income is now for eligibility determination to compare to income limits.

**ELIGIBLE FAMILY (Family).** A family is defined by the PHA in the administrative Plan, which is approved by HUD.

**EXCEPTIONAL MEDICAL OR OTHER EXPENSES.** Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889 which exceeded 25% of the Annual Income. It is no longer used.

**EXCEPTION RENT.** In the pre-merger certificate program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR. See FMR/Exception rent.

**EXCESS MEDICAL EXPENSES.** Any medical expenses incurred by elderly or disabled families only in excess of 3% of Annual Income which are not reimbursable from any other source.

**EXTREMELY LOW-INCOME FAMILY.**

A very low-income family whose income does not exceed the higher of 30% of the median income for the area (as determined by HUD with adjustments for smaller and larger families) or the Federal poverty level, except that HUD may establish income ceilings higher or lower than 30% of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

**FAIR HOUSING ACT.** Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.) (24 CFR 5.100)

**FAIR MARKET RENT (FMR).** The rent including the cost of utilities (except telephone) that would be required to be paid in the housing market area to obtain privately owned existing decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms) and are published in the *Federal Register*.

**FAMILY.** "Family" includes but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);

An elderly family (including co-head);

A near-elderly family (including co-head);

A displaced family (including co-head)

The remaining member of a tenant family; and

A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

("Family" can be further defined by the PHA).

**FAMILY MEMBERS:** All members of the household other than live-in aides, foster children, and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the lease.

**FAMILY OF VETERAN OR SERVICE PERSON.** A family is a "family of veteran or service person" when:

The veteran or service person (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.

The veteran or service person, unless deceased, is living with the family or is only temporarily absent unless s/he was (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support s/he is legally responsible and the spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that s/he was a family member at the time of hospitalization and there remain in the family at least two related persons.

**FAMILY RENT TO OWNER.** In the voucher program, the portion of the rent to owner paid by the family.

**FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM).** The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

**FAMILY SHARE.** The amount calculated by subtracting the housing assistance payment from the gross rent.

**FAMILY UNIT SIZE.** The appropriate number of bedrooms for a family, as determined by the PHA under the PHA's subsidy standards.

**FMR/EXCEPTION RENT.** The fair market rent published by HUD headquarters. In the pre-merger certificate program the initial contract rent for a dwelling unit plus any utility allowance could not exceed the FMR/exception rent limit (for the dwelling unit or for the family unit size). In the voucher program the PHA adopts a payment standard schedule that is within 90% to 110% of the FMR for each bedroom size.

**FOSTER CHILD CARE PAYMENT.** Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

**FULL-TIME STUDENT.** A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended).

**FUNDING INCREMENT.** Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

**GENDER IDENTITY.** Actual or perceived gender-related characteristics.

**GROSS FAMILY CONTRIBUTION.** Changed to Total Tenant Payment.

**GROSS RENT.** The sum of the Rent to Owner and the utility allowance. If there is no utility allowance, Rent to Owner equals Gross Rent.

**GROUP HOME.** A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

**GUEST:** Means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

**HAP CONTRACT.** (See Housing Assistance Payments contract.)

**HEAD OF HOUSEHOLD.** The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

**HOMELESS (as defined for 50058 reporting purposes):** An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- a. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; or
- b. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by

federal, state, or local government programs for low-income individuals); or

- c. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

or

Any individual or family who:

- a. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; and
- b. Has no other residence; and
- c. Lacks the resources or support networks, e.g. family, friends, and faith-based or other social networks, to obtain other permanent housing.

**HOUSEHOLD MEMBERS:** All members of the household including members of the family, live-in aides, foster children, and foster adults. All household members are listed on the lease, and no one other than household members are listed on the lease.

**HOUSING AGENCY.** A state, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing. ("PHA" and "HA" mean the same thing.)

**HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.** Act in which the U.S. Housing Act of 1937 (sometimes referred to as the Act) was recodified, and which added the Section 8 Programs.

**HOUSING ASSISTANCE PAYMENT.** The monthly assistance payment by a PHA. The total assistance payment consists of:

A payment to the owner for rent to owner under the family's lease.

An additional payment to the family if the total assistance payment exceeds the rent to owner. The additional payment is called a "utility reimbursement" payment.

**HOUSING ASSISTANCE PAYMENTS CONTRACT. (HAP contract).** A written contract between a PHA and an owner in the form prescribed by HUD headquarters, in which the PHA agrees to make housing assistance payments to the owner on behalf of an eligible family.

**HOUSING ASSISTANCE PLAN.** A housing plan that is submitted by a unit of general local government and approved by HUD as being acceptable under the standards of 24 CFR 570.

**IMMEDIATE FAMILY MEMBER:** a spouse, parent, brother or sister, or child of the person, or an individual to whom that person stands in loco parentis (in place of a parent); or any other person living in the household of that person and related to that person by blood or marriage.

**IMPUTED INCOME:** For households with net family assets of more than \$5,000, the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is



more than actual income from assets, the imputed amount is used as income from assets in determining annual income.

**IMPUTED WELFARE INCOME:** The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction for welfare fraud or the failure to comply with economic self-sufficiency requirements, that is nonetheless included in the family's annual income for purposes of determining rent.

**IN-KIND PAYMENTS:** Contributions other than cash made to the family or to a family member in exchange for services provided or for the general support of the family (e.g., groceries provided on a weekly basis, baby sitting provided on a regular basis).

**INTERIM (examination):** A reexamination of a family income, expenses, and household composition conducted between the regular annual recertifications when a change in a household's circumstances warrants such a reexamination.

**LAW ENFORCEMENT AGENCY:** The National Crime Information Center (NCIC), police departments and other law enforcement agencies that hold criminal conviction records.

**LEASE:** A written agreement between an owner and participant for the leasing of a dwelling unit to the resident. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner and the housing authority.

**LIVE-IN AIDE:** A person who resides with one or more elderly persons, near-elderly persons, or persons with disabilities and who:

- A. Is determined to be essential to the care and well-being of the persons;
- B. Is not obligated for the support of the persons; and
- C. Would not be living in the unit except for the exclusive purpose of providing the necessary supportive services and such support service is determined to be a full time job. (24 CFR 5.403(b))

A live-in aide is not a party to the lease.

**LOW-INCOME FAMILIES:** Those families whose incomes do not exceed 80% of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80% of the median for the area on the basis of the HUD's findings that such variations are necessary because of unusually high or low family incomes. (1937Act)

**MEDICAL EXPENSES:** Medical expenses (of all family members of an elderly or disabled family), including medical insurance premiums, that are anticipated during the period for which annual income is computed and that are not covered by insurance. (24 CFR 5.603(d)). These expenses include, but are not limited to, prescription and non-prescription drugs, costs for doctors, dentists, therapists, medical facilities, care for a service animals, and transportation for medical purposes.

**MIXED FAMILY:** A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status. (24 CFR 5.504(b))

**MONTHLY ADJUSTED INCOME:** One twelfth of adjusted income. (24 CFR 5.603(d))

**MONTHLY INCOME:** One twelfth of annual income. (24 CFR 5.603(d))

**NATIONAL:** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession. (24 CFR 5.504(b))

**NEAR-ELDERLY FAMILY:** A family whose head (including co-head), spouse, or sole member is a person who is at least 50 years of age but below the age of 62; two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides. (24 CFR 5.403(b))

**NET FAMILY ASSETS:**

- A. Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
- B. In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.
- C. In determining net family assets, housing authorities or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms. (24 CFR 5.603(d))

**NON-CITIZEN:** A person who is neither a citizen nor national of the United States. (24 CFR 5.504(b))

**OCCUPANCY STANDARDS:** The standards that a housing authority establishes for determining the appropriate number of bedrooms needed to house families of different sizes or composition.

**OTHER PERSON UNDER TENANT'S CONTROL:** For the purposes of the definition of covered person it means the person, although not staying as a guest (as defined in this section) in the unit, is, or was at the time of the activity in question, on the premises (as premises is defined

in this section) because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not under the tenant's control.

**OWNER:** Any person or entity, including a cooperative, having the legal right to lease or sublease existing housing. In the anti-drug related Areas of this policy, it means the owner of federally assisted housing.

**PARTICIPANT (participant family):** A family that has been admitted to the housing authority's program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the housing authority for the family (first day of initial lease).

**PAYMENT STANDARD:** In a housing choice voucher tenancy, the maximum monthly assistance payment for a family (before deducting the total tenant payment by family contribution). For a housing choice voucher tenancy, the housing authority sets a payment standard in the range from 90% to 110% of the current FMR.

**PERMANENTLY ABSENT:** A person or persons not actually residing in the unit who once lived there and does not intend to return. One becomes permanently absent when one vacates the unit.

**PERSON WITH DISABILITIES:** A person who:

- A. Has a disability as defined in 42 U.S.C. 423
- B. Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
  - 1. Is expected to be of long-continued and indefinite duration;
  - 2. Substantially impedes his or her ability to live independently; and
  - 3. Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
- C. Has a developmental disability as defined in 42 U.S.C. 6001

This definition does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

For purposes of qualifying for low-income housing, it does not include a person whose disability is based solely on any drug or alcohol dependence

**PERSONALLY IDENTIFIABLE INFORMATION (PII).** Information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

**PREMISES:** for purposes of the anti-drug provisions of this policy it means the building or complex or development in which the public or assisted housing dwelling unit is located, including common areas and grounds.

**PREVIOUSLY UNEMPLOYED.** Includes a person with disabilities who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

**PROCESSING ENTITY:** The person or entity that is responsible for making eligibility and related determinations and an income reexamination. In the Section 8 and public housing programs, the processing entity is the responsibility entity.

**PRORATION OF ASSISTANCE:** The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family who are eligible for assistance. (24 CFR 5.520)

**PUBLIC HOUSING AGENCY (PHA):** Any State, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or assist in the development or operation of low-income housing under the 1937 Housing Act. (24 CFR 5.100)

**RECERTIFICATION:** The annual reexamination of a family's income, expenses, and composition to determine the family's rent.

**REASONABLE RENT:** A rent to owner that is not more than charged: (a) for comparable units in the private unassisted market; and (b) for a comparable unassisted unit in the premises. Reasonable rent is further defined by PIH Notice 2020-19, *Rent Reasonableness – Defining Assisted Units for the Housing Choice Voucher and Project-Based Voucher Program*.

**RESPONSIBLE ENTITY:**

A. For the public housing program, the Section 8 tenant-based assistance program (24 CFR 982), and the Section 8 project-based certificate or voucher program (24 CFR 983), and the Section 8 moderate rehabilitation program (24 CFR 882), responsible entity means the PHA administering the program under an ACC with HUD;

B. For all other Section 8 programs, responsible entity means the Section 8 project owner.

**SELF-DECLARATION.** A type of verification statement by the tenant as to the amount and source of income, expenses, or family composition. Self-declaration is acceptable verification only when third-party verification or documentation cannot be obtained.

**SENSITIVE PERSONALLY IDENTIFIABLE INFORMATION.** PII that when lost, compromised or disclosed without authorization could substantially harm an individual. Examples of sensitive PII include social security or driver's license numbers, medical records, and financial account numbers such as credit or debit card numbers.

**SEXUAL ASSAULT:** any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.

**SEXUAL ORIENTATION.** Homosexuality, heterosexuality, or bisexuality.

**SHELTER ALLOWANCE:** That portion of a welfare benefit (e.g., TANF) that the welfare agency designates to be used for rent and utilities.

**SINGLE PERSON:** Someone living alone or intending to live alone who does not qualify as an elderly family, a person with disabilities, a displaced person, or the remaining member of a tenant family. (Public Housing: Handbook 7465.1 REV-2, 3-5)

**SPECIFIED WELFARE BENEFIT REDUCTION:**

- A. A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.
- B. "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:
  - 1. at the expiration of a lifetime or other time limit on the payment of welfare benefits;
  - 2. because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or
  - 3. because a family member has not complied with other welfare agency requirements.

**STALKING:** engaging in a course of conduct directed at a specific person that would cause a reasonable person to: (1) Fear for the person's individual safety or the safety of others; or (2) Suffer substantial emotional distress

**STATE WAGE INFORMATION COLLECTION AGENCY (SWICA).** The State agency receiving quarterly wage reports from employers in the State or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information. (24 CFR 5.214)

**TEMPORARILY ABSENT:** A person or persons not actually residing in a unit for a period of time while still maintaining control of the unit. If the absence exceeds fourteen (14) calendar days, the Housing Authority must agree to the absence.

**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF):** The program that replaced the Assistance to Families with Dependent Children (AFDC) that provides financial assistance to needy families who meet program eligibility criteria. Benefits are limited to a specified time period.

**TENANT:** The person or family renting or occupying an assisted dwelling unit. (24 CFR 5.504(b))

**THIRD PARTY (verification):** Written or oral confirmation of a family's income, expenses, or household composition provided by a source outside the household.

**TUITION.** The amount of tuition and required fees covering a full academic year most frequently charged to students. These values represent what a typical student would be charged and may not be the same for all students at an institution. If tuition is charged on a per-credit-

hour basis, the average full-time credit hour load for an entire academic year is used to estimate average tuition. Required fees include all fixed sum charges that are required of a large proportion of all students. The student who does not pay the charges is an exception. Verification of tuition and fees can be obtained from the student's bill or annual statement, by contacting the bursar's office, or from the school's website.

Examples of required fees include, but are not limited to, writing and science lab fees and fees specific to the student's major or program (i.e., nursing program).

Expenses related to attending an institution of higher education must not be included as tuition. Examples of these expenses include, but are not limited to, room and board, books, supplies, meal plans, transportation and parking, student health insurance plans, and other non-fixed sum charges.

For section 8 programs only, PHAs must include amounts of financial assistance an individual receives in excess of tuition and other required fees and charges when determining annual income.

For the Public Housing program, the full amount of financial assistance a student receives while participating in the program continues to be excluded from the program participant's annual income.

**UNITS OWNED BY THE AUTHORITY:** only if the unit is in a project that is one of the following categories: (1) Owned by the housing authority. (2) Owned by an entity wholly controlled by the housing authority. (3) Owned by a limited liability company or limited partnership in which the housing authority (or an entity wholly controlled by the housing authority) holds a controlling interest in the managing member or general partner. A "controlling interest" is— (A) holding more than 50 percent of the stock of any corporation; (B) having the power to appoint more than 50 percent of the members of the board of directors of a non-stock corporation (such as a non-profit corporation); (C) where more than 50 percent of the members of the board of directors of any corporation also serve as directors, officers or employees of the housing authority; (D) holding more than 50 percent of all managing member interests in an LLC; (E) holding more than 50 percent of all general partner interests in a partnership; or (F) equivalent levels of control in other organizational structures. Units in which the housing authority has a different ownership interest are no longer considered to be owned by the housing authority. In order to be considered a "housing authority-owned" unit as described above, the housing authority must have ownership interest in the building itself, not simply the land beneath the building.

**UTILITY ALLOWANCE:** If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made by a housing authority of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment. (24 CFR 5.603)

**UTILITY REIMBURSEMENT:** The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment for the family occupying the unit. (24 CFR 5.603)

**VAWA:** the Violence Against Women Act of 1994, as amended (42 U.S.C. 13925 and 42 U.S.C. 14043e et seq.).

**VERY LOW-INCOME FAMILIES:** Families whose incomes do not exceed 50% of the median family income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 50% of the median for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

**VIOLENT CRIMINAL ACTIVITY.** means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage. Arrests alone are not sufficient evidence of criminal activity.

**VOUCHER (rental voucher):** A document issued by a housing authority to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family and states the obligations of the family under the program.

**WELFARE ASSISTANCE:** 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 (including assistance provided under the Temporary Assistance for Needy Families (TANF) program, as that term is defined under the implementing regulations issued by the Department of Health and Human Services at 45 CFR 260.31).

45 CFR 260.31 defines the term “assistance” to include cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses).

It includes such benefits even when they are:

- A. Provided in the form of payments by a TANF agency, or other agency on its behalf, to individual recipients; and
- B. Conditioned on participation in work experience or community service (or any other work activity under 45 CFR 261.30).

Except where excluded later in this definition, it also includes supportive services such as transportation and childcare provided to families who are not employed.

The term “assistance” excludes:

- A. Nonrecurrent, short-term benefits that:
  - 1. Are designed to deal with a specific crisis situation or episode of need;
  - 2. Are not intended to meet recurrent or ongoing needs; and
  - 3. Will not extend beyond four months.
- B. Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);

- C. Supportive services such as child care and transportation provided to families who are employed;
- D. Refundable earned income tax credits;
- E. Contributions to, and distributions from, Individual Development Accounts;
- F. Services such as counseling, case management, peer support, childcare information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; and
- G. Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Act, to an individual who is not otherwise receiving assistance.

**WELFARE RENT:** In "as-paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.

**WELFARE-TO-WORK (WTW) FAMILIES.** Families assisted by a PHA with voucher funding awarded to the PHA under the HUD welfare-to-work voucher program (including any renewal of such WTW funding for the same purpose). **WRITTEN NOTIFICATION:** All written notifications required in this policy shall be hand delivered with a signed receipt or mailed via first class mail unless specified otherwise.



## **C. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE**

**CHILD.** A member of the family other than the family head or spouse who is under 18 years of age.

**CITIZEN.** A citizen or national of the United States.

**EVIDENCE OF CITIZENSHIP OR ELIGIBLE STATUS.** The documents which must be submitted to evidence citizenship or eligible immigration status.

**HEAD OF HOUSEHOLD.** The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

**HUD.** Department of Housing and Urban Development.

**USCIS.** United States Citizenship and Immigration Service

**MIXED FAMILY.** A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

**NATIONAL.** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

**NONCITIZEN.** A person who is neither a citizen nor national of the United States.

**PHA.** A housing authority who operates Public Housing.

**RESPONSIBLE ENTITY.** The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

**SECTION 214.** Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a).

**SPOUSE.** Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.



## **HOUSING CONVERSION ACTIONS (ENHANCED AND REGULAR HOUSING CHOICE VOUCHERS)**

Housing conversion actions are:

- A. Owner decisions to opt-out of or not renew Section 8 project-based contracts (opt-outs);
- B. Owner prepayments of the mortgage or the voluntary termination of the mortgage insurance of a preservation eligible property (preservation prepayments);
- C. HUD enforcement actions against owners (including the termination or non-renewal of a Section 8 project-based housing assistance payments (HAP) contract); and
- D. HUD property disposition activities.

Depending on the type of Housing Conversion Action, eligible families receive either regular voucher assistance or enhanced voucher assistance. Enhanced voucher assistance under Section 8(t) of the United States Housing Act of 1937 differs from regular housing choice voucher assistance in two major respects if the participant remains in the effected property. First, it will establish a new "minimum rent" equal to the rent the family was paying at the time of the eligibility event, and second it may establish an enhanced payment standard that exceeds the Housing Authority of the County of Dauphin ("HACD") normal payment standard.

Specifically, the following actions constitute "housing conversion actions":

### A. Preservation Prepayments

When the owner prepays the mortgage or voluntarily terminates the mortgage insurance of preservation eligible properties (generally Section 236 and Section 221(d)(3) properties) certain residents are eligible for enhanced voucher assistance.

### B. Project-based Opt-outs

When an owner chooses to end participation in certain programs by either opting-out of or not renewing certain expiring Section 8 contracts, eligible low-income residents assisted under the expiring Section 8 project-based contract are eligible for enhanced voucher assistance. The opt-out category includes cases where Section 8 contracts in restructured properties are converted to tenant-based assistance in accordance with section 515(c) of the Multifamily Assisted Housing Reform and Affordability Act of 1997. In the case of a 515(c) opt-out only, all families assisted under the expiring contract are income-eligible for enhanced voucher assistance.

Eligible low-income residents assisted under a rent supplement contract under Section 101 of the Housing and Urban Development Act of 1965 that ends at the expiration of a Section 8 HAP contract for units in the property are also eligible for enhanced voucher assistance. In a case where a rent supplement contract ends and there is not an expiring Section 8 project-based contract at the property, regular vouchers are provided to the eligible low-income families covered by the rent supplement contract, subject to availability of appropriations.

### C. HUD Enforcement Actions

When there is a HUD-originated termination action, HUD is either terminating the Section 8 project-based HAP contract or not offering the owner the option to renew an expiring Section 8 project-based HAP contract due to an owner's failure to comply with the terms of the HAP contract. It includes suspensions and debarments.

HUD enforcement actions may also result from material adverse financial or managerial actions or omissions that lead to either owner default under a FHA-insured mortgage (monetary or technical) or a documented material violation of one or more of the obligations under the property's Regulatory Agreement.

Eligible families are usually assisted with regular vouchers in these circumstances because families must move to receive housing choice voucher assistance.

D. HUD Property Disposition

A property disposition occurs when HUD is selling the property at a foreclosure sale, or is the mortgagee-in-possession or owner of the multifamily property due to an owner default on an FHA-insured mortgage and is closing down the property or selling the property to a new owner. Regular vouchers are provided to assist eligible low-income families in these cases.

***TENANT-BASED ISSUES FOR HOUSING CONVERSION ACTIONS***

In general, housing choice voucher program rules, regulations, and requirements apply to special admission vouchers made available for families as the result of "housing conversion actions". Some actions will lead to the issuance of enhanced vouchers, which will be discussed in detail in this Section.

The following program guidance is applicable to all housing conversion actions, both regular and enhanced voucher assistance.

A. Tenant-based Nature of the Assistance

Housing choice vouchers (including enhanced vouchers) provided by HUD as the result of a housing conversion action are always tenant-based assistance. Families issued vouchers may elect to use the assistance in the same property and in all cases may choose to move from the property. Families may choose to exercise portability and move outside of the jurisdiction of the HACD. There is no guarantee to the owner that any housing choice voucher assistance will be utilized at the property for any period of time. The HACD will emphasize the tenant-based aspect of the assistance when briefing families, who may be unfamiliar with the concept of tenant-based assistance and the freedom of choice associated with a tenant-based subsidy.

B. HACD Screening of Families

The HACD will utilize its normal screening procedures as part of the eligibility requirements.

The HACD will provide any family denied assistance with an opportunity for an informal review. The decision to deny assistance rests with the HACD,

C. Use of Owner Certifications for Determining Tenant Income

In order to reduce processing time, the HACD may exercise its right to use the owner's most recent family income examination if:

1. the owner's current certification for the family is no more than six (6) months old; and
2. the HACD determines that the owner certifications are acceptable after reviewing a small sample for accuracy.

If the HACD chooses to use the owner's income certification, the HACD will complete the subsequent family reexamination within one year of the date of the owner certification, not the date the HACD accepted the owner certification in lieu of conducting its own determination.

D. HACD Subsidy Standards

The HACD will issue the housing choice voucher in accordance with its normal subsidy standards, not the actual size of the unit the family is currently occupying. There is a special rule for enhanced vouchers concerning families who reside in over-sized units and wish to remain at the property. This exception only applies to enhanced voucher assistance.

The HACD will utilize the subsidy standard to calculate the maximum rent subsidy for the family. The payment standard for the family shall be the lower of:

1. the payment standard for the family unit size as determined by the HACD subsidy standards; or
2. the payment standard for the actual size of the unit rented by the family.

E. Search Time

Since these vouchers are targeted to specific families adversely affected by HUD or owner actions in HUD multifamily properties, the HACD will provide families with maximum search time that is reasonably required to locate housing.

F. Rent Reasonableness and Approval of Tenancy

All regular program requirements regarding the reasonableness of rent apply, regardless of whether the vouchers are enhanced vouchers or regular vouchers.

Reasonable rent is defined as a rent to owner that is not more than rent charged:

1. for comparable units in the private unassisted market; and
2. for comparable unassisted units in the premises.

The HACD will not approve a lease until the HACD determines that the initial rent to owner is a reasonable rent, regardless of whether the family chooses to remain in the family's current unit or move to a different unit.

If the HACD determines the proposed rent is not reasonable, the owner must lower the rent or the family will have to find another unit in order to benefit from the voucher subsidy.

The initial lease term must be for at least one year unless the HACD determines that a shorter term would improve housing opportunities for the participant and such shorter term is the prevailing local market practice.

G. Housing Quality Standards Inspections

The HACD will inspect the unit to ensure that the unit meets the normal housing quality standards even if the family is residing in a unit that was previously assisted under a Section 8 project-based contract. Under no circumstances will the HACD make housing assistance payments for any period of time prior to the date that the HACD physically inspects the unit and determines that the unit meets the housing quality standards.

H. Timing Issues Involving HAP Contract Execution and Effective Dates

The funding process for vouchers that the HACD receives from HUD is intended to result in issuance of the voucher to the family at least 60 calendar days prior to the target date of the housing

conversion action. The target date is the date that the family would be impacted by a rent increase or possible displacement as a result of the housing conversion action.

For opt-out or HUD enforcement actions, the target date is the date that the project-based HAP contract expires or is terminated. For a preservation property, the target date is the earliest date the owner may increase the rent (no earlier than 60 calendar days following the effective date of the prepayment).

Before the HACD approves a family to lease a dwelling unit with voucher assistance, the HACD shall determine that the following conditions are met:

1. the unit is eligible;
2. The unit has been inspected and passes the housing quality standards;
3. the lease includes the tenancy addendum;
4. the rent to owner is reasonable; and
5. at the time a family initially receives tenant-based regular voucher assistance for occupancy of a dwelling unit and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share (gross rent minus subsidy) must not exceed 40 percent of the family's adjusted monthly income. (The 40 percent restriction is not applicable in the case of a family assisted with enhanced voucher assistance.)

Once these conditions are met, the HACD will approve the unit for leasing.

In establishing the effective date of tenant-based HAP contracts, it is very important to make a distinction between families who choose to stay in the property and families who choose to move. The HACD will not approve a tenancy (and execute a housing choice voucher HAP contract) on behalf of a stayer (family that stays in the property) for a lease term that is effective prior to the target date of the housing conversion action. For a family that is moving, the HACD may approve a tenancy that begins before the target date, since in strong rental markets potential landlords will not hold a unit vacant.

#### I. Initial and Subsequent Use of Vouchers

All housing choice vouchers (enhanced or non-enhanced) provided in connection with housing conversion actions are special admission vouchers. Special admission vouchers differ from regular vouchers in that HUD provides the assistance with a specific family in mind. The HACD will first use the allocation to assist the families targeted for assistance. The HACD will not consider whether the family is on the housing choice voucher waiting list or the family's position on the housing choice voucher waiting list.

If a voucher issued to a family as the result of a housing conversion action turns over for any reason, the HACD will retain the voucher for use as part of its regular housing choice voucher program. In cases where an enhanced voucher turns over following initial issuance, the voucher loses its special enhanced characteristics and is subject to all normal housing choice voucher program rules.

#### J. Inapplicability of the HACD Targeting Requirement

Families admitted to the HACD's tenant-based voucher program as a result of a housing conversion action are not subject to the income targeting requirements of the tenant-based program, and their admission will not be counted in determining whether the HACD complied with the income targeting requirement.

## ***PRESERVATION PREPAYMENTS***

When the owner prepays the mortgage or voluntarily terminates the mortgage insurance of preservation eligible properties (generally Section 236 and Section 221(d)(3) properties) certain residents are eligible for enhanced voucher assistance.

### **A. Owner Prepays the Mortgage or Voluntarily Terminates the Mortgage Insurance (Preservation Prepayments)**

Tenant-based assistance is offered to eligible residents of properties covered by the Emergency Low-Income Housing Preservation Act of 1987 (ELIHPA) and the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA). (HUD's Office of Housing is responsible for identifying property eligibility under these provisions)

#### **1. Covered Prepayments**

To be considered an eligible property, the property must have reached its 20<sup>th</sup> year from final endorsement and meet one of the following criteria:

- a. Section 221(d)(3)-market rate, limited distribution properties receiving Section 8 payments converted from Rent Supplement whose project number series is 35001-36599;
- b. All Section 221(d)(3) below market interest rate properties whose project number series are 55001-55999 and 57501-57999, unless a Rent Supplement Contract remains in effect between HUD and the mortgagor;
- c. All Section 236 properties whose project number series are 44001-44799; 44801-44899; 45001-45999; and 58501-58999, unless a Rent Supplement Contract remains in effect between HUD and the mortgagor;
- d. A purchase money mortgage formerly insured under Section 221(d)(3) or 236;
- e. A mortgage held by a state agency as a result of a sale by HUD without insurance, which immediately before the sale would have been eligible low-income housing under LIHPRHA; which mortgage (1) for LIHPRHA properties is, or is within 2 years of being, eligible for prepayment by contract or regulation in effect before February 5, 1988 without HUD's prior approval; or (2) for ELIHPA properties is, or is within 1 year of being, eligible for prepayment under regulation or contract in effect before February 5, 1988; or
- f. All State-assisted properties that are eligible for preservation assistance under LIHPRHA or ELIHPA.

#### **2. Flexible Subsidy Properties**

Section 536 of the Preserving Affordable Housing for Senior Citizens and Families into the 21<sup>st</sup> Century Act provides that any property that receives or has received assistance under Section 201 of the Housing and Community Development Amendments of 1978 (the flexible subsidy program, 12 U.S.C. 1715z-1a) which is the subject of a transaction under which the property is preserved as affordable housing (as determined by HUD) shall be considered eligible low-income housing under Section 229 of LIHPRHA for purposes of eligibility of residents for enhanced tenant-based assistance. (The Office of Housing is responsible for determining on a case-by-case basis if a flexible subsidy property meets the requirements of Section 536 concerning the applicability of enhanced vouchers)

B. Families Eligible for Enhanced Voucher Assistance in Preservation Eligible Properties

The resident family must be residing in the preservation eligible property on the effective date of prepayment or voluntary termination of mortgage insurance (or the effective date of the transaction in the case of covered flexible subsidy properties), and must be income-eligible on that effective date.

1. Income Eligibility

In order to be eligible for enhanced voucher assistance, the resident must be:

- a. a low-income family (including a very low-income or extremely low income family);
- b. a moderate-income elderly or disabled family; or
- c. a moderate-income family residing in a low vacancy area (3 percent or less vacancy rate). (The HUD field office economist is responsible for determining whether the property where the owner is prepaying or voluntarily terminating the mortgage insurance is located in a low vacancy area).

A resident family who does not fall into one of those categories on the effective date of the prepayment or voluntary termination is not eligible for a voucher, regardless of whether the family's situation subsequently changes after the effective date of the prepayment.

A low-income family is a family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD.

A moderate-income family is a family whose annual income is above 80 percent but does not exceed 95 percent of the area median income as determined by HUD.

2. Unassisted and Assisted Families

Both previously unassisted and currently assisted residents may be eligible for enhanced voucher assistance as the result of a preservation prepayment.

A voucher participant who is residing in the property at the time of the eligibility event shall receive enhanced voucher assistance if the family meets all of the following conditions:

- a. the family must meet the income requirements on the date of the eligibility event;
- b. any rent increase under the voucher program must be in accordance with the lease agreement and program regulations;
- c. the new gross rent must be reasonable; and
- d. the family must decide to stay in the unit instead of moving.

Under the voucher program, an owner may increase the rent as permitted by the terms of the existing lease and local and state law, so long as the new rent is reasonable. The owner is not required by the program regulations to terminate the existing lease and HAP contract for current voucher participants to receive the special enhanced subsidy.

If the above conditions are met, the payment standard utilized by the HACD to calculate the housing assistance payment is the new gross rent of the family's unit. The enhanced



voucher minimum rent requirement now applies to the family (See Enhanced Voucher Minimum Rent Requirement for Stayers below).

Any family receiving Section 8 project-based assistance on the effective date of the prepayment will continue to receive the project-based assistance until the project-based contract expires or terminates. Such families will receive enhanced voucher assistance at the time of the expiration and non-renewal of the Section 8 project-based contract.

3. Eligibility Event and Existing Leases

Note that the eligibility event (e.g., the prepayment of the mortgage or the voluntary termination of a mortgage insurance contract for a preservation eligible property and the approval of the flexible subsidy transaction for flexible subsidy properties) does not in itself necessarily terminate or modify the existing leases between the owner and the current residents of the property. An owner may only legally increase the rent or terminate the lease as provided under the terms of the lease in accordance with state and local law. In addition, an owner may not increase the rent for at least 60 calendar days from the eligibility event in the case of a preservation prepayment or voluntary termination of the mortgage.

If an eligible family chooses to stay at the property, the HACD will not enter into a HAP contract that commences prior to the effective date of the rent increase.

In addition, a family that receives an enhanced voucher has the right to remain in the property as long as the units are used for rental housing and are otherwise eligible for housing choice voucher assistance. The owner may not terminate the tenancy of a family that exercises its right to remain except for a serious or repeated lease violation or other good cause. If an owner refuses to honor the family's right to remain, the family may exercise any judicial remedy that is available under state and/or local law.

4. Family Eligibility for Enhanced Voucher Assistance in Cases Where There Would be no Initial Housing Assistance Payment and the Family Wishes to Stay in the Property

If the HACD determines that the family is income-eligible for an enhanced voucher but that there is no HAP payment because the family's total tenant payment equals or is greater than the gross rent, the HACD will maintain a record of eligibility determination for that family. The HACD shall inform the family that should the family's income decrease or the family's rent increase within three years of the eligibility event, the family may contact the HACD. Should the HACD then determine that the change in income would result in a housing assistance payment, the HACD will execute a housing assistance payment contract on behalf of the family at such time (assuming the unit is approved for leasing in accordance with the housing choice voucher program requirements). It is the family's responsibility to contact the HACD when there is a decrease in family income or an increase in the family rent.

C. Voluntary Termination of Mortgage Insurance or Prepayment of Mortgage on Section 236 Property's Where Section 236 Rent Rules Remain Applicable (decoupling actions)

Where an owner voluntarily terminates the mortgage insurance or prepays the Section 236 mortgage in a preservation eligible Section 236 property and the rent setting requirements of the Section 236 program are still applicable to the property, the enhanced voucher rent would be no greater than the Basic Rent established in accordance with HUD Notice H 2000-8. Since families must pay at least 30 percent of their monthly adjusted income under the voucher subsidy formula, only those low-income families required to pay the basic rent will receive any voucher subsidy in such instance, unless the family chooses to move.

Regardless of the rents established under the rent formula for these properties, the rent reasonableness requirements of the housing choice voucher program must be met for the family to receive tenant-based assistance at the property. (The HUD Field Office is responsible for informing the HACD in cases where the rent setting requirements of the Section 236 program remain in effect).

D. Enhanced Voucher Family Right to Remain

The FY 2001 Military Construction and FY 2000 Emergency Supplemental Appropriations laws amended Section 8(t) of the United States Housing Act. A family that receives an enhanced voucher has the right to remain in the property as long as the units are used for rental housing and are otherwise eligible for housing choice voucher assistance (e.g., the rent is reasonable, unit meets HQS, etc.) The owner may not terminate the tenancy of a family that exercises its right to remain except for a serious or repeated lease violation or other good cause. If an owner refuses to honor the family's right to remain, the family may exercise any judicial remedy that is available under State and/or local law.

E. Characteristics of Enhanced Voucher Assistance

1. Payment Standard Where the Family Chooses to Stay in the Same Property

For a family that stays in the property, the payment standard used to calculate the voucher housing assistance payment is the gross rent (rent to owner, plus the applicable HACD utility allowance for any tenant-supplied utilities) of the family's unit (provided the proposed gross rent is reasonable), regardless of whether the gross rent exceeds the HACD payment standard.

2. Rent Reasonableness Documentation and Lease Requirements

All regular housing choice voucher program requirements concerning the reasonableness of the rent and the provisions of the HUD prescribed lease addendum apply to enhanced vouchers. The HACD will determine whether the proposed rent for the family's unit is reasonable.

The HACD makes this determination by comparing the unit to other comparable unassisted units based on the current condition of the unit. If the HACD determines the owner's proposed new rent is not reasonable, the owner must either lower the rent, or the family will have to find another unit in order to benefit from the voucher.

The special payment standard for enhanced tenant-based assistance for a family that stays in the unit sometimes results in the HACD approving a tenancy for a unit that otherwise would be ineligible or unaffordable to a family with regular tenant-based assistance. If the rent is reasonable in comparison to the rents of comparable unassisted units, there is nothing improper or incorrect in approving the owner's new rent even if the rent would not normally be affordable for a family with a regular housing choice voucher. The HACD will document the rent reasonableness of the owner's rent in the family's file by including the rents and addresses of the comparable units used to make the determination.

3. Effect of Family Unit Size Limitation - Initial Issuance

The HACD will issue the family an enhanced voucher based on its Subsidy Standards, not on the actual size of the unit the family is currently occupying. If a family is over-housed, the HACD will explain to the family their options under the existing HUD guidance as soon as possible. If the participant chooses to stay in their over-sized unit, the HACD will notify the property owner of the over-housed rules that will affect the family.

However, if the family wishes to stay in the property, but is living in an oversized unit, the enhanced voucher family must move to an appropriate size unit in the property if one is available. To the extent there are more over-housed families than appropriate size units available at any time, the HACD will determine based on family circumstances (age, frailty, etc.) which families will be required to move. The sequence which will be used to determine who shall be required to move first when there are more over-housed families than appropriate size units will be the resident who has lived there the shortest period of time will be the first to down-size. The reason for this is to avoid disruption as little as possible for the longest term residents.

If the family wishes to remain at the project with enhanced voucher assistance, and an appropriate size unit does not physically exist at the property, but a bedroom size unit is available that is smaller than the family's current unit but not smaller than the unit size for which the family qualifies under our subsidy standards, the family must move to the smaller bedroom size unit within 30 calendar days. The family and owner will enter into a new lease and the HACD will execute a new voucher HAP contract with the owner for the smaller bedroom size unit. The enhanced voucher subsidy calculation will be based on the gross rent for the smaller bedroom size unit.

If there is no appropriate size unit currently available for the family in the project, the HACD will execute a voucher HAP contract on behalf of the family for the oversized unit, provided the rent is reasonable and the unit complies with all other voucher program requirements such as the housing quality standards. The enhanced voucher housing subsidy calculation will be based on the gross rent for the oversized unit. The subsidy calculation will continue to be based on the gross rent (including subsequent rent increases) for the oversized unit<sup>1</sup> until an appropriate size unit in the project becomes available for occupancy by the family.

If an appropriate size unit is not initially available for an over-housed family, the owner must immediately inform the HACD and the family when an appropriate size unit will become available in the project. The owner is subject to possible financial penalties or other enforcement actions if the owner fails to notify the HACD immediately. If the HACD learns of available units at the property for which the owner failed to notify the HACD, the Authority will report such information to HUD by sending an email to [OverhousedEVs@hud.gov](mailto:OverhousedEVs@hud.gov) with the subject line Over-housed Enhanced Voucher Families. Within the email, the HACD will provide the following: PHA code; name and address of the property; the name of the property owner if known; the approximate date the appropriate size units became available; and whether the units are currently leased to market rate or voucher families. The HACD will also copy the relevant local HUD Office of Public Housing (PH) Director on the email.

When an appropriate size unit becomes available, the enhanced voucher family residing in the oversized unit must move to the appropriate size unit in no more than 30 calendar days to continue to receive enhanced voucher assistance. The family and owner will enter into a new lease and the housing authority will execute a new voucher HAP contract with the owner for the appropriate size unit. The enhanced voucher subsidy calculation is based on the gross rent for the appropriate size unit.

If an over-housed enhanced voucher family refuses to move to the appropriate size unit, the HACD will recalculate the family's housing assistance payment for the oversized unit based on the normally applicable voucher subsidy formula using the applicable payment standard established by the HACD for its voucher program. The family will be responsible for any amount of the gross rent not covered by the housing assistance payment.

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<sup>1</sup> This is assuming the unit remains under the voucher HAP contract and all program requirements (such as rent reasonableness) continue to be met.

The effective date of the housing assistance payment contract for the oversized unit will not be earlier than the expiration date of the term of the family voucher. The family will be responsible for the full rent of the unit prior to the effective date of the housing assistance payment contract.

The payment standard is the gross rent of the oversized unit.

If the HACD determines that the unit of an enhanced voucher family is no longer decent, safe, and sanitary under the HQS requirements because an increase or decrease in family size causes the unit to be overcrowded or over-housed, the family must move to an appropriate size unit in the property when it is or becomes available. The HACD will assist the family in locating other standard housing in the HACD jurisdiction. The family and the HACD will try to find an acceptable unit as soon as possible. If the family rejects, without good cause, the offer of a unit that the HACD judges to be acceptable, the HACD will terminate the HAP contract.

If the family moves to an appropriate size unit in the property, the enhanced voucher subsidy rules would continue to apply to the family's voucher assistance. In the case of a family move from the property, the regular housing choice voucher program rules apply.

If over-housed families exist in a property, the HACD will constantly monitor the availability of appropriate size units. The HACD will be in touch with the owner at least quarterly and will maintain a written record of these contacts.

When a participant is required to relocate to an appropriate size unit within 30 calendar days, this deadline can be extended an additional 30 calendar days at the sole discretion of the HACD if it decides that the 30 calendar day deadline creates an extreme hardship for the participant. In order to request an extension, the family must request the extension in writing to the HACD prior to end of the initial 30 calendar day deadline. The request must detail the reason the extension is being requested and why failing to receive it would be an extreme hardship. The financial cost of failing to receive the housing subsidy is not to be considered an extreme hardship. The HACD will respond to the request within 72 working hours of receipt of the request. If the request is denied, the denial can be appealed to the HACD Executive Director if a written appeal is filed with the Authority within 48 working hours of receipt of the denial. The Executive Director's decision shall be final.

4. Family Move: Normal Payment Standard is Applicable

The HACD's normal payment standard is utilized to determine the family's maximum voucher subsidy when the family moves from the property. This includes cases where the proposed new rent for the family's current unit if it is not reasonable or the unit fails HQS, requiring the family to move in order to continue receiving tenant-based assistance.

5. Enhanced Voucher Minimum Rent Requirement for Stayers

Families assisted with enhanced housing choice voucher assistance have a special statutory minimum rent requirement. The law requires that a family receiving enhanced voucher assistance must pay for rent no less than the rent the family was paying on the date of the eligibility event (the effective date of the prepayment of the mortgage or voluntary termination of the mortgage insurance) regardless of what happens to the family's income.

The enhanced voucher minimum rent only applies if the family remains in the property. The enhanced voucher minimum rent does not apply if the family moves from the property.

The method for calculating the minimum rent changes if the family's income subsequently decreases to a significant extent (15% or more) from the family's gross income on the effective date of the prepayment. Guidance on recalculating the minimum rent in cases when a family's income significantly decreases is discussed in detail in number 6 below.

a. Previously Unassisted Residents Rent Requirement

Previously unassisted residents must pay at least the dollar amount of the gross rent (enhanced voucher minimum rent) the family was paying on the date of prepayment or voluntary termination. The HACD's utility allowance will be used to calculate the gross rent at prepayment if all utilities were not included in the rent the family paid to the owner.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the normal initial family contribution is not applicable.

b. Previously assisted Section 8 Tenant-based Families Rent Requirement

Residents assisted with Section 8 tenant-based vouchers at the time of a prepayment or voluntary termination by the owner will pay at least the family share (enhanced voucher minimum rent) that they were paying on eligibility event. The enhanced minimum rent provision only applies if the family chooses to remain in its present unit and receive the "enhanced" subsidy.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the normal initial family contribution is not applicable.

6. Significant Decline in Family Income - Effect on Enhance Voucher Minimum Rent

If an enhanced voucher family suffers a significant decline in family income, the minimum family share required of the family shall be reduced below the enhanced minimum rent provision so that the percentage of income for rent does not exceed the greater of 30 percent or the percentage of monthly adjusted income actually paid by the family for rent (the rent to owner, plus tenant-paid utilities) on the effective date of the prepayment. A significant decline is defined as gross family income that is at least 15 percent less than the gross family income on the date of the eligibility event.

If the family suffers a significant decline in family income, the HACD will change the enhanced voucher minimum rent from an actual dollar amount to a specific percentage of income.

a. Previously Unassisted Families

For eligible families who were previously unassisted on the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

- i. the percentage of the monthly adjusted income the family paid for gross rent on the effective date of the eligibility event; or
- ii. 30 percent of the family's current adjusted monthly income.

b. Previously assisted Section 8 Tenant-based Families

For families who were previously assisted under a project-based or tenant-based contract on day the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

- i. the percentage of the monthly adjusted income the family paid for gross rent;
- ii. the Total Tenant Payment;
- iii. the family share represented on the effective date of the eligibility event; or
- iv. 30 percent of the family's current adjusted monthly income.

The new enhanced voucher minimum rent for these families is a percentage of income as opposed to a specific dollar amount. Once this change in the enhanced voucher minimum rent becomes effective for a family, the enhanced voucher minimum rent for the family normally remains that specific percentage of income and will not revert to a specific dollar amount, even if the family income subsequently increases or decreases unless it increases or decreases by a significant amount.

When a family reports a significant decrease in family income, the HACD will conduct an interim reexamination and verify the changes in income.

The minimum rent represents the lowest amount the family may pay as their family share for as long as the family remains in the property. A family may pay no less than the enhanced voucher minimum rent. Depending on the circumstances, the family may have to pay more than the enhanced voucher minimum rent at the time of eligibility event.

If there is a significant decline in a family's income, their rent is recalculated as the percentage of adjusted monthly income calculated at the time of the eligibility event or the family's TTP, whichever is higher. Conversely, if there is a significant increase in income, the participant's rent is the lower of the percentage of adjusted monthly income calculated at the time of the eligibility event or the original Enhanced Voucher minimum rent. Notice PIH 2019-12 sets forth examples.

7. Calculating the HAP for Enhanced Voucher Assistance

Regardless of whether the owner's new gross rent after the eligibility event exceeds or is less than the HACD's payment standard, the housing assistance payment for a family that stays in their present unit (or moves from an oversized unit to an appropriate size unit within the property) is the following:

The gross rent for the unit minus the greatest of:

- a. 30 percent of the adjusted family income;
  - i. 10 percent of the family monthly income (gross monthly income);
  - ii. the welfare rent in as-paid states;

- iii. the enhanced voucher minimum rent; or
- iv. the HACD's minimum rent.

8. Movers from the Property

If a resident decides to move from the property with the voucher assistance, the payment standard is not enhanced and the special voucher minimum rent does not apply. This applies both to families who decide to move when the eligibility event takes place and to families who have resided at the property after the eligibility event and want to move with continued assistance. In either circumstance, the housing assistance payment and the family share at the new unit are calculated in accordance with the regular rules of the housing choice voucher program.

F. Administering Enhanced Voucher Assistance

The special conditions of enhanced voucher assistance (enhanced voucher minimum rent and the special payment standard rules) are applicable for as long as the family receives voucher assistance in the property.

If an owner subsequently raises the rent for an enhanced voucher family in accordance with the lease, State and local law, and voucher program regulations (including rent reasonableness), the HACD will utilize the new gross rent to calculate the voucher HAP payment for the family.

The HACD shall identify an eligible family as an enhanced voucher family even if the gross rent of the family's unit does not currently exceed the normally applicable HACD payment standard. Since the enhanced payment standard rule also covers any subsequent rent increases, it is possible that the special payment standard may come into play later in the family's tenancy. An enhanced voucher family is also required by law to pay no less than the enhanced voucher minimum rent, regardless of whether the gross rent exceeds the normally applicable HACD payment standards.

1. Enhanced Voucher Minimum Rent

The enhanced voucher minimum rent requirement remains in effect for all families who receive enhanced voucher assistance for as long as they remain in the property.

2. The payment standard used to calculate the family subsidy will continue to be enhanced to match the gross rent for the unit if the gross rent exceeds the normally applicable payment standard and the HACD determines the rent is reasonable for as long as the enhanced voucher family continues to reside in the same property.

If the owner raises the rent for a family assisted with an enhanced voucher in accordance with the lease, State and local law, and voucher program regulations, the HACD will increase the enhanced payment standard to equal the new gross rent (rent to owner and the applicable HACD utility allowance for any tenant-supplied utilities) for the unit provided the HACD determines the rent is reasonable. The additional cost of the subsidy will be covered through the regular renewal process for the HACD's voucher program.

If a change in the HACD's utility allowance (either an increase or decrease) affects the gross rent for a family assisted with an enhanced voucher, the HACD will adjust the enhanced payment standard accordingly. The enhanced payment standard may never exceed the gross rent for the assisted family's unit.

## ***OWNER OPT-OUTS***

If an owner opts-out or elects not to renew an expiring contract for project-based assistance, HUD will make enhanced voucher authority available to the HACD for eligible families covered by the expiring contract.

### **A. Covered Opt-outs**

The property must be covered in whole or in part by a contract for project-based assistance, and consist of more than four dwelling units under one of the following programs:

1. The new construction or substantial rehabilitation program under Section 8(b)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1983);
2. The property disposition program under Section 8(b) of the United States Housing Act of 1937;
3. The loan management assistance program under Section 8(b) of the United States Housing Act of 1937;
4. The rent supplement program under Section 101 of the Housing and Urban Development Act of 1965, provided that at the same time there is also a Section 8 project-based contract at the same property that is expiring or terminating and will not be renewed;
5. Section 8 of the United States Housing Act of 1937, following conversion from assistance under Section 101 of the Housing and Urban Development Act of 1965; or
6. The moderate rehabilitation program under Section 8(e)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1991).

Note that an owner may not choose to opt-out of a rent supplement contract. Instead, the rent supplement assistance ends either at the end of the term of the contract (generally 40 years after the first rent supplement payment was made) or when the mortgage terminates, depending on which event occurs first.

In addition, although families affected by Section 8 moderate rehabilitation opt-outs are eligible for enhanced vouchers that are subject to enhanced vouchers rules, these opt-outs are not considered a housing conversion action because the expiring contract is between the owner and the HACD. The Housing Authority is not eligible to receive the special fee for extraordinary administrative costs and the specific funding process instructions do not apply to an owner's decision to not renew an expiring Section 8 moderate rehabilitation contract.

### **B. Family Eligibility for Enhanced Vouchers as a Result of an Owner Opt-out**

In order to be eligible for enhanced voucher assistance, the resident must be:

1. A low-income family (including a very low or extremely low income family); and
2. Residing in a unit covered by the expiring Section 8 project-based contract on the date of expiration.

In the case of the expiration of a covered Section 8 contract under 515(c) of MAHRA only (mark-to-market restructuring where the Section 8 project-based assistance contract is converted to tenant-based assistance), all families assisted under the expiring contract are considered income-eligible for enhanced voucher assistance.



C. Special Income Eligibility Rules for Opt-out Families in Properties Where a Preservation Prepayment Preceded the Owner Opt-out

If the owner opt-out of the Section 8 project-based contract occurs after the owner has prepaid the mortgage or voluntarily terminated the mortgage insurance of a preservation eligible property, families who do not meet the definition of a low-income family may still be eligible to receive an enhanced voucher. In order to be eligible, the family must:

1. Reside in a unit covered by the expiring contract on the date of expiration;
2. Have also resided in the property on the effective date of the prepayment; and
3. Meet the income requirements for enhanced voucher eligibility for residents affected by a preservation prepayment described below.

To determine family eligibility in this circumstance, the HACD will first determine income eligibility of the family based on the normal eligibility rules for opt-outs. For a family that is found not to be low-income, the HACD will then make a determination of whether the family lived in the property on the date of the prepayment. If the family resided in the property on the date of prepayment, the HACD will then determine if the family is income-eligible under the preservation prepayment rules.

1. Income Requirements for Enhanced Voucher Eligibility for Residents Affected by a Preservation Prepayment

In order to be eligible for enhanced voucher assistance, the resident must be either:

- i. A low-income family (including a very low or extremely low income family);
- ii. A moderate-income elderly or disabled family; or
- iii. A moderate-income family residing in a low vacancy area (3 percent or less vacancy rate). (The HUD field office economist is responsible for determining whether the property where the owner is prepaying or voluntarily terminating the mortgage insurance is located in a low vacancy area).

A low-income family is a family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD.

A moderate-income family is a family whose annual income is above 80 percent but does not exceed 95 percent of the area median income as determined by HUD.

If the family meets the preservation income requirement, the HACD will issue the family an enhanced voucher by virtue of the preservation prepayment out of the opt-out voucher allocation received from HUD.

A resident family who does not fall into one of those categories on the effective date of the prepayment or voluntary termination is not eligible for an enhanced voucher, regardless of whether the family's situation subsequently changes after the effective date of the prepayment.

D. Family Eligibility for Enhanced Voucher Assistance in Cases Where There Would be no Initial Housing Assistance Payment and the Family Wishes to Stay in the Property

If the HACD determines that the family is income-eligible for an enhanced voucher but that there is no HAP payment because the family's total tenant payment equals or is greater than the gross rent, the HACD will maintain a record of eligibility determination for that family. The HACD will inform

the family that should the family's income decrease or the family's rent increase within three years of the eligibility event, the family may contact the HACD. Should the HACD then determine that the change in income would result in a housing assistance payment, the HACD will execute a housing assistance payment contract on behalf of the family at such time (assuming the unit is approved for leasing in accordance with the housing choice voucher program requirements). It is the family's responsibility to contact the HACD when there is a decrease in family income or an increase in the family rent.

E. Enhanced Voucher Family Right to Remain

The FY 2001 Military Construction and FY 2000 Emergency Supplemental Appropriations laws amended Section 8(t) of the United States Housing Act. A family that receives an enhanced voucher has the right to remain in the property as long as the units are used for rental housing and are otherwise eligible for housing choice voucher assistance (e.g., the rent is reasonable, unit meet HQS, etc.) The owner may not terminate the tenancy of a family that exercises its right to remain except for a serious or repeated lease violation or other good cause. If an owner refuses to honor the family's right to remain, the family may exercise any judicial remedy that is available under State and/or local law.

F. Characteristics of Enhanced Voucher Assistance

1. Payment Standard Where the Family Chooses to Stay in the Same Property

For a family that stays in the property, the payment standard used to calculate the voucher housing assistance payment is the gross rent (rent to owner, plus the applicable HACD utility allowance for any tenant-supplied utilities) of the family's unit (provided the proposed gross rent is reasonable), regardless of whether the gross rent exceeds the HACD normal payment standard.

2. Rent Reasonableness Documentation and Lease Requirements

All regular housing choice voucher program requirements concerning the reasonableness of the rent and the provisions of the HUD prescribed lease addendum apply to enhanced vouchers. The HACD will determine whether the proposed rent for the family's unit is reasonable.

The HACD makes this determination by comparing the unit to other comparable unassisted units based on the current condition of the unit. If the HACD determines the owner's proposed new rent is not reasonable, the owner must either lower the rent, or the family will have to find another unit in order to benefit from the voucher.

The special payment standard for enhanced tenant-based assistance for a family that stays in the unit sometimes results in the HACD approving a tenancy for a unit that otherwise would be ineligible or unaffordable to a family with regular tenant-based assistance. If the rent is reasonable in comparison to the rents of comparable unassisted units, there is nothing improper or incorrect in approving the owner's new rent even if the rent would not normally be affordable for a family with a regular housing choice voucher. The HACD will document the rent reasonableness of the owner's rent in the family's file by including the rents and addresses of the comparable units used to make the determination.

3. Effect of Family Unit Size Limitation - Initial Issuance

The HACD will issue the family an enhanced voucher based on its Subsidy Standards, not on the actual size of the unit the family is currently occupying. However, if the family wishes to stay in the property, but is living in an oversized unit, the enhanced voucher family must move to an appropriate size unit in the property if one is available. To the

extent there are more over-housed families than appropriate size units available at any time, the HACD will determine based on family circumstances (age, frailty, etc.) which families will be required to move.

If there is no appropriate size unit currently available in the property, a family must make a good faith attempt to find a unit outside the property. In order to determine if the family has made a good faith effort, the HACD will require the family to submit a list of potential units by address, the landlords name and telephone number.

If the family has not located an eligible unit at the end of the term of the voucher (including any extension granted by the HACD) despite making a good faith effort, the HACD will execute a housing assistance payment contract for the family's current unit, provided the unit complies with housing quality standards and the proposed rent is determined to be reasonable.

The effective date of the housing assistance payment contract for the oversized unit will not be earlier than the expiration date of the term of the family voucher. The family will be responsible for the full rent of the unit prior to the effective date of the housing assistance payment contract.

The payment standard is the gross rent of the oversized unit. The HACD will advise the family in writing that the enhanced subsidy based on the oversized unit's rent will only be paid for one year. During that year, the family may move to an appropriate size unit in the property if one becomes available and the owner agrees to mutually terminate the lease agreement for the oversized unit. The family would receive the special payment standard for the appropriate size unit if the family moves to the appropriate size unit under this circumstance.

After the initial year of assistance in the oversized unit, the HACD will apply the normal payment standard in determining the family's housing assistance payment. If the family wishes to remain in the unit and do so under regular housing choice voucher program rules, the family will have to pay the additional cost for the oversized unit out-of-pocket.

If the HACD determines that the unit of an enhanced voucher family is no longer decent, safe, and sanitary under the HQS requirements because of an increase in family size that causes the unit to be overcrowded, the family must move to an appropriate size unit in the property or move to another unit not located at the property to continue to receive housing choice voucher assistance. The HACD is required to assist the family in locating other standard housing in the HACD jurisdiction. The family and the HACD will try to find an acceptable unit as soon as possible. If the family rejects, without good cause, the offer of a unit that the HACD judges to be acceptable, the HACD will terminate the HAP contract.

If the family moves to an appropriate size unit in the property, the enhanced voucher subsidy rules would continue to apply to the family's voucher assistance. In the case of a family move from the property, the regular housing choice voucher program rules apply.

4. Family Move: Normal Payment Standard is Applicable

The HACD's normal payment standard is utilized to determine the family's maximum voucher subsidy when the family moves from the property. This includes cases where the proposed new rent for the family's current unit is not reasonable or the unit fails HQS, requiring the family to move in order to continue receiving tenant-based assistance.

5. Enhanced Voucher Minimum Rent Requirement for Stayers

Families assisted with enhanced housing choice voucher assistance have a special statutory minimum rent requirement. The law requires that a family receiving enhanced voucher assistance must pay for rent no less than the rent the family was paying on the date of the eligibility event (the effective date of the prepayment of the mortgage or voluntary termination of the mortgage insurance).

The enhanced voucher minimum rent only applies if the family remains in the property. The enhanced voucher minimum rent does not apply if the family moves from the property.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the initial family contribution is not applicable.

a. Previously Unassisted Residents Rent Requirement

Previously unassisted residents must pay at least the dollar amount of the gross rent (enhanced voucher minimum rent) the family was paying on the date of prepayment or voluntary termination. The HACD's utility allowance is used to calculate the gross rent at prepayment if all utilities were not included in the rent the family paid to the owner.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the initial family contribution is not applicable.

b. Previously assisted Section 8 Tenant-based Families Rent Requirement

Residents assisted with Section 8 tenant-based vouchers at the time of the prepayment or voluntary termination the family will pay at least the family share (enhanced voucher minimum rent) that they were paying on eligibility event. The enhanced minimum rent provision only applies if the family chooses to remain in its present unit and receive the "enhanced" subsidy.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the initial family contribution is not applicable.

6. Significant Decline in Family Income - Effect on Enhance Voucher Minimum Rent

If an enhanced voucher family suffers a significant decline in family income, the minimum family share required of the family shall be reduced so that the percentage of income for rent does not exceed the greater of 30 percent or the percentage of monthly adjusted income actually paid by the family for rent (the rent to owner, plus tenant-paid utilities) on the effective date of the prepayment. A significant decline is defined as gross family income decline of at least 15 percent from the gross family income on the date of the eligibility event.

If the family suffers a significant decline in family income, the HACD will change the enhanced voucher minimum rent from an actual dollar amount to a specific percentage of income.

a. Previously Unassisted Families

For families who were previously unassisted on the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

- i. The percentage of the monthly adjusted income the family paid for gross rent on the effective date of the eligibility event; or
- ii. 30 percent of the family's current adjusted monthly income.

b. Previously assisted Section 8 Tenant-based Families

For families who were previously assisted under the Section 8 tenant-based voucher program on the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

- i. The percentage of the monthly adjusted income the family paid for gross rent;
- ii. The Total Tenant Payment;
- iii. The family share represented on the effective date of the eligibility event; or
- iv. 30 percent of the family's current adjusted monthly income.

The new enhanced voucher minimum rent for these families is a percentage of income as opposed to a specific dollar amount. Once this change in the enhanced voucher minimum rent becomes effective for a family, the enhanced voucher minimum rent for the family remains that specific percentage of income and will not revert to a specific dollar amount, even if the family income subsequently increases or decreases.

When a family reports a significant decrease in family income, the HACD will conduct an interim reexamination and verify the changes in income.

The minimum rent represents the lowest amount the family may pay as their family share for as long as the family remains in the property. A family may pay no less than the enhanced voucher minimum rent. Depending on the circumstances, the family may have to pay more than the enhanced voucher minimum rent at the time of eligibility event.

7. Calculating HAP for Enhanced Voucher Assistance

Regardless of whether the owner's new gross rent after the eligibility event exceeds or is less than the HACD's payment standard, the housing assistance payment for a family that stays in their present unit (or moves from an oversized unit to an appropriate size unit within the property) is the following:

The gross rent for the unit minus the greatest of:

- a. 30 percent of the adjusted family income;
- b. 10 percent of the family monthly income (gross monthly income);

- c. The welfare rent in as-paid states;
- d. The enhanced voucher minimum rent; or
- e. The HACD's minimum rent.

8. Movers from the Property

If a resident decides to move from the property with voucher assistance, the payment standard is not enhanced and the voucher minimum rent does not apply. This pertains to families who decide to move when the eligibility event takes place, and to families who have resided at the property after the eligibility event and want to move with continued assistance. In either circumstance, the housing assistance payment and the family share at the new unit are calculated in accordance with the regular rules of the housing choice voucher program.

G. Administering Enhanced Voucher Assistance

The special conditions of enhanced voucher assistance (enhanced voucher minimum rent and the special payment standard rules) are applicable for as long as the family receives voucher assistance in the property.

If an owner subsequently raises the rent for an enhanced voucher family in accordance with the lease, State and local law, and voucher program regulations (including rent reasonableness), the HACD will utilize the new gross rent to calculate the voucher HAP payment for the family.

The HACD will identify an eligible family as an enhanced voucher family even if the gross rent of the family's unit does not currently exceed the normally applicable HACD payment standard. Since the enhanced payment standard rule also covers any subsequent rent increases, it is possible that the special payment standard may come into play later in the family's tenancy. An enhanced voucher family is also required by law to pay no less than the enhanced voucher minimum rent, regardless of whether the gross rent exceeds the normally applicable HACD payment standards.

1. Enhanced Voucher Minimum Rent

The enhanced voucher minimum rent requirement remains in effect for all families who receive enhanced voucher assistance and remain at the property.

2. The payment standard used to calculate the family subsidy will continue to be enhanced to match the gross rent for the unit if the gross rent exceeds the normally applicable payment standard and the HACD determines the rent is reasonable for as long as the enhanced voucher family continues to reside in the same property.

If the owner raises the rent for a family assisted with an enhanced voucher in accordance with the lease, State and local law, and voucher program regulations, the HACD will increase the enhanced payment standard to equal the new gross rent (rent to owner and the applicable HACD utility allowance for any tenant-supplied utilities) for the unit provided the HACD determines the rent is reasonable. The additional cost of the subsidy will be covered through the regular renewal process for the HACD's voucher program.

If a change in the HACD's utility allowance (either an increase or decrease) affects the gross rent for a family assisted with an enhanced voucher, the HACD will adjust the enhanced payment standard accordingly. The enhanced payment standard may never exceed the gross rent for the assisted family's unit.

### ***HUD ENFORCEMENT ACTIONS***

HUD enforcement actions can take the form of either terminating a Section 8 project-based HAP contract or not offering the owner the option to renew an expiring Section 8 project-based HAP contract due to an owner's failure to comply with the terms of the HAP contract. It includes suspensions and debarments.

Additionally, HUD enforcement actions may also result from material adverse financial or managerial actions or omissions that lead to either an owner default under a FHA-insured mortgage (monetary or technical) or a documented material violation of one or more of the obligations under the property's Regulatory Agreement.

Eligible families are usually assisted with regular vouchers that HUD issues to the HACD in the above circumstances because families must move to receive housing choice voucher assistance.

The HACD will not approve an assisted tenancy at a property if HUD has informed the HACD that the owner is debarred, suspended, or subject to a limited denial of participation.

Furthermore, the HACD may disapprove owner participation in the housing choice voucher program for a number of other grounds described in the housing choice voucher program regulations and previously set forth in this Administrative Plan. HUD encourages the HACD to disapprove a tenancy for any of these grounds in a case where vouchers are provided because HUD is taking an enforcement action against an owner.

In a few situations, families assisted under a Section 8 project-based HAP contract that is being terminated may be able to remain at the property. For instance, if the property is in good physical condition and the owner decides to turn the property over to new ownership, it may be possible for the eligible families assisted under the terminating contract to receive housing choice voucher assistance at the property. In such a case, the project-based families would qualify for enhanced vouchers. (HUD will make the determination whether enhanced or regular voucher assistance is appropriate.)

### ***HUD PROPERTY DISPOSITION***

When HUD is selling the property at a foreclosure sale, or is the mortgagee-in-possession or owner of the multifamily property due to an owner default of an FHA-insured mortgage and closing down the property or selling property to a new owner, it will supply regular housing choice vouchers to assist eligible low-income families.

## PROGRAM INTEGRITY ADDENDUM

[24 CFR 792.101 to 792.204, 982.54]

***INSTRUCTION:** PHAs vary widely in the resources they commit to the prevention, detection and disposition of tenant fraud and other types of program abuse. Because of this, you should view this chapter as a menu from which to select and **build** the policies which best match your resources.*

*Regardless of resources, however, the PHA should establish procedures for how allegations of fraud or abuse will be reviewed and processed.*

### INTRODUCTION

The US Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental assistance than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits which exceed their legal entitlement.

The PHA is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach only income-eligible families so that program integrity can be maintained.

The PHA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This chapter outlines the PHA's policies for the prevention, detection and investigation of program abuse and fraud.



## **A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD**

Under no circumstances will the PHA undertake an inquiry or an audit of a participating family arbitrarily. The PHA's expectation is that participating families will comply with HUD requirements, provisions of the voucher, and other program rules. The PHA staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, the PHA has a responsibility to HUD, to the Community, and to eligible families in need of housing assistance, to monitor participants and owners for compliance and, when indicators of possible abuse come to the PHA's attention, to investigate such claims.

The PHA will initiate an investigation of a participating family only in the event of one or more of the following circumstances:

**Referrals, Complaints, or Tips.** The PHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.

**Internal File Review.** A follow-up will be made if PHA staff discovers (as a function of a certification or recertification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, the PHA's knowledge of the family, or is discrepant with statements made by the family.

**Verification of Documentation.** A follow-up will be made if the PHA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information or credit bureau reports, reports from other agencies).

## **B. STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD**

The PHA management and staff will utilize various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participating families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

***Things You Should Know.*** This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify the PHA's expectations for cooperation and compliance.

**Program Orientation Session.** Mandatory orientation sessions will be conducted by the PHA staff for all prospective program participants, either prior to or upon issuance of a voucher. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Program Briefing Certificate" to confirm that all rules and pertinent regulations were explained to them.

**Resident Counseling.** The PHA will routinely provide participant counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.

**Review and explanation of Forms.** Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

**Use of Instructive Signs and Warnings.** Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse

**Participant Certification.** All family representatives will be required to sign a "Participant Certification" form, as contained in HUD's Participant Integrity Program Manual.

### **C. STEPS THE PHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD**

The PHA Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

**Quality Control File Reviews.** Prior to initial certification, and at the completion of all subsequent recertifications, [10 % of files] will be reviewed. Such reviews shall include, but are not limited to:

- \* **Assurance that verification of all income and deductions is present.**
- \* **Changes in reported Social Security Numbers or dates of birth.**
- \* **Authenticity of file documents.**
- \* **Ratio between reported income and expenditures.**
- \* **Review of signatures for consistency with previously signed file documents.**
- \* **All forms are correctly dated and signed.**

**Observation.** The PHA Management and Occupancy Staff (to include inspection personnel) will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

- \* **Observations will be documented in the family's file.**

**Public Record Bulletins** may be reviewed by Management and Staff.

**State Wage Data Record Keepers.** Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits

**Credit Bureau Inquiries.** Credit Bureau inquiries may be made (with proper authorization by the participant) in the following circumstances:

- \* **At the time of final eligibility determination**
- \* **When an allegation is received by the PHA wherein unreported income sources are disclosed.**
- \* **When a participant's expenditures exceed his/her reported income, and no plausible explanation is given.**

### **D. THE PHA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD**

The PHA staff will encourage all participating families to report suspected abuse to **[caseworker]**. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the participant's file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The **[PHA]** will not follow up on allegations which are vague or otherwise non-specific. They will only review allegations which contain one or more independently verifiable facts.

**File Review.** An internal file review will be conducted to determine:

If the subject of the allegation is a client of the PHA and, if so, to determine whether or not the information reported has been previously disclosed by the family.

It will then be determined if the PHA is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

**Conclusion of Preliminary Review.** If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the **[caseworker]** will initiate an investigation to determine if the allegation is true or false.

#### **E. OVERPAYMENTS TO OWNERS**

**\* If the landlord has been overpaid as a result of fraud, misrepresentation or violation of the Contract, the PHA may terminate the Contract and arrange for restitution to the PHA and/or family as appropriate.**

**\* The PHA will make every effort to recover any overpayments made as a result of landlord fraud or abuse. Payments otherwise due to the owner may be debited in order to repay the PHA or the tenant, as applicable.**

**F. HOW THE PHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD**

If the PHA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file, or a person designated by the Executive Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the PHA will secure the written authorization from the program participant for the release of information.

\* **Credit Bureau Inquiries.** In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity that conflicts with the reported income of the family.

\* **Employers and Ex-Employers.** Employers or ex-employers may be contacted to verify wages which may have been previously undisclosed or misreported.

\* **Neighbors/Witnesses.** Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the PHA's review.

\* **Other Agencies.** Investigators, case workers or representatives of other benefit agencies may be contacted.

\* **Public Records.** If relevant, the PHA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

\* **Hearings with Head of Household or Family Members.** The PHA will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate PHA office. A high standard of courtesy and professionalism will be maintained by the PHA staff person who conducts such hearings. Under no circumstances will inflammatory language, accusation, or any unprofessional conduct or language be tolerated by the management. If possible, an additional staff person will attend such hearings.

**G. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE PHA**

Documents and other evidence obtained by the PHA during the course of an investigation will be considered "work product" and will either be kept in the participant's file, or in a separate "work file." In either case, the participant's file or work file shall be kept in a locked file cabinet. Such cases under review will not be discussed among PHA Staff unless they are involved in the process, or have information which may assist in the investigation.

**H. CONCLUSION OF THE PHA'S INVESTIGATIVE REVIEW**

At the conclusion of the investigative review, the reviewer will report the findings to the Executive Director or designee. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

**I. EVALUATION OF THE FINDINGS**

If it is determined that a program violation has occurred, the PHA will review the facts to determine:

The type of violation (procedural, non-compliance, fraud).

Whether the violation was intentional or unintentional.

What amount of money (if any) is owed by the family.

If the family is eligible for continued occupancy.

**J. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED**

Once a program violation has been documented, the PHA will propose the most appropriate remedy based upon the type and severity of the violation.

1. **Procedural Non-compliance.** This category applies when the family "fails to" observe a procedure or requirement of the PHA, but does not misrepresent a material fact, and there is no retroactive assistance payments owed by the family.

Examples of non-compliance violations are:

Failure to appear at a pre-scheduled appointment.

Failure to return verification in time period specified by the PHA.

- (a) **Warning Notice to the Family.** In such cases a notice will be sent to the family which contains the following:

- \* **A description of the non-compliance and the procedure, policy or obligation which was violated.**

- \* **The date by which the violation must be corrected, or the procedure complied with.**

- \* **The action which will be taken by the PHA if the procedure or obligation is not complied with by the date specified by the PHA.**

- \* **The consequences of repeated (similar) violations.**

2. **Procedural Non-compliance - Overpaid Assistance.** When the family owes money to the PHA for failure to report changes in income or assets, the PHA will issue a Notification of Overpayment of Assistance. This Notice will contain the following:

- A description of the violation and the date(s).

- Any amounts owed to the PHA.

- A **[fourteen]** day response period.

The right to disagree and to request an informal hearing with instructions for the request of such hearing.

- (a) Participant Fails to Comply with PHA's Notice. If the Participant fails to comply with the PHA's notice, and a family obligation has been violated, the PHA will initiate termination of assistance.
- (b) Participant Complies with PHA's Notice. When a family complies the PHA's notice, the staff person responsible will meet with him/her to discuss and explain the Family Obligation or program rule which was violated. The staff person will complete a Participant Counseling Report, give one copy to the family and retain a copy in the family's file.

**3. Intentional Misrepresentations.** When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the PHA, the PHA will evaluate whether or not:

The participant had knowledge that his/her actions were wrong, and

The participant willfully violated the family obligations or the law.

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various certification, briefing certificate, Personal Declaration and Things You Should Know are adequate to establish knowledge of wrong-doing.

The participant willfully violated the law. Any of the following circumstances will be considered adequate to demonstrate willful intent:

- (a) An admission by the participant of the misrepresentation.
- (b) That the act was done repeatedly.
- (c) If a false name or Social Security Number was used.
- (d) If there were admissions to others of the illegal action or omission.
- (e) That the participant omitted material facts which were known to him/her (e.g., employment of self or other household member).
- (f) That the participant falsified, forged or altered documents.
- (g) That the participant uttered and certified to statements at a interim (re)determination which were later independently verified to be false.



4. **Dispositions of Cases Involving Misrepresentations.** In all cases of misrepresentations involving efforts to recover monies owed, the PHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

(a) Criminal Prosecution: If the PHA has established criminal intent, and the case meets the criteria for prosecution, the PHA will:

\* **Refer the case to the local State or District Attorney, notify HUD's RIGI, and terminate rental assistance.**

\* **Refer the case to HUD's RIGI, and terminate rental assistance.**

(b) Administrative Remedies: The PHA will:

\* **Terminate assistance and demand payment of restitution in full.**

\* **Terminate assistance and execute an administrative repayment agreement in accordance with the PHA's Repayment Policy.**

\* **Terminate assistance and pursue restitution through civil litigation.**

\* **Continue assistance at the correct level upon repayment of restitution in full [thirty] days.**

Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the PHA's repayment policy.

Reserved

# Project-Based Housing Vouchers

## Table of Contents

<b>Project-Based Housing Vouchers</b> .....	<b>1</b>
<b>Selection of Properties to Project-Base</b> .....	<b>2</b>
Selection Policy .....	2
Requirements for Selection of Project-Base Housing.....	4
<b>Housing Quality Standards</b> .....	<b>12</b>
Inspecting Units .....	12
Pre-HAP Contract Inspections.....	13
Turnover Inspections .....	13
Annual Inspections.....	13
Other Inspections.....	13
Inspecting HACD Owned Units.....	13
<b>Requirements for Rehabilitated and Newly Constructed Units</b> .....	<b>14</b>
Purpose and Content of the Agreement to Enter into HAP Contract.....	14
Execution of Agreement .....	15
Conduct of Development Work.....	15
Completion of Housing .....	16
HACD Acceptance of Completed Units .....	17
<b>Housing Assistance Payment Contract</b> .....	<b>17</b>
Purpose of the HAP Contract .....	17
HAP Contract Information .....	17
When HAP is Executed.....	18
Term of the HAP Contract.....	18
HAP Contract Amendments.....	20
<b>Operation of Project-Based Properties</b> .....	<b>23</b>
Project-Based Waiting List .....	23
Admission Preferences .....	23
Selection from the Waiting List.....	23
Project-Based Briefing .....	24
Project-Based Briefing Packet.....	25

Leasing of Contract Units .....	25
Vacancies .....	26
Tenant Screening .....	26
Lease .....	27
Security Deposit .....	29
Owner Termination of Tenancy and Eviction .....	29
Overcrowded, Under-Occupied, and Accessible Units .....	29
When Occupancy May Exceed the greater of 25 or 25 Percent Cap.....	30
Family Right to Move .....	31
Affirmatively Furthering Fair Housing.....	31
<b>Rent to Owner</b> .....	<b>31</b>
Determining the Rent to Owner .....	31
Redetermination of Rent to Owner .....	33
Reasonable Rent .....	34
<b>Payment to Owner</b> .....	<b>37</b>
HACD Payment to Owner for Occupied Unit .....	37
Vacancy Payment.....	38
Tenant Rent; Payment to Owner .....	38
Other Fees and Charges.....	39

## PROJECT-BASED HOUSING VOUCHERS

The HACD has determined that project-basing some of its housing vouchers (not to exceed 20% of our authorized housing choice voucher units plus other federally favored units as described below) is in the community's interest. This effort is an appropriate option because it will deconcentrate poverty and expand housing and economic opportunity. The specifics of what the Housing Authority is seeking will be contained in an advertisement published in the manner prescribed by HUD that varies depending upon whether the units to be brought into the program are new construction, rehabilitated, or existing units. The actual selection of the units to be project-based shall also be in full accordance with HUD requirements. VASH and Family Unification Program vouchers can be project-based without additional HUD approval.

The 20% cap can be increased by an additional 10% in the following circumstances:

- A. The units are specifically made available to house individuals and families that meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302), and contained in the Continuum of Care Interim Rule at 24 CFR 578.3. See <https://www.federalregister.gov/d/2012-17546> and <https://www.federalregister.gov/d/2016-13684>.
- B. The units are specifically made available to house families that are comprised of or include a veteran. A veteran is an individual who has served in the United States armed forces other than those dishonorably discharged.
- C. The units provide supportive housing to persons with disabilities or to elderly persons. The definitions of a person with disabilities and an elderly person are found at 24 CFR 5.403. Supportive housing means that the project makes supportive services available for all of the assisted families in the project and provides a range of services tailored to the needs of the residents occupying such housing. Such services may include (but are not limited to):
  - meal service adequate to meet nutritional need,
  - housekeeping aid,
  - personal assistance,
  - transportation services;
  - health-related services;
  - educational and employment services: or
  - other services designed to help the recipient live in the community as independently as possible.

The HACD will include any project based solicitation contemplating the use of this exception a requirement that the available services be listed and described in the response to the solicitation. Such supportive services need not be provided by the owner or on-site, but must be reasonably available to the families receiving PBV assistance in the project. The HACD will not require participation as a condition of living in an excepted unit, although such services will be offered.

Note that in accordance with 24 CFR 983.354, with the exception of an assisted living facility, the owner of a PBV project may not require the assisted family to pay charges for meals or supportive services, and non-payment of such charges by the family is not grounds for termination of tenancy. In the case of an assisted living facility (as defined in § 983.3) receiving PBV assistance, owners may charge families for meals or supportive services. These charges may not be included in the rent to owner or the calculation of reasonable rent.

- D. The units are located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey 5-Year Estimates.

These categories are separate and distinct from exceptions to the income-mixing requirements that limit the number and percentage of units within a particular project to which PBV assistance may be attached (no more than the greater of 25 units or 25 percent of the units), which is discussed later in this Administrative Plan.

If the HACD wishes to add PBV units under this exception authority, the HACD will submit all required information to the Field Office, and identify the exception category (or categories) for which the HACD will project-base additional units (up to an additional 10 percent above the normally applicable PBV program limitation) and the specific number of units that qualify under the exception category.

PBV units may only be covered by this 10 percent exception authority if the PBV HAP contract was first executed on or after April 18, 2017.

The 20% cap can be exceeded without limitation for units being converted under the Rental Assistance Demonstration (RAD), HUD-VASH units specifically issued for project basing, units that previously received certain other HUD housing subsidies as described in Notice published in the January 18, 2017 Federal Register, and for others reason that may be established by HUD.

### ***SELECTION OF PROPERTIES TO PROJECT-BASE***

#### **A. Selection Policy**

The policies as set forth herein are adopted by the HACD for the purpose of administering the Section 8 Project-Based Voucher program.

The HACD will select Project-Based Voucher proposals by either of the following two methods:

1. HACD will request Project-Based Voucher Proposals. The HACD will not limit proposals to a single site or impose restrictions that explicitly or practically preclude other submissions of proposals for Project-Based Voucher housing on different sites.
2. The selection of a proposal for housing assisted under a federal, state, or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided) where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the Project-Based Voucher proposal selection date. Also, the earlier competitive selection proposal must not have involved any consideration that the project would receive Project-Based Voucher assistance. In this case, the vouchers can be project-based merely on a vote of the Board of Commissioners.

Once a decision to project-base units has been made but before the process begins, the HACD will electronically submit required information to HUD (see PIH Notice 2015-05 or successor requirements) at least 14 calendar days before issuing an RFP or selecting based on previous competition.

If the HACD will be selecting proposals under A(1) of this section, the HACD will issue a Request for Proposals (RFP) inviting interested owners to participate in the Project-Based Voucher Program. In the Project-Based Voucher Program, assistance is attached to the project and may be in the form of existing housing, newly constructed housing or rehabilitated housing. The RFP may include all forms of housing or individual forms (e.g., newly constructed housing only).

The HACD will advertise the RFP in the Patriot News, which is the newspaper of general circulation for the jurisdiction, once a week for three (3) consecutive weeks. Applicants shall have thirty (30) days from the last date of publication to respond by submitting their applications. Only applications submitted in response to the advertisement will be considered.

The HACD will prepare a detailed RFP package outlining;

- Program Requirements to include:
  - (1) ineligible housing types and prohibition of assistance for units in subsidized housing; and
  - (2) program accessibility requirements of section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8; and
  - (3) housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable;and
  - (4) housing first occupied after January 19, 2017 shall have a broadband infrastructure available to all units.
- Application Requirements;
- Rating and Ranking of Applications; and
- Selection Process.

This information will be provided at the request of interested parties. The submission deadline date will also be a part of the RFP package. This will allow the HACD adequate time to examine the proposed site before the selection date. For existing housing, the HACD will inspect all of the units to determine whether the units substantially comply with the HQS.

After the closing date of the Request for Proposals, the HACD will review each proposal for completeness, determine if the proposed site meets the site selection standards, determine that the cap on number of Project-Based Voucher units in each project has not been exceeded, and score the proposal.

After the HACD staff has made its decision, the Executive Director will present the rating and ranking of proposals, along with the recommended selection based on the scores received to the HACD Board of Commissioners for approval.

Projects in which the HACD has an ownership interest and is being completed to improve, develop, or replace a public housing property or site can be project-based without competition as long as the projected hard costs equal or exceed \$25,000 per unit. For purposes of this section, an ownership interest means that the HACD or its officers, employees, or agents are in an entity that holds any such direct or indirect interest in the building, including, but not limited to an interest as: titleholder; lessee; a stockholder; a member, or general or limited partner; or a member of a limited liability corporation.

Prior to the selecting a project based on a previous competition or following a competition where the HACD has an ownership interest and is engaged in improving, developing or replacing a public housing property or site, the HACD will submit the information required by HUD at least 14 calendar days prior to issuing its RFP.

The HACD will give written notification to the successful proposer(s) within five (5) business days of Board approval. Public notice of the selected proposals will be published in the Patriot News, which is the newspaper of general circulation for the jurisdiction. The HACD will also

notify those proposers that weren't selected within five (5) business days from Board approval. The denial letter will contain the procedures for appealing the selection.

The HACD will make documentation available for public inspection regarding the basis for the HACD selection of a Project-Based Voucher proposal.

If proposers wish to appeal the selection process, they may do so by presenting their complaint in writing to the Executive Director within ten (10) calendar days from the date contained on the denial letter from the HACD.

The HACD will seek to resolve all appeals in as informal a manner as possible. The appeal must contain, at a minimum, the following information:

- Name, address, and telephone number of the proposer appealing;
- Identification of the RFP being appealed;
- A statement of the reason for appealing;
- Supporting exhibits, evidence, or documents to substantiate any arguments; and
- The form of relief requested.

The HACD shall issue a decision on the appeal as expeditiously as possible after receiving all relevant information requested. The HACD may decide to suspend the award of project-based vouchers if the facts presented in the appeal warrant such action. This action will only be taken if the evidence is clear and convincing as to the existence of an impropriety and there are no other means of resolving the matter. If the HACD Executive Director believes that an impropriety exists, then the proposed award of project-based vouchers will be canceled or revised to comply with the decision of the Executive Director.

If the appeal is not granted, the Executive Director will provide a written decision with justification for the denial of the appeal.

## B. Requirements for Selection of Project-Base Housing

### 1. Housing Type

The HACD may attach Project-Based Voucher assistance for units in existing housing, newly constructed housing or rehabilitated housing. A housing unit is considered an existing unit if at the time of notice of the HACD selection, the units substantially comply with HQS.

### 2. Prohibition of Assistance for Ineligible Units

#### (a) Ineligible Units

The HACD will not attach or pay Project-Based Voucher assistance for units in the following types of housing:

- (i) Shared housing;
- (ii) Units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution;
- (iii) Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care. Units in an



assisted living facility are eligible if they provide home health care services such as nursing and therapy for residents of the housing;

- (iv) Units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students of the institution;
- (v) Manufactured homes;
- (vi) Cooperative housing; and
- (vii) Transitional housing.

(b) High-rise Elevator Project for Families with Children

The HACD will not attach or pay Project-Based Voucher assistance to a high-rise elevator project that may be occupied by families with children unless the HACD determines there is no practical alternative and HUD approves such finding.

(c) Prohibition Against Assistance for Owner-Occupied Unit

The HACD will not attach or pay Project-Based Voucher assistance for a unit occupied by an owner of the housing.

(d) Prohibition Against Selecting a Unit Occupied by an Ineligible Family

The HACD will not select or enter into an Agreement or HAP contract for a unit occupied by a family ineligible for participation in the Project-Based Voucher Program.

3. Prohibition of Assistance for Units in Subsidized Housing

The HACD will not attach or pay Project-based Voucher assistance to units in any of the following types of subsidized housing:

- (a) A public housing dwelling unit;
- (b) A unit subsidized with any other form of Section 8 assistance (tenant-based or project-based);
- (c) A unit subsidized with any governmental rent subsidy (a subsidy that pays all or any part of the rent);
- (d) A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- (e) A unit subsidized with Section 236 rental assistance payments (12 U.S.C. 1715z-1). However, the HACD may attach assistance to a unit subsidized with Section 236 interest reduction payments;
- (f) A unit subsidized with rental assistance payments under Section 521 of the Housing Act of 1949, 42 U.S.C. 1490a (a Rural Housing Service Program). However, the HACD may attach assistance for a unit subsidized with Section 515 interest reduction payments (42 U.S.C. 1485);

- (g) A Section 202 project for non-elderly persons with disabilities (assistance under Section 162 of the Housing and Community Development Act of 1987, 12 U.S.C. 1701q note);
- (h) Section 811 project-based supportive housing for persons with disabilities (42 U.S.C. 8013).
- (i) Section 202 supportive housing for the elderly (12 U.S.C. 1701q);
- (j) A Section 101 rent supplement project (12 U.S.C. 1701s);
- (k) A unit subsidized with any form of tenant-based rental assistance (as defined at 24 CFR 982.1(b)(2)) (e.g., a unit subsidized with tenant-based rental assistance under the HOME program, 42 U.S.C. 12701 et seq.);
- (l) A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or by the HACD in accordance with HUD requirements. For this purpose, "housing subsidy" does not include the housing component of a welfare payment; a social security payment; or a federal, state, or local tax concession (such as relief from local real property taxes).

4. Prohibition of Excess Public Assistance

The HACD will only provide Project-Based Voucher assistance in accordance with HUD subsidy layering regulations and other requirements. The subsidy layering review is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance payment subsidy under the Project-Based Voucher Program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

The HACD will only enter into an Agreement or HAP contract after HUD or an independent entity approved by HUD has conducted any required subsidy layering review and determined that the Project-Based Voucher assistance is in accordance with HUD subsidy layering requirements.

The HACD will require the owner to certify that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than the assistance disclosed in the subsidy layering review in accordance with HUD requirements.

5. Cap on Number of Project-Based Voucher Units in Each Project

- (a) Greater of 25 or 25 Percent Per Project Cap

The HACD will not select a proposal to provide Project-Based Voucher assistance for units in a project or enter into an Agreement or HAP contract to provide Project-Based Voucher assistance for units in a project if the total number of dwelling units in the project that will receive Project-Based Voucher Assistance during the term of the Project-Based Voucher HAP is more than the greater of 25 units or 25 percent of the number of the dwelling units in the project.

- (b) Exception to the Greater of 25 Units or 25 Percent Per Building Cap

In the following instances, Project-Based Voucher units are not counted against the greater of 25 or 25 percent per building cap:

- (i) Units exclusively serving elderly families.
- (ii) Excepted units in a multi family building.

*Note: "Excepted units" means units that are specifically made available for qualifying families;*

*"Qualifying families" means: Elderly or disabled families; or families receiving access to supportive services.*

*Supportive services mean those appropriate services made available to a family trying to achieve economic independence and self-sufficiency or live in the community as independently as possible and may include:*

- (1) *Child care - child care of a type that provides sufficient hours of operation and serves an appropriate range of ages;*
  - (2) *Transportation - transportation necessary to enable a participating family to receive available services, or to commute to their places of employment;*
  - (3) *Education - remedial education; education for completion of secondary or post-secondary schooling;*
  - (4) *Employment - job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the contract of participation;*
  - (5) *Personal welfare - substance/alcohol abuse treatment and counseling;*
  - (6) *Household skills and management - training in homemaking and parenting skills; household management; and money management;*
  - (7) *Other services - any other services and resources, including case management, reasonable accommodations for individuals with disabilities that the HACD determines to be appropriate in assisting families to achieve economic independence and self-sufficiency.*
- (iii) *Projects that are in census tracts with a poverty rate of 20 percent or less. In this case, the cap becomes the greater of 25 units or 40%.*
  - (iv) *Projects previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD.*

## 6. Site Selection Standards

### (a) General Requirements

The HACD will not select a proposal for existing housing, newly constructed, or rehabilitated Project-Based Voucher housing on a site or enter into an Agreement or HAP contract for units on the site until the HACD has determined that:

- (i) Project-based assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities as outlined in the HACD Annual and Five-Year Plan and this Administrative Policy. In making this determination, the HACD will utilize the following factors:
  - (1) Whether the census tract in which the proposed Project-Based Voucher development will be located is in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
  - (2) Whether a Project-Based Voucher development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
  - (3) Whether the census tract in which the proposed Project-Based Voucher development will be located is undergoing significant revitalization;
  - (4) Whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement;
  - (5) Whether new market rate units are being developed in the same census tract where the proposed Project-Based Voucher development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area;
  - (6) If the poverty rate in the area where the proposed Project-Based Voucher development will be located is greater than 20 percent, the HACD should consider whether in the past five years there has been an overall decline in the poverty rate;
  - (7) Whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed Project-Based Voucher development will be located.
- (ii) The site is suitable from the standpoint of facilitating and furthering full compliance with applicable Civil Rights statutes and regulations, including the requirement that the site meet the Section 504 site selection requirements described in 24 FR 8.4(b)(5).
- (v) The site meets the HQS site requirements at 24 CFR 982.401(1).

(b) Existing and Rehabilitated Housing Site and Neighborhood Standards

The HACD will determine if a site for existing or rehabilitated housing meets the following site and neighborhood standards. The site must:

- (i) Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities and streets must be available to service the site. (The existence of a private disposal system

and private sanitary water supply for the site, approved in accordance with law, may be considered adequate utilities.)

- (ii) Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- (iii) Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted standard housing of similar market rents.
- (iv) Be so located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive. While it is important that housing for the elderly not be totally isolated from employment opportunities, this requirement need not be adhered to rigidly for such projects.

(c) New Construction Site and Neighborhood Standards

A site for newly constructed housing must meet the following site and neighborhood standards:

- (i) The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site.
- (ii) The site must not be located in an area of minority concentration, except as permitted under paragraph (iii) below, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- (iii) A project may be located in an area of minority concentration only if:
  - (1) Sufficient comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside area of minority concentration; or
  - (2) The project is necessary to meet overriding housing needs that cannot be met in that housing market area.

*Note: "Sufficient" does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year so that, over a period of several years, it will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance will be determined in light of local conditions affecting the range of housing choices available for low-income minority families and in relation to the racial mix of the locality's population.*

*Units will be considered “comparable opportunities” if they have the same household type (elderly, disabled, family, large family) and tenure type (owner/renter); require approximately the same tenant contribution towards rent, serve the same income group, are located in the same housing market, and are in standard condition.*

*Application of the “comparable opportunities” standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:*

- (A) A significant number of assisted housing units are available outside areas of minority concentration.*
- (B) There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.*
- (C) There are racially integrated neighborhoods in the locality.*
- (D) Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration*
- (E) Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.*
- (F) A significant proportion of minority households have been successful in finding units in non-minority areas under the tenant-based assistance programs.*
- (G) Comparable housing opportunities have been made available outside areas of minority concentration through other programs.*

Application of the “overriding housing needs” criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and of sites in a neighborhood experiencing significant private investment that is demonstrably improving the economic character of the area (a “revitalizing area”). An “overriding housing need,” however, may not serve as the basis for determining that a site is acceptable, if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color,

religion, sex, national origin, age, familial status, or disability renders sites outside areas of minority concentration unavailable or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.

- (iv) The site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- (v) The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is a concerted program actively in progress to remedy the undesirable conditions.
- (vi) The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted standard housing of similar market rents.
- (vii) Except for new construction, housing designed for elderly persons, travel time, and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers must not be excessive.

## 7. Environmental Review

The HACD will not enter into an Agreement or HAP contract with an owner nor will the HACD, the owner or its contractors acquire, dispose of, demolish, or construct real property or commit or expend program or local funds for Project-Based Voucher activities until one of the following occurs:

- (a) The responsible entity (a unit of general local government, a county or a state) has completed the environmental review procedures required by 24 CFR part 58, and HUD has approved the environmental certification and request for release of funds;
- (b) The responsible entity has determined that the project to be assisted is exempt under 24 CFR 58.34 or is categorically excluded and not subject to compliance with environmental laws under 24 CFR 58.35(b); or
- (c) HUD has performed an environmental review under 24 CFR part 50 and has notified the HACD in writing of environmental approval of the site.

The HACD will require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

## 8. HACD Owned Units

- (a) Selection of HACD Owned Units

If the HACD selects its own proposal, the HUD field office or a HUD approved independent entity will review the selection process to determine that the HACD units were appropriately selected based on the selection procedures as outlined in this Section 8 Administrative Plan.

(b) Inspection and Determination of Reasonable Rent

The HACD will have an independent entity approved by HUD perform the following program services:

- (i) Determination of rent to owner as outlined in **RENT TO OWNER**(A) and (B). The independent entity approved by HUD must establish the initial contract rents based on an appraisal by a licensed state-certified appraiser; and
- (ii) Inspections as outlined in **HOUSING QUALITY STANDARDS**(F) section of these policies.

(c) Nature of Independent Entity

The independent entity that performs these program services may be the unit of general local government for the HACD's jurisdiction (unless the HACD is itself the unit of general local government or an agency of such government) or another HUD-approved public or private independent entity.

(d) Payment to Independent Entity and Appraiser

The HACD will compensate the independent entity and appraiser from the HACD's ongoing administrative fee income (including the amounts credited to the administrative fee reserve). The HACD will not use other program receipts to compensate the independent entity and appraiser for their services.

The HACD, independent entity, and appraiser will not charge the family any fee for the appraisal or the services provided by the independent entity.

**HOUSING QUALITY STANDARDS**

The HACD will follow the policies as outlined in Section 12.0 Inspection Policies and Housing Quality Standards of this Section 8 Administrative for the Project-Based Voucher Program except when the physical condition standards at 24 CFR 5.703 do not apply to the Project-Based Voucher Program and the lead-based paint requirements at 24 CFR 982.401(j) do not apply to the Project-Based Voucher Program.

A. Inspecting Units

1. Pre-Selection Inspection

(a) Inspection of Site

The HACD will examine the proposed site to confirm its appropriateness before the proposal selection date.

2. Inspection of Existing Units

The HACD will inspect all the units before the proposal selection date and will determine whether the units substantially comply with the HQS. To qualify as existing housing, units must substantially comply with the HQS on the proposal selection date. The HACD will not execute the HAP contract until the units fully comply with the HQS.



B. **Pre-HAP Contract Inspections**

The HACD will inspect each contract unit before execution of the HAP contract. The HACD will not enter into a HAP contract covering a unit until the unit fully complies with the HQS.

C. Turnover Inspections

The HACD will inspect the unit before providing assistance to a new family in a contract unit. The HACD will not provide assistance on behalf of the family until the unit fully complies with the HQS.

D. Annual Inspections

1. At least annually during the term of the HAP contract, the HACD will inspect a random sample, consisting of at least 20 percent of the contract units in each project, to determine if the contract units and the premises are maintained in accordance with the HQS.

*Note: Turnover inspections pursuant to paragraph C. of this section will not count toward meeting this annual inspection requirement.*

2. If more than 20 percent of the annual sample of inspected contract units in a building fail the initial inspection, the HACD will re-inspect 100 percent of the contract units in the building.

E. Other Inspections

1. The HACD will inspect contract units whenever needed to determine that the contract units comply with the HQS, that the owner is complying with the HQS, and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The HACD will take into account complaints and any other information coming to its attention in scheduling inspections.
2. The HACD will conduct follow-up inspections needed to determine if the owner (or the family if responsible) has corrected an HQS violation. Additionally, the HACD will conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of the HQS.
3. The HACD will include a representative sample of both tenant-based and project-based units in conducting its supervisory quality control HQS inspections.

F. Inspecting HACD Owned Units

1. For HACD owned units, the inspections required under this section will be performed by an independent entity approved by HUD. The independent entity that performs these inspections may be the unit of general local government for the HACD jurisdiction (unless the HACD is itself the unit of general local government or an agency of such government) or another HUD-approved public or private independent entity.
2. The independent entity shall provide a copy of each inspection report to the HACD and to the HUD field office where the project is located.
3. The HACD will take all necessary actions in response to inspection reports from the independent entity, including exercise of contractual remedies for violation of the HAP contract by the owner (HACD).

## ***REQUIREMENTS FOR REHABILITATED AND NEWLY CONSTRUCTED UNITS***

This section only applies to newly constructed or rehabilitated housing and does not apply to existing housing. Newly constructed or rehabilitated housing cannot be selected as existing housing at a later date.

### **A. Purpose and Content of the Agreement to Enter into HAP Contract**

#### **1. Requirement**

The HACD will enter into an Agreement with the owner. The Agreement will be in the form required by HUD.

#### **2. Purpose of the Agreement**

In the Agreement, the owner agrees to develop the contract units to comply with the HQS and the HACD agrees that, upon timely completion of such development in accordance with the terms of the Agreement, the HACD will enter into a HAP contract with the owner for the contract units.

#### **3. Description of Housing**

(a) At a minimum, the Agreement will describe the following features of the housing to be developed (newly constructed or rehabilitated) and assisted under the Project-Based Voucher Program:

(i) Site;

(ii) Location of contract units on site;

(iii) Number of contract units by area (size) and number of bedrooms and bathrooms;

(iv) Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent to owner;

(v) Utilities available to the contract units (including broadband), including a specification of utility services to be paid by owner (without charges in addition to rent), and utility services to be paid by the tenant;

(vi) Indication of whether or not the design and construction requirements of the Fair Housing Act and implementing regulations at 24 CFR 100.205 and the accessibility requirements of section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.22 and 8.23 apply to units under the Agreement. If these requirements are applicable, any required work item resulting from these requirements will be included in the description of work to be performed under the Agreement;

(vii) Estimated initial rents to owner for the contract units;

(viii) Description of the work to be performed under the Agreement. If the Agreement is for rehabilitation of units, the work description will include the rehabilitation work write up and, where determined necessary by the HACD, specifications and plans. If the Agreement is for new construction, the work description will include the working drawings and specifications.

(b) At a minimum, the housing must comply with the HQS.

**The Housing Authority may elect to establish additional requirements for quality, architecture, or design of Project-Based Voucher housing over and above the HQS, and any such additional requirement must be specified in the Agreement.**

B. Execution of the Agreement

1. Prohibition of Excess Subsidy

The HACD will not enter the Agreement with the owner until the subsidy layering review is completed.

2. Environmental Approval

The HACD will not enter the Agreement with the owner until the environmental review is completed and the HACD has received the environmental approval.

3. Prompt Execution of Agreement

The Agreement will be executed promptly after the HACD notice of proposal selection to the selected owner.

C. Conduct of Development Work

1. Development Requirements

The owner must carry out development work in accordance with the Agreement and the requirements of this section.

2. Labor Standards

(a) In the case of an Agreement of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in development of the housing.

(b) The HUD prescribed form of Agreement shall include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

(c) The owner and the owner's contractors and subcontractors must comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The HACD will monitor compliance with labor standards.

3. Equal Opportunity

(a) The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135.

(b) The owner must comply with federal equal employment opportunity requirements of Executive Orders 11246 as amended, 11625, 12432 and 12138.

4. Eligibility to Participate in Federal Programs and Activities

The Agreement and HAP contract will include a certification by the owner that the owner and other project principals (including officers and principal members, shareholders, investors, and other parties having a substantial interest in the project) are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

5. Disclosure of Conflict of Interest

The owner must disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

D. Completion of Housing

1. Completion Deadline

The owner must develop and complete the housing in accordance with the Agreement. The Agreement will specify the deadlines for completion of the housing and for submission by the owner of the required evidence of completion.

2. Required Evidence of Completion

(a) Minimum Submission

At a minimum, the owner must submit the following evidence of completion to the HACD in the form and manner required by the HACD:

- (i) Owner certification that the work has been completed in accordance with the HQS and all requirements of the Agreement; and
- (ii) Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

(b) Additional Documentation

At the discretion of the HACD, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion. For example, such documentation may include:

- (i) A certificate of occupancy or other evidence that the units comply with local requirements (such as code and zoning requirements); and
- (ii) An architect's certification that the housing complies with:
  - (A) HUD housing quality standards;
  - (B) State, local, or other building codes;
  - (C) Zoning;
  - (D) The rehabilitation work write-up (for rehabilitated housing) or the work description (for newly constructed housing); or
  - (E) Any additional design or quality requirements pursuant to the Agreement.

E. HACD Acceptance of Completed Units

1. HACD Determination of Completion

When the HACD has received owner notice the housing is completed:

- (a) The HACD will inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with the HQS and any additional requirement(s) imposed by the HACD under the Agreement.
- (b) The HACD will determine if the owner has submitted all required evidence of completion.
- (c) If the work has not been completed in accordance with the Agreement, the HACD will not enter into the HAP contract.

2. Execution of HAP Contract

If the HACD determines that the housing has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the HACD will submit the HAP contract for execution by the owner and will then execute the HAP contract.

***HOUSING ASSISTANCE PAYMENT CONTRACT***

This section applies to all Project-Based Voucher assistance including assistance for existing, newly constructed, or rehabilitated housing.

A. Purpose of the HAP Contract

1. Requirement

The HACD will enter into a HAP contract with the owner. The HAP contract must be in the form required by HUD.

2. Purpose of HAP Contract

- (a) The purpose of the HAP contract is to provide housing assistance payments for eligible families.
- (b) The HACD makes housing assistance payments to the owner in accordance with the HAP contract. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term.

B. HAP Contract Information

The HAP contract must specify:

- 1. The total number of contract units by number of bedrooms;
- 2. Information needed to identify the site and the building or buildings where the contract units are located. The information must include the project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;

3. Information needed to identify the specific contract units in each building. The information must include the number of contract units in the building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
4. Services, maintenance, and equipment to be supplied by the owner without charges in addition to the rent to owner;
5. Utilities available to the contract units, including a specification of utility services to be paid by the owner (without charges in addition to rent) and utility services to be paid by the tenant;
6. Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
7. The HAP contract term;
8. The number of units in any project that will exceed the PBV cap, which will be set-aside for occupancy by qualifying families (elderly or disabled families and families receiving supportive services); and
9. The initial rent to owner (for the first 12 months of the HAP contract term).

C. When HAP Contract is Executed

1. HACD Inspection of Housing

- (a) Before execution of the HAP contract, the HACD will inspect each contract unit in accordance with Section ***HOUSING QUALITY STANDARDS B***.
- (b) The HACD will not enter into a HAP contract for any contract unit until the HACD has determined that the unit complies with the HQS.

2. Existing Housing

The HACD will promptly execute the HAP contract after the HACD selection of the owner proposal and HACD inspection of the housing.

3. Newly Constructed or Rehabilitated Housing

The HACD will execute the HAP contract after the HACD has inspected the completed units and has determined that the units have been completed in accordance with the Agreement and the owner has furnished all required evidence of completion.

When executing the HAP contract, the owner must certify that the units have been completed in accordance with the Agreement.

D. Term of the HAP Contract

1. Initial Term and Any Extensions

The HACD may enter into a HAP contract with an owner for an initial term of up to twenty years for each contract unit. The length of the term of the HAP contract for any contract unit may not be less than one year, nor more than twenty years.

Within one year before expiration, the HACD may agree to extend the term of the HAP contract for an additional term of up to twenty additional years if the HACD determines an extension is appropriate to continue providing affordable housing for low-income families. Any extension of the term must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

The term and potential extensions the HACD is willing to enter into will be discussed in the project selection process.

2. Termination by the HACD – Insufficient Funding

The HAP contract will provide that the term of the HACD’s contractual commitment is subject to the availability of sufficient appropriated funding (budget authority) as determined by HUD or by the HACD in accordance with HUD instructions.

*Note: “Sufficient funding” means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP.*

The HACD will not fail to make the HAP payment until after it has made all possible allowable cost saving efforts in the tenant-based program as set forth in Chapter 14 of the HACD’s Administrative Plan for the Section 8 Housing Choice Voucher Program and there is still insufficient funding. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the HACD may terminate the HAP contract by notice to the owner for all or any of the contract units. Such action by the HACD will be implemented in accordance with HUD instructions.

3. Termination by Owner – Reduction Below Initial Rent

The owner may terminate the HAP contract, upon notice to the HACD, if the amount of rent to the owner is reduced below the initial approved rent. In this case, the assisted families residing in the contract units will be offered tenant-based voucher assistance.

Upon termination or expiration of a HAP contract that is not extended, a family living at the property is entitled to receive a tenant-based voucher (the voucher that was previously providing project-based assistance for the family in the PBV project). The HACD will provide the family with a voucher and that family will also be given the option by the HACD and owner to remain in their unit with HCV tenant-based assistance if the unit complies with inspection requirements and rent reasonableness requirements. The family must pay the total tenant payment and any additional amount if the unit rent exceeds the applicable payment standard. The family has the right to remain in the project as long as the units are used for rental housing and are otherwise eligible for HCV assistance (for example, the rent is reasonable, unit meets HQS, etc.). The owner may not terminate the tenancy of a family that exercises its right to remain except for a serious or repeated lease violation or other good cause.

Families that receive a tenant-based voucher at the expiration or termination of the PBV HAP contract are not new admissions to the HACD tenant-based program, and are not subject to income eligibility requirements or any other admission requirements. If the family chooses to remain in their unit with tenant-based assistance, the family may do so regardless of whether the family share would initially exceed 40 percent of the family’s adjusted monthly income.

The statutory owner notice requirements related to the contract termination or expiration continue to apply to the PBV program. If the owner fails to provide timely notice of termination, the owner must permit the tenants in assisted units to remain in their units for the required notice period with no increase in the tenant portion of the rent, and with no eviction as a result of an owner's inability to collect an increased tenant portion of the rent. For families that wish to remain at the property, the HCV tenant-based assistance would not commence until the owner's required notice period ends.

E. HAP Contract Amendments (to add or substitute contract units)

1. Amendment to Substitute Contract Units

At the discretion of the HACD, and subject to all Project-Based Voucher requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same project for a previously covered contract unit. Prior to such substitution, the HACD will inspect the proposed substitute unit and will determine the reasonable rent for such unit and the fact that it passes HQS.

2. Amendment to Add Contract Units

At the discretion of the HACD, and provided that the total number of units in a project that will receive Project-Based Voucher assistance or other project-based assistance will not exceed the greater of 25 or 25 percent of the number of dwelling units (assisted or unassisted) in the project or the 20 percent of authorized budget authority of the HACD, a HAP contract may be amended to add additional Project-Based Voucher contract units in the same project. An Amendment to the HAP contract is subject to all Project-Based Voucher requirements (e.g., rents are reasonable), except that a new Project-Based Voucher request for proposals(competition) is not required. The anniversary and expiration dates of the HAP contract for the additional units must be the same as for the anniversary and expiration dates of the HAP contract term for the Project-Based Voucher units originally placed under HAP contract. This shall only be done after informing the HUD Field Office with the information it requires and the rationale used to expand assistance to the specific project.

3. Staged Completion of Contract Units

Even if contract units are placed under the HAP contract in stages commencing on different dates, there is a single annual anniversary for all contract units under the HAP contract. The annual anniversary for all contract units is the annual anniversary date for the first contract units placed under the HAP contract. The expiration of the HAP contract for all the contract units completed in stages must be concurrent with the end of the HAP contract term for the units originally placed under HAP contract.

4. Condition of Contract Units

(a) Owner Maintenance and Operation

The owner must maintain and operate the contract units and premises in accordance with the HQS, including performance of ordinary and extraordinary maintenance.

The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the HACD and in the lease with each assisted family.

At the discretion of the HACD, the HAP contract may also require continuing owner compliance during the HAP term with additional housing quality



requirements specified by the HACD (in addition to, but not in place of, compliance with the HUD-prescribed HQS). Such additional requirements will be designed to assure continued compliance with any design, architecture, or quality requirement specified in the Agreement.

5. Remedies for HQS Violation

The HACD will vigorously enforce the owner's obligation to maintain contract units in accordance with the HQS. The HACD will not make any HAP payment to the owner for a contract unit covering any period during which the contract unit does not comply with the HQS.

If the HACD determines that a contract unit is not in accordance with the housing quality standards (or other HAP contract requirement), the HACD may exercise any of its remedies under the HAP contract for all or any contract units. Such remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

6. Maintenance and Replacement – Owner’s Standard Practice

Maintenance and replacement (including redecoration) must be in accordance with the standard practice for the project concerned as established by the owner.

7. Owner Responsibility

The owner is responsible for performing all of the owner responsibilities under the Agreement and the HAP contract. 24 CFR part 982.452 applies as follows:

- (a) Performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
- (b) Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
- (c) Complying with equal opportunity requirements.
- (d) Preparing and furnishing to the HACD information required under the HAP contract.
- (e) Collecting from the family:
  - (i) Any security deposit.
  - (ii) The tenant contribution (the part of rent owner not covered by the housing payment).
  - (iii) Any charges for unit damage by the family.
  - (iv) Enforcing tenant obligations under the lease.
  - (v) Paying for utilities and services (unless paid by the family under the lease).

- (vi) Provisions on modifications to a dwelling unit occupied or to be occupied by a disabled person see the following note:

*Note: Reasonable Modification of Existing Premises*

- (A) *It shall be unlawful for any person to refuse to permit, at the expense of a handicapped person, reasonable modifications of existing premises, occupied or to be occupied by a handicapped person, if the proposed modifications may be necessary to afford the handicapped person full enjoyment of the premises of a dwelling. In the case of a rental, the landlord may, where it is reasonable to do so, condition permission for a modification on the renter agreeing to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear expected. The landlord may not increase for handicapped persons any customarily required security deposit.*

*However, where it is necessary in order to ensure with reasonable certainty that funds will be available to pay for the restorations at the end of the tenancy, the landlord may negotiate as part of such a restoration agreement a provision requiring that the tenant pay into an interest bearing escrow account, over a reasonable period, a reasonable amount of money not to exceed the cost of the restorations. The interest in any such account shall accrue to the benefit of the tenant.*

- (B) *However, where it is necessary in order to ensure with reasonable certainty that funds will be available to pay for the restorations at the end of the tenancy, the landlord may negotiate as part of such a restoration agreement a provision requiring that the tenant pay into an interest bearing escrow account, over a reasonable period, a reasonable amount of money not to exceed the cost of the restorations. The interest in any such account shall accrue to the benefit of the tenant.*

*A landlord may condition permission for a modification on the renter providing a reasonable description of the proposed modifications as well as reasonable assurances that the work will be done in a workmanlike manner and that any required building permits will be obtained.*

## 8. Owner Certification

By execution of the HAP contract, the owner certifies that at such execution and at all times during the term of the HAP contract:

- (a) All contract units are in good and tenantable condition. The owner is maintaining the premises and all contract units in accordance with the HQS.
- (b) The owner is providing all the services, maintenance, equipment, and utilities as agreed to under the HAP contract and the leases with assisted families.
- (c) Each contract unit for which the owner is receiving housing assistance payments is leased to an eligible family referred by the HACD, and the lease is in accordance with the HAP contract and HUD requirements.

- (c) To the best of the owner's knowledge, the members of the family reside in each contract unit for which the owner is receiving housing assistance payments, and the unit is the family's only residence.
- (d) The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit.
- (e) The amount of the housing assistance payment is the correct amount due under the HAP contract.
- (f) The rent to owner for each contract unit does not exceed rents charged by the owner for other comparable unassisted units.
- (g) Except for the housing assistance payment and the tenant rent as provided under the HAP contract, the owner has not received and will not receive any payment or other consideration (from the family, the HACD, HUD, or any other public or private source) for rental of the contract unit.
- (h) The participating family does not own or have any interest in the contract unit.

### ***OPERATION OF PROJECT-BASED PROPERTIES***

#### **A. Project-Based Waiting List**

The HACD will use separate waiting lists for Project-Based Voucher units in individual projects for admission to Project-Based Voucher units. The HACD will offer to place applicants who are listed on the HACD's waiting list for tenant-based assistance on the waiting lists for Project-Based Voucher Assistance. All applicants will be maintained by bedroom size, then preference and date and time of application. If an applicant rejects an offer of assistance of the Project-Based Assistance Program, the rejection will not alter the applicant's position on the Section 8 Voucher Tenant Based Assistance Program.

The waiting list for the Project-Based Section 8 Assistance Program will be maintained in accordance with the following guidelines:

1. The application will be a permanent file.
2. All applications will be maintained by bedroom size, preference and then in order of date and time of application.
3. Substantive contacts between the HACD and the applicant will be documented in the applicant file.

#### **B. Admission Preferences**

The preferences utilized shall be the same as is used for the Tenant Based Housing Choice Voucher Program. **[Separate preferences can be established for project-based properties collectively or separately.]** Admission preferences will be consistent with all applicable Federal nondiscrimination and civil rights statutes and requirements.

#### **C. Selection from the Waiting List**

If an applicant is removed from the Project-Based Assistance Program waiting list because of the rejection of an offer of a unit, the rejection will not alter the applicants' position on the Section 8

Tenant Based Assistance Program waiting list. Likewise, if the owner rejects the available applicant, the rejection will not be counted against the one unit offer and the family will maintain their position on the Project-Based Section 8 Assistance Program. The owner must promptly notify the HACD in writing if an applicant is rejected and the grounds for the rejection.

Under this plan, the first qualified applicant in sequence on the Section 8 Project-Based Assistance Program waiting list will be made an offer of project-based assistance based on the unit size available. If the available unit being offered is a unit with special accessibility features for persons with disabilities, the HACD will skip over families not requiring the accessible unit to reach a family who does require such accommodation.

Non-mobility impaired families will be offered these units if no family on the waiting list requires these features. The applicant family will only have one chance to accept a unit offer. If the applicant family rejects the offer, his or her name will be removed from the waiting list and he or she will have to re-apply. The applicant family will be notified in writing of the reason they are being removed from the waiting list and their right to an informal review as described in Section 4.10.

If more than one unit of the appropriate type and size is available, the first unit to be offered will be the first unit that is ready for occupancy.

The HACD will maintain a record of units offered, including location, date and circumstances of each offer and each acceptance or rejection, including the reason for the rejection.

All Section 8 Tenant Based Assistance waiting list families who want project-based units will be permitted to place their names on the Section 8 Project-Based Assistance Program waiting list.

Notwithstanding the above, if necessary to meet the statutory requirement that 75% of newly admitted families in any fiscal year are families who are extremely low-income (unless a different target is agreed to by HUD), the HACD retains the right to skip higher income families on the waiting list to reach extremely low-income families. This measure will only be taken if it appears the goal will not otherwise be met. To ensure this goal is met, the Housing Authority will monitor incomes of newly admitted families and the income of the families on the waiting list.

#### D. Project-Based Briefing

When the HACD selects a family from the waiting list, the family will be invited to attend a briefing explaining how the project-based program works. In order to be eligible for a vacant unit, all adult family members are required to attend the briefing. If they cannot attend the originally scheduled briefing, they may attend a later session. If the family fails to attend two briefings without good cause, they will be denied admission.

If an applicant with a disability requires auxiliary aids to gain full benefit from the briefing, the HACD will furnish such aids where doing so would not result in a fundamental alteration of the nature of the program or an undue financial or administrative burden. In determining the most suitable auxiliary aid, the HACD will give primary consideration to the requests of the applicant. Families unable to attend a briefing due to a disability may request a reasonable accommodation such as having the briefing presented at an alternate location.

The briefing will cover at least the following subjects:

1. A description of how the program works;
2. Family and owner responsibilities;

3. The fact that the subsidy is tied to the unit. After the initial 12-month period, the family has the right to move with continued tenant-based rental assistance, in the form of either assistance under the voucher program or other comparable tenant-based rental assistance; and
4. A description of the HACD's policy on providing information to owners.

#### E. Project-Based Briefing Packet

During the briefing, the Housing Authority will give the family a packet covering at least the following subjects:

1. How the Housing Authority determines the housing assistance payment and total tenant payment for the family (including a copy of the utility allowances);
2. A statement of the Housing Authority's policy on providing information to prospective owners. This policy requires applicants to sign disclosure statements allowing the Housing Authority to provide prospective owners with the family's current and prior addresses and the names and addresses of the landlords for those addresses;
3. The HUD-required lead-based paint brochure;
4. Information on Federal, State, and local equal opportunity laws; the brochure "Fair Housing: It's Your Right;" and a copy of the housing discrimination complaint form;
5. The family and owner responsibilities under the lease and HAP contract;
6. The grounds upon which the Housing Authority may terminate assistance because of the family's action or inaction; and
7. HACD informal hearing procedures, including when the Housing Authority is required to provide the opportunity for an informal hearing, and information on how to request a hearing.

#### F. Leasing of Contract Units

1. Owner Selection of Tenants

During the term of the HAP contract, the owner must lease contract units only to eligible families selected and referred by the HACD from the HACD waiting list.

The owner is responsible for adopting written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very-low income families and reasonably related to program eligibility and an applicant's ability to perform the lease obligations.

An owner must promptly notify in writing any rejected applicant of the grounds for any rejection.

2. Size of Unit

The contract unit leased to each family must be appropriate for the size of the family under the HACD's subsidy standards.

## G. Vacancies

### 1. Filling Vacant Units

The owner must promptly notify the HACD of any vacancy (or expected vacancy) in a contract unit. After receiving the owner notice, the HACD will make every reasonable effort to promptly refer a sufficient number of families to the owner to fill such vacancies.

The owner must lease vacant contract units only to eligible families on the HACD waiting list referred by the HACD.

It is expected that the HACD and the owner will make reasonable good faith efforts to minimize the likelihood and length of any vacancy.

### 2. Reducing Number of Contract Units

If any contract units have been vacant for a period of 120 days or more since the owner notice of vacancy (and notwithstanding the reasonable good faith efforts of the HACD to fill such vacancies), the HACD may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (by number of bedrooms) that have been vacant for such period.

## H. Tenant Screening

The HACD will not screen family behavior or suitability for tenancy, other than past criminal behavior for program eligibility. The HACD will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

In deciding whether to exercise their discretion to admit an individual or household that has engaged in criminal activity, the Housing Authority of the County of Dauphin will consider all of the circumstances relevant to the particular admission, including but not limited to the seriousness of the offending action.

The information received as a result of the criminal background check shall be used solely for screening purposes. The information derived from the criminal background check shall be shared only with employees of the HACD who have a job-related need to have access to the information. The information shall be maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose(s) for which it was requested has been accomplished and the period for filing a challenge to the HACD's action has expired without a challenge or final disposition of any litigation has occurred.

If an applicant is about to be denied housing based on either the criminal check or the sex offender registration program, the applicant will be informed of this fact and given an opportunity to dispute the accuracy of the information before the denial or eviction occurs.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before HACD approval of the tenancy, the HACD will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening families based on their tenancy histories, including such factors as:

Payment of rent and utility bills

Caring for a unit and premises

Respecting the rights of other residents to the peaceful enjoyment of their housing  
Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and

Compliance with other essential conditions of tenancy.

**The HACD may give the owner:**

The family's current and prior address as shown in the HACD's records; and

The name and address (if known by the HACD) of the landlord at the family's current and prior address.

The HACD will offer the owner other information in the HACD's possession concerning the family if requested, including:

Information about the family's tenancy history; or

Information about drug-trafficking by family members

The same types of information may be supplied to all owners and the HACD will give the family a description of the HACD's policy on providing information to owners.

The HACD will advise families how to file a complaint if they have been discriminated against by an owner. The HACD will advise the family to make a Fair Housing complaint if such a complaint appears justified. The HACD may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

I. Lease

1. Tenant's Legal Capacity

The tenant must have legal capacity to enter a lease under state and local law. Legal capacity means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

2. Form of Lease

The tenant and the owner must enter a written lease for the unit. Both the owner and the tenant must execute the lease.

If the owner uses a standard lease form for rental to unassisted tenants in the locality or for the premises, the lease must be in an acceptable form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a HACD model lease.

In all cases, the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

The HACD will review the owner's lease form to determine if the lease complies with state and local law. The HACD will decline to approve the tenancy if the HACD determines that the lease does not comply with state or local law.

3. Required Information

The lease must specify all of the following:

- (a) The names of the owner and the tenant;
- (b) The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- (c) The term of the lease (initial term and any provision for renewal);
- (d) The amount of tenant rent to owner. The tenant rent to owner is subject to change during the term of the lease in accordance with HUD requirements;
- (e) A specification of what services, maintenance, equipment, and utilities are to be provided by the owner; and
- (f) The amount of any charges for food, furniture, or supportive services.

4. Initial Term of the Lease

The initial lease term must be for at least one year.

5. Tenancy Addendum

The tenancy addendum in the lease shall state:

- (a) The program tenancy requirements; and
- (b) The composition of the household as approved by the HACD (names of family members and any HACD live-in aide).

All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum shall prevail over other provisions of the lease.

6. Changes in Lease

If the tenant and the owner agree to any change in the lease, such change must be in writing and the owner must immediately give the HACD a copy of all such changes.

The owner must notify the HACD in advance of any proposed change in lease requirements governing the allocation of tenant and owner responsibilities for utilities. Such changes may be made only if approved by the HACD and in accordance with the terms of the lease relating to its amendment. The HACD will re-determine reasonable rent in accordance with Section **RENT TO OWNER (C)**, based on any change in allocation of responsibility for utilities between the owner and the tenant, and the re-determined reasonable rent shall be used in calculation of rent to owner from the effective date of the change.

7. Lease Provisions Governing Tenant Absence From the Unit

The owner's lease may specify a maximum period of tenant absence from the unit that may be shorter than the maximum period permitted by the HACD in Section 2.3(H) of this Administrative Plan.



J. Security Deposit

The owner may collect a security deposit from the tenant. The HACD prohibits security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

When the tenant moves out of the contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts which the tenant owes under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant. The HACD has no liability or responsibility for payment of any amount owed by the family to the owner.

K. Owner Termination of Tenancy and Eviction

1. In general, Section 17.0, Termination of the Lease and Contract, of this Administrative Plan applies with the exception that 17(a)(viii) (3) & (4) do not apply to the Project-based Voucher Program. In the Project-based Voucher Program “good cause” does not include a business or economic reason or desire to use the unit for an individual, family, or non-residential rental purpose. Eviction for drug and alcohol abuse applies to the Project-based Voucher Program.
2. Upon lease expiration, an owner may:
  - (a) Renew the lease;
  - (b) Refuse to renew the lease for good cause;
  - (c) Refuse to renew the lease without good cause, which case the HACD will provide the family with a tenant based voucher and the unit will be removed from the Project-based Voucher HAP contract.

L. Overcrowded, Under-Occupied, and Accessible Units

1. Family Occupancy of Wrong-size or Accessible Unit

The HACD’s subsidy standards determine the appropriate unit size for the family size and composition. If the HACD determines that a family is occupying a:

- (a) Wrong-size unit, or
- (c) Unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, the HACD must promptly notify the family and the owner of this determination, and of the HACD’s offer of continued assistance in another unit pursuant to paragraph (2) of this section.

2. HACD Offer of Continued Assistance

If a family is occupying a wrong size unit, or a unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, the HACD will offer the family the opportunity to receive continued housing assistance in another unit.

The HACD will offer the following housing options as continued assistance.

- (a) Project-based voucher assistance in an appropriate-size unit (in the same project);
- (b) Other project-based housing assistance (e.g., by occupancy of a public housing unit);
- (c) Tenant-based rental assistance under the voucher program; or
- (d) Other comparable public or private tenant-based assistance (e.g., under the HOME program).

3. HACD Termination of Housing Assistance Payments

If the HACD offers the family the opportunity to receive tenant-based rental assistance under the voucher program, the HACD will terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by the HACD).

If the HACD offers the family the opportunity for another form of continued housing assistance in accordance with (2) above, and the family does not accept the offer, does not move out of the project-based voucher unit within a reasonable time as determined by the HACD, or both, the HACD will terminate the housing assistance payments for the wrong-sized or accessible unit, at the expiration of a reasonable period as determined by the HACD.

M. When Occupancy May Exceed the greater of 25 or 25 Percent Cap on the Number of Project-Based Voucher Units in Each Project

- 1. Except as provided in Section ***SELECTION OF PROPERTIES TO PROJECT-BASE (B)(5)***, the HACD will not pay housing assistance under the HAP contract for contract units in excess of the 25 percent cap.
- 2. If referring families to the owner for admission to excepted units, the HACD will give preference to elderly or disabled families, or to families receiving supportive services.
- 4. A family (or the remaining members of the family) residing in an excepted unit that no longer meets the criteria for a "qualifying family" in connection with the PBV project cap exception will be required to vacate the unit within a reasonable period of time established by the HACD, and the HACD will cease paying housing assistance payments on behalf of the non-qualifying family. If the family fails to vacate the unit within the established time, the unit will be removed from the HAP contract unless the project is partially assisted and it is possible for the HAP contract to be amended to substitute a different unit in the project in accordance with Section ***HOUSING ASSISTANCE PAYMENT CONTRACT (E)*** or the owner terminates the lease and evicts the family.

N. Family Right to Move

A family may terminate the assisted lease at any time after the first year of occupancy. The family must give the owner advance written notice of the intent to vacate, with a copy to the HACD in accordance with the lease.

If the family has elected to terminate the lease after the first year in compliance with the lease, the HACD will offer the family the opportunity for continued tenant-based rental assistance in the form of either assistance under the voucher program or other comparable tenant-based rental assistance.

Note: Before providing notice to terminate the lease, the family must contact the HACD to request comparable tenant-based rental assistance if the family wishes to move with continued assistance. If voucher or other comparable tenant-based rental assistance is not immediately available upon termination of the family's lease of a project-based voucher unit, the HACD will give the family priority to receive the next available opportunity for continued tenant-based rental assistance.

If the family terminates the assisted lease before the end of one year, the family relinquishes the opportunity for continued tenant-based assistance.

There is an exception to this rule when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, and the move is needed to protect the health or safety of the family or family member, or any family member has been the victim of a sexual assault that occurred on the premises during the 90 calendar day period preceding the family's request to move.

- O. The HACD and all PBV property owners will operate the property in a manner to affirmatively further fair housing. No admission preference shall intentionally discriminate against any member of a protected class. Both the HACD and all PBV property owners shall operate their properties in compliance with all Federal nondiscrimination requirements.

***RENT TO OWNER***

A. Determining the Rent to Owner

1. Initial and Redetermined Rents

- (a) The amount of the initial rent to owner is established at the beginning of the HAP contract term. For rehabilitated or newly constructed housing, the Agreement states the estimated amount of the initial rent to owner, but the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.
- (b) The rent to owner is redetermined at the owner's request for a rent increase in accordance with this Section ***RENT TO OWNER (A)*** and Section ***RENT TO OWNER (B)***. The rent to owner is also redetermined at such time when there is a five percent or greater decrease in the published FMR.

2. Amount of Rent to Owner

Except for certain tax credit units as provided in Section ***RENT TO OWNER (C)***, the rent to owner must not exceed the lowest of:

- (a) An amount determined by the HACD, not to exceed 110 percent of the applicable fair market rent (or any exception payment standard approved by HUD) for the unit bedroom size minus any utility allowance;
- (b) The reasonable rent; or
- (c) The rent requested by the owner.

3. Rent to Owner for Certain Tax Credit Units

- (a) This section applies if:
  - (i) A contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986 (see 26 U.S.C. 42);
  - (ii) The contract unit is not located in a qualified census tract;
 

A “qualified census tract” is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI) or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.
  - (iii) In the same project, there are comparable tax credit units of the same unit bedroom size as the contract unit and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
  - (iv) The tax credit rent exceeds the applicable fair market rental (or any exception payment standard) as determined in accordance with Section **RENT TO OWNER (B)**.
- (b) The rent to owner must not exceed the lowest of:
  - (i) The tax credit rent minus any utility allowance;
  - (ii) The reasonable rent; or
  - (iii) The rent requested by the owner.
- (c) The “tax credit rent” is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., additional assistance such as tenant-based voucher assistance).

4. Rent to Owner for Other Tax Credit Units

Except in the case of a tax credit unit described in the Section immediately above, the rent to owner for all other tax credit units is determined pursuant to Section 2 above.

5. Reasonable Rent

The HACD will determine reasonable rent in accordance with Section **RENT TO OWNER (C)**. The rent to owner for each contract unit may at no time exceed the reasonable rent.

5. Use of FMRs and Utility Allowance Schedule in Determining the Amount of Rent to Owner

(a) Amounts used:

- (i) Determination of Initial Rent (at the beginning of the HAP contract term)

When determining the initial rent to owner, the HACD will use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. At its discretion, the HACD may use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract.

- (ii) Redetermination of Rent to Owner

When redetermining the rent to owner, the HACD will use the most recently published FMR and the HACD utility allowance schedule in effect at the time of redetermination. At its discretion, the HACD may use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract.

(b) Exception Payment Standard and HACD Utility Allowance Schedule

- (i) Any HUD approved exception standard amount applies to both the tenant-based and project-based voucher programs. HUD will not approve a different exception payment standard amount for use in the project-based voucher program.
- (ii) The HACD may not establish or apply different utility allowance amounts for the project-based voucher program. The same HACD utility allowance schedule applies to both the tenant-based and project-based voucher programs.

7. HACD Owned Units

For HACD owned units, the initial rent to owner and the annual re-determination of rent at the annual anniversary of the HAP contract are determined by the independent entity approved by HUD in accordance with Section **RENT TO OWNER** (C)(6). The HACD must use the rent to owner established by the independent entity.

B. Re-determination of Rent to Owner

1. The HACD will re-determine the rent to owner:

- (a) Upon the owner's request; or
- (b) When there is a five percent or greater decrease in the published FMR.

2. Rent Increase

- (a) The HACD will not make any rent increase other than an increase in the rent to owner as outlined in **RENT TO OWNER**(A) above.

- (b) The owner must request an increase in the rent to owner at the annual anniversary of the HAP contract by written notice to the HACD. The HACD must receive the written notice 60 (sixty) days before the annual anniversary date. The request must be submitted in the form and manner required by the HACD.
- (c) The HACD will not approve and the owner will not receive any increase of rent to owner until and unless the owner has complied with all requirements of the HAP contract, including compliance with the HQS. The HACD will not grant any retroactive increase of rent for any period of noncompliance.

3. Rent Decrease

If there is a decrease in the rent to owner, the rent to owner must be decreased, regardless of whether the owner requested a rent adjustment.

4. Notice of Rent Determination

The HACD will give written notice of any redetermined rent. The HACD notice of the rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract.

5. Contract Year and Annual Anniversary of the HAP Contract

- (a) The contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.
- (b) The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year. The adjusted rent to owner amount applies for the period of 12 calendar months from the annual anniversary of the HAP contract.
- (c) If contract units are placed under the HAP contract in stages commencing on different dates, there is a single annual anniversary for all contract units under the HAP contract. The annual anniversary for all contract units is the annual anniversary date for the first contract units placed under the HAP contract. The expiration of the HAP contract for all the contract units completed in stages must be concurrent with the end of the HAP contract term for the units originally placed under HAP contract.

C. Reasonable Rent

1. Comparability Requirement

At all times during the term of the HAP contract, the rent to owner may not exceed the reasonable rent as determined by the HACD.

2. Redetermination

The HACD will redetermine the reasonable rent under the following circumstances:

- (a) Whenever there is a five percent or greater decrease in the published FMR in effect sixty (60) days before the contract anniversary (for the unit sizes specified

in the HAP contract) as compared with the FMR in effect one year before the contract anniversary;

- (b) Whenever the HACD approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- (c) Whenever the HAP contract is amended to substitute a different contract unit in the same project; and
- (d) Whenever there is any other change that may substantially affect the reasonable rent.

### 3. How to Determine Reasonable Rent

The reasonable rent of a contract unit must be determined by comparison to rent for other comparable unassisted units. In determining the reasonable rent, the HACD will consider factors that affect market rent, such as:

- (a) The location, quality, size, unit type, and age of the contract unit; and
- (b) Amenities, housing services, maintenance, and utilities to be provided by the owner.

### 4. Comparability Analysis

- (a) For each unit, the HACD comparability analysis will use at least three comparable units in the private unassisted market, which may include comparable unassisted units in the premises or project.
- (b) The HACD will retain a comparability analysis that shows how the reasonable rent was determined, including major differences between the unassisted units.
- (c) The comparability analysis may be performed by the HACD staff or by another qualified person or entity. A person or entity that conducts the comparability analysis and any HACD staff or contractor engaged in determining the housing assistance payment based on the comparability analysis may not have any direct or indirect interest in the property.

### 5. Owner Certification of Comparability

By accepting each monthly housing assistance payment from the HACD, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner must give the HACD information requested by the HACD on rents charged by the owner for other units in the premises or elsewhere.

### 6. Determining Reasonable Rent for HACD Units

For HACD units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with Section ***SELECTION OF PROPERTIES TO PROJECT-BASE(B)(8)***, rather than by HACD staff. Reasonable rent must be determined in accordance with this Section.

The independent entity must furnish a copy of the independent entity determination of reasonable rent for HACD owned units to the HACD and to the HUD field office where the project is located.

7. Other Subsidy; Effect on Rent to Owner

In addition to the rent limits established in accordance with **RENT TO OWNER(A)&(B)**, the following restrictions apply to certain units:

- (a) HOME – for units assisted under the HOME program, rents may not exceed rent limits as required by the HOME program.

- (b) Subsidized Projects

This paragraph applies to any contract units in any of the following types of federally subsidized project:

- (i) An insured or non-insured Section 236 project;
- (ii) A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- (iii) A Section 221(d)(3) below market interest rate (BMIR) project;
- (iv) A Section 515 project of the Rural Housing Service;
- (v) A project receiving low-income housing tax credits;
- (vi) Any other type of federally subsidized project specified by HUD.

The rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program.

- (a) Combining Subsidy

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

- (b) Other Subsidy: HACD Discretion to Reduce Rent

The HACD, at its discretion, may reduce the initial rent to owner because of other governmental subsidies, including tax credit or tax exemption, grants, or other subsidized financing.

- (c) Prohibition of Other Subsidy

The HACD will not attach or pay Project-based Voucher assistance to units in any of the following types of subsidized housing:

- (i) A public housing dwelling unit;
- (ii) A unit subsidized with any other form of Section 8 assistance (tenant-based or project-based);
- (iii) A unit subsidized with any governmental rent subsidy (a subsidy that pays all or any part of the rent);



- (iv) A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- (v) A unit subsidized with Section 236 rental assistance payments (12 U.S.C. 1715z-1). However, the HACD may attach assistance to a unit subsidized with Section 236 interest reduction payments;
- (vi) A unit subsidized with rental assistance payments under Section 521 of the Housing Act of 1949, 42 U.S.C. 1490a (a Rural Housing Service Program). However, the HACD may attach assistance for a unit subsidized with Section 515 interest reduction payments (42 U.S.C. 1485);
- (vii) A Section 202 project for non-elderly persons with disabilities (assistance under Section 162 of the Housing and Community Development Act of 1987, 12 U.S.C. 1701q note);
- (viii) Section 811 project based supportive housing for persons with disabilities (42 U.S.C. 8013);
- (ix) Section 202 supportive housing for the elderly (12 U.S.C. 1701q);
- (x) A Section 101 rent supplement project (12 U.S.C. 1701s);
- (xi) A unit subsidized with any form of tenant-based rental assistance (as defined at 24 CFR 982.1(b)(2)) (e.g., a unit subsidized with tenant-based rental assistance under the HOME program, 42 U.S.C. 12701 et seq.);
- (xii) A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or by the HACD in accordance with HUD requirements. For this purpose, “housing subsidy” does not include the housing component of a welfare payment; a social security payment; or a federal, state, or local tax concession (such as relief from local real property taxes).

8. Rent to Owner: Effect of Rent Control and Other Rent Limits

In addition to all the above limitations on the rent paid to the owner, if a state or local rent control requirement exists, it will apply to the property.

***PAYMENT TO OWNER***

A. HACD Payment to Owner for Occupied Unit

1. When Payments Are Made

The HACD will make housing assistance payments to the owner in accordance with the terms of the HAP contract.

Except for discretionary vacancy payments in accordance with ***PAYMENT TO OWNER(B)*** below, the HACD will not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

2. Monthly Payment

Monthly, the HACD will make a housing assistance payment to the owner for each contract unit that is in compliance with HQS and is leased to and occupied by an eligible family in accordance with the HAP contract.

3. Calculating Amount of Payment

The monthly housing assistance payment by the HACD to the owner for a contract unit leased to a family is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

4. Prompt Payment

The HACD will make the housing assistance payment to the owner under the HAP contract on or about the first day of the month for which payment is due, unless the owner and the HACD agree on a later date. If such an agreement has been made, it must be in writing.

5. Owner Compliance with Contract

In order to receive housing assistance payments in accordance with the HAP contract, the owner must be in compliance with all the provisions of the HAP contract. Unless the owner complies with all the provision of the HAP contract, the owner does not have a right to receive housing assistance payments.

B. Vacancy Payment

1. Payment for Move-Out Month

If an assisted family moves out of the unit, the owner may keep the housing assistance payment payable for the calendar month when the family moves out (“move-out month”). If the HACD determines that the vacancy is the owner’s fault, the owner may not keep the payment.

C. Tenant Rent; Payment to Owner

1. HACD Determination

The HACD will determine the tenant rent and effective dates of changes in rent in accordance with this Section 8 Administrative Plan. The tenant rent is the portion of the rent to owner paid by the family.

2. Tenant Payment to Owner

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The tenant rent is determined by the HACD and is the maximum amount the owner can charge the family for rent of a contract unit.

The tenant rent is payment for all housing services, maintenance, equipment, and utilities to be provided by the owner without additional charge to the tenant, in accordance with the HAP contract and lease.

The owner cannot demand or accept any rent payment from the tenant in excess of the tenant rent. The owner is required to immediately return any excess payment to the tenant.

3. Limit of HACD Responsibility

The HACD is responsible only for making housing assistance payments to the owner on behalf of a family in accordance with the HAP contract. The HACD is not responsible for paying the tenant rent, or for paying any other claim by the owner.

4. Utility Reimbursement

If the amount of the utility allowance exceeds the total tenant payment, the HACD will pay the amount of such excess as a reimbursement for tenant-paid utilities and the tenant rent to the owner shall be zero.

D. Other Fees and Charges

1. Meals and Supportive Services

In assisted living developments receiving project-based assistance, owners may charge tenants, family members, or both for meals or supportive services. These charges will not be included in the rent to owner, nor will the value of meals and supportive services be included in the calculation of reasonable rent. Non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

For any other type of project-based assistance (other than assisted living) the owner may not require the tenant or family members to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

2. Other Charges by Owner

The owner may not charge the tenant or family members extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

**Chapter 1**  
**STATEMENT OF POLICIES AND OBJECTIVES**

A.	MISSION STATEMENT .....	1-1
B.	LOCAL GOALS.....	1-2
C.	PURPOSE OF THE PLAN.....	1-7
D.	ADMINISTRATIVE FEE RESERVE .....	1-7
E.	RULES AND REGULATIONS .....	1-7
F.	TERMINOLOGY .....	1-8
G.	FAIR HOUSING POLICY .....	1-9
H.	REASONABLE ACCOMMODATIONS POLICY .....	1-10
I.	TRANSLATION OF DOCUMENTS.....	1-13
J.	MANAGEMENT ASSESSMENT OBJECTIVES .....	1-14
K.	RECORDS FOR MONITORING PHA PERFORMANCE .....	1-16
L.	PRIVACY RIGHTS .....	1-17
M.	FAMILY OUTREACH .....	1-18
N.	OWNER OUTREACH.....	1-19

**Chapter 2**  
**ELIGIBILITY FOR ADMISSION**

A.	ELIGIBILITY FACTORS .....	2-1
B.	FAMILY COMPOSITION.....	2-2
C.	INCOME LIMITATIONS .....	2-8
D.	MANDATORY SOCIAL SECURITY NUMBERS .....	2-9
E.	CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS .....	2-10
F.	OTHER CRITERIA FOR ADMISSIONS.....	2-11
G.	TENANT SCREENING .....	2-12
H.	CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT .....	2-13
I.	INELIGIBLE FAMILIES.....	2-13
J.	PROHIBITED ADMISSIONS CRITERIA.....	2-14
K.	VIOLENCE AGAINST WOMEN ACT PROTECTIONS.....	2-14

**Chapter 3**  
**APPLYING FOR ADMISSION**

A.	OVERVIEW OF APPLICATION TAKING PROCESS .....	3-1
B.	OPENING/CLOSING OF APPLICATION TAKING.....	3-2
C.	"INITIAL" APPLICATION PROCEDURES .....	3-4
D.	PLACEMENT ON THE WAITING LIST .....	3-5
E.	APPLICANT STATUS WHILE ON THE WAITING LIST .....	3-5
F.	TIME OF SELECTION.....	3-6
G.	COMPLETION OF FULL APPLICATION .....	3-7

H.	VERIFICATION.....	3-9
I.	FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY.....	3-10

**Chapter 4**

**ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST**

A.	WAITING LIST.....	4-1
B.	SPECIAL ADMISSIONS.....	4-2
C.	WAITING LIST PREFERENCES.....	4-2
D.	LOCAL PREFERENCES.....	4-3
E.	INCOME TARGETING.....	4-7
F.	INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION.....	4-7
G.	EXCEPTIONS FOR SPECIAL ADMISSIONS.....	4-7
H.	TARGETED FUNDING.....	4-8
I.	PREFERENCE & INCOME TARGETING ELIGIBILITY.....	4-8
J.	ORDER OF SELECTION.....	4-9
K.	FINAL VERIFICATION OF PREFERENCES.....	4-10
L.	PREFERENCE DENIAL.....	4-10
M.	REMOVAL FROM WAITING LIST AND PURGING.....	4-10

**Chapter 5**

**SUBSIDY STANDARDS**

A.	DETERMINING FAMILY UNIT (VOUCHER) SIZE.....	5-1
B.	EXCEPTIONS TO SUBSIDY STANDARDS.....	5-2
C.	UNIT SIZE SELECTED.....	5-4

**Chapter 6**

**FACTORS RELATED TO TOTAL TENANT PAYMENT & FAMILY SHARE DETERMINATION**

A.	INCOME AND ALLOWANCES.....	6-1
B.	DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS FOR PERSONS WITH DISABILITIES.....	6-7
C.	MINIMUM RENT.....	6-9
D.	DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT.....	6-11
E.	AVERAGING INCOME.....	6-15
F.	MINIMUM INCOME.....	6-15
G.	INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME.....	6-16
H.	REGULAR CONTRIBUTIONS AND GIFTS.....	6-16
I.	ALIMONY AND CHILD SUPPORT.....	6-16
J.	LUMP-SUM RECEIPTS.....	6-17
K.	CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS.....	6-18
L.	ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE.....	6-18

M.	CHILD CARE EXPENSES.....	6-18
N.	MEDICAL EXPENSES.....	6-19
O.	PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES.....	6-19
P.	INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS.....	6-20
Q.	UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS .....	6-21

**Chapter 7  
VERIFICATION PROCEDURES**

A.	METHODS OF VERIFICATION AND TIME ALLOWED.....	7-1
B.	RELEASE OF INFORMATION.....	7-3
C.	COMPUTER MATCHING .....	7-3
D.	ITEMS TO BE VERIFIED.....	7-6
E.	VERIFICATION OF INCOME.....	7-7
F.	INCOME FROM ASSETS.....	7-12
G.	VERIFICATION OF ASSETS.....	7-13
H.	VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME.....	7-14
I.	VERIFYING NON-FINANCIAL FACTORS .....	7-16
J.	SOCIAL SECURITY NUMBERS.....	7-21
K.	VERIFICATION OF WAITING LIST PREFERENCES .....	7-22
L.	EIV - DESCRIPTION, DEVIATIONS AND INCOME DISCREPANCIES.....	7-25
M.	TEMPORARY COMPLIANCE ASSISTANCE.....	7-32

**Chapter 8  
VOUCHER ISSUANCE AND BRIEFINGS**

A.	ISSUANCE OF VOUCHERS .....	8-1
B.	BRIEFING TYPES AND REQUIRED ATTENDANCE .....	8-1
C.	ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION.....	8-4
D.	ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION.....	8-5
E.	SECURITY DEPOSIT REQUIREMENTS.....	8-5
F.	TERM OF VOUCHER.....	8-6
G.	VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS .....	8-7
H.	REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER.....	8-8

**Chapter 9  
REQUEST FOR LEASE APPROVAL AND CONTRACT EXECUTION**

A.	REQUEST FOR APPROVAL OF TENANCY .....	9-2
B.	ELIGIBLE TYPES OF HOUSING .....	9-3
C.	WHERE FAMILY CAN LEASE A UNIT.....	9-4

D.	LEASE REVIEW.....	9-5
E.	SEPARATE AGREEMENTS .....	9-7
F.	INITIAL INSPECTIONS .....	9-7
G.	RENT LIMITATIONS .....	9-8
H.	DISAPPROVAL OF PROPOSED RENT .....	9-8
I.	INFORMATION TO OWNERS .....	9-8
J.	OWNER DISAPPROVAL .....	9-9
K.	CHANGE IN TOTAL TENANT (TTP) PRIOR TO HAP EFFECTIVE DATE.....	9-9
L.	CONTRACT EXECUTION PROCESS.....	9-10
M.	CHANGE IN OWNERSHIP.....	9-10

**Chapter 10**  
**HOUSING QUALITY STANDARDS AND INSPECTIONS**

A.	GUIDELINES/TYPES OF INSPECTIONS.....	10-1
B.	INITIAL HQS INSPECTION.....	10-2
C.	ANNUAL HQS INSPECTIONS .....	10-3
D.	MOVE OUT/VACATE .....	10-4
E.	SPECIAL/COMPLAINT INSPECTIONS .....	10-4
F.	QUALITY CONTROL INSPECTIONS .....	10-5
G.	ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS .....	10-5
H.	EMERGENCY REPAIR ITEMS .....	10-7
I.	CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS).....	10-8
J.	DETERMINATION OF RESPONSIBILITY .....	10-10
K.	CONSEQUENCES IF FAMILY IS RESPONSIBLE .....	10-11

**Chapter 11**  
**OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS**

A.	RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM.....	11-1
B.	MAKING PAYMENTS TO OWNERS .....	11-2
C.	RENT REASONABLENESS DETERMINATIONS .....	11-2
D.	PAYMENT STANDARDS FOR THE VOUCHER PROGRAM.....	11-4
E.	ADJUSTMENTS TO PAYMENT STANDARDS .....	11-5
F.	EXCEPTION PAYMENT STANDARDS.....	11-7
G.	OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM .....	11-7

**Chapter 12**  
**RECERTIFICATIONS**

A.	ANNUAL ACTIVITIES.....	12-1
B.	ANNUAL RECERTIFICATION/REEXAMINATION.....	12-2

C.	REPORTING INTERIM CHANGES.....	12-5
D.	OTHER INTERIM REPORTING ISSUES.....	12-7
E.	INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS.....	12-7
F.	NOTIFICATION OF RESULTS OF RECERTIFICATIONS.....	12-10
G.	TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS).....	12-10
H.	CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES.....	12-11
I.	CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES.....	12-12
J.	MISREPRESENTATION OF FAMILY CIRCUMSTANCES.....	12-12

**Chapter 13**  
**MOVES WITH CONTINUED ASSISTANCE/PORTABILITY**

A.	ALLOWABLE MOVES.....	13-1
B.	RESTRICTIONS ON MOVES.....	13-1
C.	PROCEDURE FOR MOVES.....	13-3
D.	PORTABILITY.....	13-3
E.	OUTGOING PORTABILITY.....	13-4
F.	INCOMING PORTABILITY.....	13-6

**Chapter 14**  
**CONTRACT TERMINATIONS**

A.	CONTRACT TERMINATION.....	14-1
B.	TERMINATION BY THE FAMILY: MOVES.....	14-1
C.	TERMINATION OF TENANCY BY THE OWNER: EVICTIONS.....	14-2
D.	TERMINATION OF THE CONTRACT BY PHA.....	14-4
E.	HAP CONTRACT TERMINATIONS NECESSITATED BY LACK OF FUNDING.....	14-5
F.	VAWA PROTECTIONS.....	14-7

**Chapter 15**  
**DENIAL OR TERMINATION OF ASSISTANCE**

A.	GROUND FOR DENIAL/TERMINATION.....	15-1
B.	SCREENING AND TERMINATION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY.....	15-4
C.	FAMILY OBLIGATIONS.....	15-14
D.	PROCEDURES FOR NON-CITIZENS.....	15-15
E.	ZERO (\$0)ASSISTANCE TENANCIES.....	15-16
F.	OPTION NOT TO TERMINATE FOR MISREPRESENTATION.....	15-16
G.	MISREPRESENTATION IN COLLUSION WITH OWNER.....	15-17
H.	MISSED APPOINTMENTS AND DEADLINES.....	15-17



**Chapter 16**  
**OWNER DISAPPROVAL AND RESTRICTION**

A.	DISAPPROVAL OF OWNER .....	16-1
B.	OWNER RESTRICTIONS AND PENALTIES.....	16-3
C.	CHANGE IN OWNERSHIP .....	16-3

**Chapter 17**  
**CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS**  
**(For HAP Contracts Effective Before October 2, 1995)**

Chapter no longer needed because all participants must have been switched to the Housing Choice Voucher Program as of October 1, 2001.

**Chapter 18**  
**OWNER OR FAMILY DEBTS TO THE PHA**

A.	PAYMENT AGREEMENT FOR FAMILIES .....	18-1
B.	DEBTS OWED FOR CLAIMS .....	18-2
C.	DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION.....	18-3
D.	DEBTS DUE TO MINIMUM RENT TEMPORARY HARDSHIP.....	18-4
E.	GUIDELINES FOR PAYMENT AGREEMENTS.....	18-4
F.	OWNER DEBTS TO THE PHA .....	18-5
G.	WRITING OFF DEBTS .....	18-6
H.	REPAYMENT AGREEMENT PROCEDURE.....	18-6

**Chapter 19**  
**COMPLAINTS AND APPEALS**

A.	COMPLAINTS TO THE PHA.....	19-1
B.	PREFERENCE DENIALS .....	19-2
C.	INFORMAL REVIEW PROCEDURES FOR APPLICANTS .....	19-2
D.	INFORMAL HEARING PROCEDURES.....	19-4
E.	HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS".....	19-8
F.	MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES.....	19-10

**Chapter 20**  
**SPECIAL HOUSING TYPES**

A.	SINGLE ROOM OCCUPANCY .....	20-1
B.	CONGREGATE HOUSING .....	20-2
C.	GROUP HOMES .....	20-3
D.	SHARED HOUSING.....	20-4
E.	COOPERATIVE HOUSING.....	20-5
F.	MANUFACTURED HOMES .....	20-6
G.	HOMEOWNERSHIP .....	20-9
H.	SHELTER PLUS CARE.....	20-19
I.	EMERGENCY HOUSING VOUCHER (EHVs).....	20-20

**PROGRAM INTEGRITY ADDENDUM**

A.	CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD.....	PI-2
B.	STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD .....	PI-3
C.	STEPS THE PHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD .....	PI-4
D.	THE PHA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD .....	PI-5
E.	OVERPAYMENTS TO OWNERS.....	PI-5
F.	HOW THE PHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD .....	PI-6
G.	PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE PHA.....	PI-7
H.	CONCLUSION OF THE PHA'S INVESTIGATIVE REVIEW .....	PI-7
I.	EVALUATION OF THE FINDINGS .....	PI-7
J.	ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED .....	PI-8

**GLOSSARY**

A.	ACRONYMS USED IN SUBSIDIZED HOUSING.....	GL-1
B.	GLOSSARY OF TERMS IN SUBSIDIZED HOUSING .....	GL-3
C.	GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE.....	GL-20

## Chapter 1

### STATEMENT OF POLICIES AND OBJECTIVES

#### **INTRODUCTION**

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which recodified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the Section 8 Tenant-Based Assistance Program, is described in and implemented throughout this Administrative Plan. The Section 8 tenant-based assistance programs are federally funded and administered for the **County of Dauphin** by the **Housing Authority of the County of Dauphin** through its Section 8 housing office.

Administration of the Section 8 Program and the functions and responsibilities of the Housing Authority (PHA) staff shall be in compliance with the PHA's Personnel Policy and the Department of Housing and Urban Development's (HUD) Section 8 Regulations as well as all Federal, State and local Fair Housing Laws and Regulations.

#### **Jurisdiction**

The jurisdiction of the PHA is [the County of Dauphin outside the city of Harrisburg].

#### **\*A. HOUSING AUTHORITY MISSION STATEMENT [OR HISTORICAL INFORMATION ON THE AGENCY]**

*INSTRUCTION: Insert your mission statement. Some examples are given below.*

"To provide safe, decent, affordable housing for eligible residents of the County of Dauphin."

#### **B. LOCAL GOALS** [24 CFR 982.1]

**INSTRUCTION:** Part I includes HUD's Template 5 Year Agency Plan Goals. Part II includes NMA optional goals. The PHA may use either group or mix and combine goals from both groups. These goals are entirely optional and for the admin plan the PHA may wish to select a minimum of goals. The PHA may wish to have a more extensive list of goals in the Agency Annual Plan.

**NOTE:** These goals should reflect the Agency Plan five year goals.

## **Part I**

**\* HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing.**

### **PHA Goal: Expand the supply of assisted housing**

#### **Objectives:**

- Apply for additional rental vouchers when and if available:
- Reduce public housing vacancies:
- Leverage private or other public funds to create additional housing opportunities:
- Acquire or build units or developments
- Other (list below)

### **PHA Goal: Improve the quality of assisted housing**

#### **Objectives:**

- Improve voucher management: (SEMAP score) \_\_\_\_\_
- Increase customer satisfaction:
- Concentrate on efforts to improve specific management functions (list; e.g., public housing finance; voucher unit inspections)
- Provide replacement vouchers:
- Other: (list below)

### **PHA Goal: Increase assisted housing choices**

#### **Objectives:**

- Provide voucher mobility counseling:
- Conduct outreach efforts to potential voucher landlords
- Increase voucher payment standards
- Administer** voucher homeownership program:

Implement public housing or other homeownership programs:

Implement public housing site-based waiting lists:

:Other: (list below)

**Other PHA Goals and objectives: (List below)**

**\* HUD Strategic Goal: Improve community quality of life and economic vitality**

**PHA Goal: Provide an improved living environment**

**Objectives:**

Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments:

Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:

Implement public housing security improvements:

Designate developments or buildings for particular resident groups (elderly, persons with disabilities)

Other: (list below)

**Other PHA Goals and objectives: (List below)**

**\* HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals**

**PHA Goal: Promote self-sufficiency and asset development of assisted households**

**Objectives:**

Increase the number and percentage of employed persons in assisted families:

Provide or attract supportive services to improve assistance recipients' employability:

Provide or attract supportive services to increase independence for the elderly or families with disabilities.

Other: (list below)

**Other PHA Goals and objectives: (List below)**

**\* HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans**

**PHA Goal: Ensure equal opportunity and affirmatively further fair housing**

**Objectives:**

Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability:

Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability:

Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required:

Other: (list below)

**\* Other PHA Goals and Objectives: (list below)**

## Part II

The PHA has the following goals for the program:

- \*To assist the local economy by increasing the occupancy rate and the amount of money flowing into the community.**
- \*To encourage self sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human services needs.**
- \*To create positive public awareness and expand the level of family, owner, and community support in accomplishing the PHA's mission.**
- \*To attain and maintain a high level of standards and professionalism in our day-to-day management of all program components.**
- \*To administer an efficient, high-performing agency through continuous improvement of the PHA's support systems and commitment to our employees and their development.**
- \*To provide decent, safe, and sanitary housing for very low income families while maintaining their rent payments at an affordable level.**
- \*To ensure that all units meet Housing Quality Standards and families pay fair and reasonable rents.**
- \*To promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.**
- \*To promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low income families.**
- \* To promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families.**



**C. PURPOSE OF THE PLAN** [24 CFR 982.54]

The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the Agency Plan. The Housing Choice Voucher Program was implemented on 10/1/99, and pre-merger Housing Voucher tenancies and Over Fair Market Rent tenancies converted automatically to Housing Choice Voucher tenancies on that date. However, all existing contracts will remain in effect until the family's second reexamination after the merger date or when a new lease is executed, whichever comes first.

The PHA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence. The PHA will revise this Administrative Plan as needed to comply with changes in HUD regulations. The original Plan and any changes must be approved by the Board of Commissioners of the agency, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

This Administrative Plan is a supporting document to the PHA Agency Plan, and is available for public review as required by CFR 24 Part 903.

Applicable regulations include:

24 CFR Part 5: General Program Requirements

24 CFR Part 8: Nondiscrimination

24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program

**\* Local rules that are made part of this Plan are intended to promote local housing objectives consistent with the intent of the federal housing legislation.**

**D. ADMINISTRATIVE FEE RESERVE** [24 CFR 982.54(d)(21)]

Expenditures from the Administrative Reserve (Operating Reserve) for other housing purposes shall not exceed **[\$4,000.00]** per occurrence for each fiscal year without the prior approval of the **[Dauphin County Housing Authority]** Board of Commissioners ].

**E. RULES AND REGULATIONS** [24 CFR 982.52]

This Administrative Plan is set forth to define the PHA's local policies for operation of the housing programs in the context of Federal laws and Regulations. All issues related to Section 8 not addressed in this document are governed by such Federal regulations, HUD Memos, Notices and guidelines, or other applicable law. The policies in this Administrative Plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

**F. TERMINOLOGY**

The Housing Authority of the County of Dauphin is referred to as "PHA" or "Housing Authority" throughout this document.

"Family" is used interchangeably with "Applicant" or "Participant" and can refer to a single person family.

"Tenant" is used to refer to participants in terms of their relation to landlords.

"Landlord" and "owner" are used interchangeably.

"Disability" is used where "handicap" was formerly used.

"Non-citizens Rule" refers to the regulation effective June 19, 1995 restricting assistance to U.S. citizens and eligible immigrants.

The Section 8 programs are also known as the Regular Tenancy Certificate, Over-FMR Tenancy (OFTO) and Voucher Programs. The Housing Choice Voucher Program refers to the merged program effective as of 10/1/99.

"HQS" means the Housing Quality Standards required by regulations as enhanced by the PHA.

"Failure to Provide" refers to all requirements in the first Family Obligation. See "Denial or Termination of Assistance" chapter.

"Merger date" refers to October 1, 1999, which is the effective date of the merging of the Section 8 Certificate and Voucher programs into the Housing Choice Voucher Program.

See Glossary for other terminology.

**G. FAIR HOUSING POLICY** [24 CFR 982.54(d)(6)]

It is the policy of the Housing Authority to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

The PHA shall not deny any family or individual the equal opportunity to apply for or receive assistance under the Section 8 Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial **[or marital]** status, handicap or disability **[or sexual orientation]**.

No inquiries shall be made about a person's sexual orientation or gender identity. However, the Housing Authority may inquire about a person's sex in order to determine the number of bedrooms a household may be eligible for under the occupancy standards or to accurately complete HUD's 50058.

To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to Voucher holders regarding unlawful discrimination and any recourse available to families who believe they are victims of a discriminatory act. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder's briefing packet and available upon request at the front desk.

All Housing Authority staff will be required to attend fair housing training and informed of the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations to persons with disabilities, as a part of the overall commitment to quality customer service. Fair Housing posters are posted throughout the Housing Authority office/s, including in the lobby and interview rooms and the equal opportunity logo will be used on all outreach materials. Staff will attend local fair housing update training sponsored by HUD and other local organization to keep current with new developments.

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the PHA's facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair.

The Housing Authority will keep records of all complaints, investigations, notices and corrective actions for five years.

The **[Dauphin County Housing Authority]** office(s) **[are]** accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the **[TTD telephone service provider 1-800-545-1833, Extension 304.]**.

## **H. REASONABLE ACCOMMODATIONS POLICY** [24 CFR 100.202]

It is the policy of this PHA to be service-directed in the administration of our housing programs, and to exercise and demonstrate a high level of professionalism while providing housing services to families.

A participant with a disability must first ask for a specific change to a policy or practice as an accommodation of their disability before the PHA will treat a person differently than anyone else. The PHA's policies and practices will be designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services. The availability of requesting an accommodation will be made known by including notices on PHA forms and letters. This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities and is applicable to all situations described in this Administrative Plan including when a family initiates contact with the PHA, when the PHA initiates contact with a family including when a family applies, and when the PHA schedules or reschedules appointments of any kind.

**\* To be eligible to request a reasonable accommodation, the requester must first certify (if apparent) or verify (if not apparent) that they are a person with a disability under the following ADA definition:**

A physical or mental impairment that substantially limits one or more of the major life activities of an individual;

A record of such impairment; or

Being regarded as having such an impairment

*Note: This is not the same as the HUD definition used for purposes of determining allowances.*

Rehabilitated former drug users and rehabilitated alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with 5.403, individuals are not considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence. Individuals whose drug or alcohol addiction is a material factor to their disability are excluded from the definition. Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse were discontinued.

Once the person's status as a qualified person with a disability is confirmed, the PHA will require that a professional third party competent to make the assessment, provides written verification that the person needs the specific accommodation due to their disability and the change is required for them to have equal access to the housing program.

If the PHA finds that the requested accommodation creates an undue administrative or financial burden, the PHA will deny the request and/or present an alternate accommodation that will still meet the need of the person.

An undue administrative burden is one that requires a fundamental alteration of the essential functions of the PHA (i.e., waiving a family obligation).

An undue financial burden is one that when considering the available resources of the agency as a whole, the requested accommodation would pose a severe financial hardship on the PHA.

The PHA will provide a written decision to the person requesting the accommodation within **(14 days]**. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review the PHA's decision.

Reasonable accommodation will be made for persons with a disability that requires an advocate or accessible offices. A designee will be allowed to provide some information, but only with the permission of the person with the disability.

All PHA mailings will be made available in an accessible format upon request, as a reasonable accommodation.

### **Verification of Disability**

The PHA will verify disabilities under definitions in the Fair Housing Amendments Act of 1988, Section 504 of the 1973 Rehabilitation Act, and Americans with Disabilities Act.

### **\* Outreach**

Outreach efforts will include notification of the PHA's 504 Advisory Board as well as all other media and agencies listed in the PHA's Administrative Plan regarding public notices (see section on opening and closing the waiting list in "Applying for admission" chapter.)

## **Applying for Admission**

All persons who wish to apply for any of the PHA's programs must submit a pre-application either in a written format on forms provided by the Housing Authority or on-line at the Housing Authority's website, [www.dauphinhousing.org](http://www.dauphinhousing.org), as indicated in our public notice. Applications will be made available in an accessible format upon request from a person with a disability.

To provide specific accommodation to persons with disabilities, upon request, the information may be mailed to the applicant and, if requested, it will be mailed in an accessible format.

The full application, including all associated documents, is completed at the eligibility appointment in the applicant's own handwriting, unless assistance is needed, or a request for accommodation is requested by a person with a disability. Applicants will then be interviewed by PHA staff to review the information on the full application form. Verification of disability as it relates to 504, Fair Housing, or ADA reasonable accommodation will be requested at this time. The full application will also include questions asking all applications whether reasonable accommodations are necessary.

## **I. TRANSLATION OF DOCUMENTS**

**\* The Housing Authority has bilingual staff to assist non-English speaking families in the following languages [Spanish] and can translate documents into the following languages [Spanish].**

In determining whether it is feasible to provide translation of documents written in English into other languages, the PHA will consider the following factors:

- \* Number of applicants and participants in the jurisdiction who do not speak English and speak the other language.**
- \* Estimated cost to PHA per client of translation of English written documents into the other language.**
- \* The availability of local organizations to provide translation services to non-English speaking families.**
- \* Availability of bilingual staff to provide translation for non-English speaking families.**

## **J. MANAGEMENT ASSESSMENT OBJECTIVES**

The PHA operates its housing assistance program with efficiency and can demonstrate to HUD auditors that the PHA is using its resources in a manner that reflects its commitment to quality and service. The PHA policies and practices are consistent with the areas of measurement for the following HUD SEMAP indicators.

Selection from the Waiting List

Reasonable Rent

Determination of Adjusted Income

Utility Allowance Schedule

HQS Quality Control Inspections

HQS Enforcement

Expanding Housing Opportunities

Payment Standards

Annual Re-examinations

Correct Tenant Rent Calculations

Pre-Contract HQS Inspections

Annual HQS Inspections

Lease-up

Family Self-Sufficiency Enrollment and Escrow Account Balances

Bonus Indicator Deconcentration

***INSTRUCTION:*** *FSS indicator only applies to PHAs required to administer an FSS program, and to receiving PHAs under portability who submit HUD-50058-FSS for any FSS families enrolled in the initial PHA's FSS program. The new PH Reform Act decreases the required size of the PHA's FSS program by one for each family that fulfills its obligations under the contract of participation. The Expanding Housing Opportunities indicator only applies to PHAs who operate within a Metropolitan Statistical Area (MSA.)*



Supervisory quality control reviews will be performed by a PHA Supervisor or other qualified person other than the person who performed the work, as required by HUD, on the following SEMAP factors:

Selection from the waiting list

Rent reasonableness

Determination of adjusted income

HQS Enforcement

HQS Quality Control

The annual sample of files and records will be drawn in an unbiased manner, leaving a clear audit trail.

The minimum sample size to be reviewed will relate directly to each factor.

## **K. RECORDS FOR MONITORING PHA PERFORMANCE**

In order to demonstrate compliance with HUD and other pertinent regulations, the PHA will maintain records, reports and other documentation for a time that is in accordance with HUD requirements and in a manner that will allow an auditor, housing professional or other interested party to follow, monitor and or assess the PHA's operational procedures objectively and with accuracy and in accordance with SEMAP requirements with internal supervisory audits.

**[In addition to the required SEMAP documentation,** supervisory staff audit the following functions:

Not less than **[5 percent]** of reexaminations

Not less than **[5 percent]** of new applications

**L. PRIVACY RIGHTS** [24 CFR 982.551 and 24 CFR 5.212]

The Housing Authority of the County of Dauphin is strongly committed to protecting the privacy of people dealing with the agency to the greatest degree practical. There are numerous federal privacy laws, regulations, notices, and other requirements that the Housing Authority follows to the greatest degree practical. Details about these requirements are set forth in PIH Notice 2015-06 and any ensuing publications. The Housing Authority will educate all of its employees who have access to personally identifiable information (PII) and/or Sensitive Personally Identifiable Information about these requirements and expect them to appropriately manage and safeguard the information. Employees will also be trained on the proper disposition of said information.

Applicants and participants, including all adults in their households, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD/PHA will release family information.

The PHA's policy regarding release of information is in accordance with State and local laws which may restrict the release of family information.

Any and all information which would lead one to determine the nature and/or severity of a person's disability must be kept in a separate folder and marked "confidential" or returned to the family member after its use. The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by **[the Section 8 Supervisor]**.

**\* The PHA's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in a secure location which is only accessible by authorized staff.**

**\* PHA staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussion of family information, or improper disclosure of family information by staff will result in disciplinary action.**

## **M. FAMILY OUTREACH**

The PHA will publicize and disseminate information to make known the availability of housing assistance and related services for very low income families on a regular basis. When the PHA's waiting list is open ***AND when the number of families on the waiting list is less than 1,000***, the PHA will publicize the availability and nature of housing assistance for very low income families in a newspaper of general circulation, minority media, and by other suitable means. Notices will also be provided in **[Spanish]**.

To reach persons who cannot read the newspapers, the PHA will distribute fact sheets to the broadcasting media, and initiate personal contacts with members of the news media and community service personnel. The PHA will also utilize public service announcements.

**\* The PHA will communicate the status of housing availability to other service providers in the community, and advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance.**

**\* The PHA explains the program, including equal opportunity requirements and nondiscrimination requirements, including Fair Housing Amendments Act of 1988 and Americans with Disabilities Act, to very low income families.**

**N. OWNER OUTREACH** [24 CFR 982.54(d)(5)]

The PHA makes a concerted effort to keep private owners informed of legislative changes in the tenant-based program, which are designed to make the program more attractive to owners. This includes informing participant owners of applicable legislative changes in program requirements.

The PHA encourages owners of decent, safe and sanitary housing units to lease to Section 8 families.

The PHA encourages participation by owners of suitable units located outside areas of low poverty or minority concentration.

The PHA conducts **[periodic]** meetings with participating owners to improve owner relations and to recruit new owners.

**\*The PHA maintains a [list of interested landlords/list of units available] for the Section 8 Program and updates this list at least [annually]. When listings from owners are received, they will be compiled by the PHA staff by bedroom size.**

**\* Printed material is offered to acquaint owners and managers with the opportunities available under the program.**

**\* The PHA has active participation in a community based organization(s) comprised of private property and apartment owners and managers.**

**\* The PHA will actively recruit property owners with property located outside areas of minority and poverty concentration and apply for exception payment standards if the PHA determines it is necessary to make the program more accessible in the PHA's jurisdiction .**

**\* The PHA encourages program participation by owners of units located outside areas of poverty or minority concentration. The PHA periodically evaluates the demographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choice and better housing opportunities to families. Voucher holders are informed of a broad range of areas where they may lease units inside the PHA's jurisdiction and given a list of landlords or other parties who are willing to lease units or help families who desire to live outside areas of poverty or minority concentration.**

**\* The PHA shall periodically:**

**\* Request the HUD Field Office to furnish a list of HUD-held properties available for rent.**

**\* Develop working relationships with owners and real estate broker associations.**

**\* Establish contact with civic, charitable or neighborhood organizations which have an interest in housing for low-income families and public agencies concerned with obtaining housing for displacements.**

**\* Explain the program, including equal opportunity requirements and nondiscrimination requirements, including Fair Housing Amendments Act of 1988 and Americans with Disabilities Act, to real estate agents, landlords, and other groups that have dealings with low-income families or are interested in housing such families.**

Reserved

## Chapter 2

# ELIGIBILITY FOR ADMISSION

[24 CFR Part 5, Subparts B, D & E; Part 982, Subpart E]

### INTRODUCTION

This Chapter defines both HUD and the PHA's criteria for admission and denial of admission to the program. The policy of this PHA is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply. The PHA staff will review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by the PHA pertaining to their eligibility.

### A. ELIGIBILITY FACTORS [982.201(b)]

The PHA accepts applications only from families whose head or spouse is at least 18 years of age.

To be eligible for participation, an applicant must meet HUD's criteria, as well as any permissible additional criteria established by the PHA.

The HUD eligibility criteria are:

An applicant must be a "family"

An applicant must be within the appropriate Income Limits

An applicant MUST furnish Social Security Numbers for ALL family members

An applicant must furnish declaration of Citizenship or Eligible Immigrant Status and verification where required

At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before the PHA may provide any financial assistance.



Reasons for denial of admission are addressed in the "Denial or Termination of Assistance" chapter. These reasons for denial constitute additional admission criteria.

The Family's initial eligibility for placement on the waiting list will be made in accordance with the date and time the application is received, preferences claimed by the applicant based on information provided on the pre-application and other eligibility factors.

\* Evidence of Citizenship/Eligible Immigrant Status will not be verified until the family is selected from the waiting list for final eligibility processing for issuance of a Voucher, [unless the PHA determines that such eligibility is in question, whether or not the family is at or near the top of the waiting list].

## B. FAMILY COMPOSITION [24 CFR 982.201(c)]

*INSTRUCTION: HUD defines the definition of an Elderly family by regulation, but they allow PHAs discretion to define what groups of persons constitute a non-elderly family. PHAs should be aware that if their definition is too restrictive, it may result in legal challenges.*

The applicant must qualify as a Family.

Family includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

A Family may be a single person or a group of persons.

A "family" includes a family with or without a child or children. A group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides is a family. The PHA determines if any other group of persons qualifies as a "family".

A single person family may be:

An elderly person

A displaced person

A person with a disability

Individuals may not be considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence.

Any other single person

A child who is **temporarily** away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.

\* A family also includes:

\* Two or more persons who intend to share residency whose income and resources are available to meet the family's needs and who have a history as a family unit or show evidence of a stable family relationship.

Two or more elderly or disabled persons living together, or one or more elderly, near elderly or disabled persons living with one or more live-in aides is a family.

Note: A participating family cannot add an individual or family to their household merely because that individual or family needs a place to stay. To do so would confer eligibility on the individual or family proposed to be added, would constitute a circumvention of the waiting list and would not be fair to those individuals and families on the waiting list.

### Head of Household

The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.]

### Spouse of Head

Spouse means the husband or wife of the head of household.

For proper application of the Non-Citizen Rule, the definition of spouse is: the marriage partner who, in order to dissolve the relationship, would have to be divorced. It includes the partner in a common law marriage. The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads.

### Co-Head

An adult individual in the household who is equally responsible for the lease with the Head of Household. A family may have a spouse or co-head, but not both. A co-head never qualifies as a dependent.

### Live-in Attendants

A Family may include a live-in aide provided that such live-in aide:

Is determined by the PHA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities,

Is not obligated for the support of the person(s), and

Would not be living in the unit except to provide needed care for the person(s). Such needed care must be documented by a physician or competent social worker familiar with the person's need for such care.

May have another source of employment income other than what may be earned through the care of the person being subsidized; however, the live-in-aide's primary work activity must be the care of the person being assisted and with whom he/she is living as a live-in-aide. The Housing Authority will make the final determination of whether a person qualifies as a live-in-aide.

A live-in aide is treated differently from family members:

Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.

Live-in aides are not subject to Non-Citizen Rule requirements.

Live-in aides may not be considered as a remaining member of the tenant family.

Relatives who are not members of the household are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above.

A Live in Aide may only reside in the unit with the approval of the PHA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker. The verification provider MUST certify that a live-in aide is needed for the care of the family member who is elderly, near-elderly (50-61) or disabled.

The PHA will approve a live-in aide if needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability. Approval of a live-in aide for reasonable accommodation will be in accordance with CFR 24 Part 8 and the reasonable accommodations section in Chapter 1 of this administrative plan.

The live-in-aide will also be subject to a criminal check and must qualify under the same criteria as the assisted tenant.

\* Verification must include the hours the care will be provided.

\* [24 CFR 982.316] At any time, the PHA will refuse to approve a particular person as a live-in aide or may withdraw such approval if:

\*The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;

\*The person commits drug-related criminal activity, violent criminal activity or other

felony ; or

\*The person currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

### Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is no court determination, the PHA will make the decision on whether to keep one or two components of the split family on the waiting list taking into consideration the following factors:

- \* Which family member applied as head of household.
  - \* Which family unit retains the children or any disabled or elderly members.
  - \* Restrictions that were in place at the time the family applied.
  - \* Role of domestic violence in the split.
  - \* Recommendations of social service agencies or qualified professionals such as children's protective services.
  - \* Any criminal activity on the part of any member of the family.
- \* Documentation of these factors is the responsibility of the applicant families. If either or both of the families does not provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by the PHA.
- \*In cases where domestic violence played a role, the standard used for verification will be the same as that required for the "domestic violence" preference.
- \* The PHA will require evidence that the family has been displaced as a result of fleeing violence in the home. Families are also eligible for this preference if there is proof that the family is currently living in a situation where they are being subjected to or victimized by violence in the home (See "Establishing Preferences and Maintaining the Waiting List" chapter).

### Multiple Families in the Same Household

When families apply which consist of two families living together, (such as a mother and father, and a daughter with her own husband or children), if they apply as a family unit and intend to live together as a family unit, they will be treated as a family unit.

### Joint Custody of Children

\* Children who are subject to a joint custody agreement, but live with one parent at least 51% of the time ("primary custody"), will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively.

\* There will be a self-certification required of families who claim joint custody or temporary guardianship.

\* When both parents are on the Waiting List and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent. Alternatively, the parent who claims the child as a dependent on his/her IRS tax return may also be considered as the primary custodian. For purposes of housing eligibility and the number of bedrooms indicated on the voucher to which the family is entitled, the Housing Authority reserves the right to make the final determination based on the evidence and documentation available.

### Special College Student Eligibility Rules

No assistance shall be provided under Section 8 of the 1937 Act to any individual who:

1. Is enrolled as a student at an institution of high education, as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002);
2. Is under 24 years of age;
3. Is not a veteran of the United States military;
4. Is unmarried;
5. Does not have a dependent child; and
6. Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income to receive assistance under section 8 of the 1937 Act.

The above restriction does not apply to a person with disabilities as such term is defined in section 3(b)(3)(E) of the 1937 ACT and who was receiving Section 8 assistance on November 20, 2005.

A student, under the age of 24 may still be income eligible for assistance in circumstances where the student can demonstrate independence from parents, where the student can demonstrate the absence of parents, or where an examination of the student's parents' income may not be relevant.

1. The individual is of legal contract age under state law.
2. The individual has established a household separate from parents or legal guardians for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education's definition of an "independent student." Section 480(d) of the Higher Education Act of 1965, as amended (the HEA), 20 U.S.C. 1087vv(d).
3. The individual is not claimed as a dependent by parents or legal guardians pursuant to IRS regulations.
4. The individual obtains a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support, even if no assistance will be provided.

The Housing Authority will verify to determine whether a student is independent for purposes of using the student's income alone for determining Section 8 eligibility (Student's Independence Verification Requirements). Those items include:

1. Reviewing and verifying previous address information to determine evidence of a separate household;
2. Verifying the student meets the U.S. Department of Education's definition of "independent student";
3. Reviewing a student's prior year income tax returns to verify the student is independent or verifying the student meets the U.S. Department of Education's definition of "independent student"; and
4. Verifying income provided by a parent by requiring a written certification from the individual providing the support. Certification is also required if the parent is providing no support to the student. Financial assistance that is provided by persons not living in the unit is part of annual income. (Except if the student meets the Department of Education's definition of "independent student" in paragraphs (2), (3) or (8) set forth below).

An "independent student" is defined as:

1. The individual is 24 years of age or older by December 31 of the award year;
2. The individual is an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older;
3. The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's State of legal residence;

4. The individual is a veteran of the Armed Forces of the United States (as defined in subsection c)(1) of HEA) or is currently serving on active duty in the Armed Forces for other than training purposes;
5. The individual is a graduate or professional student;
6. The individual is a married individual;
7. The individual has legal dependents other than a spouse;
8. The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth (as such terms are defined in section 725 of the McKinney-Vento Homeless Assistance Act) (42 U.S.C. 11431 et seq.), or as unaccompanied, at risk of homelessness, and self-supporting, by—
  - a. A local educational agency homeless liaison, designated pursuant to section 722(g)(1)(J)(ii) of the
  - b. McKinney-Vento Homeless Assistance Act;
  - c. The director of a program funded under the Runaway and Homeless Youth Act or a designee of the director;
  - d. The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (relating to emergency shelter grants) or a designee of the director; or
  - e. A financial aid administrator; or

The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

C. INCOME LIMITATIONS [24 CFR 982.201(b), 982.353]

*INSTRUCTION: The Quality Housing and Work Responsibility Act of 1998 authorizes PHAs to admit families whose income does not exceed the low-income limit (80% of median area income) provided the PHA has included this part of the admissions policy in the PHA's Annual Plan and specifies the criteria.*

To be eligible for assistance, an applicant must:

Have an Annual Income at the time of admission that does not exceed the [very low income] income limits for occupancy established by HUD.

*INSTRUCTION: If the PHA elects to use the Very Low Income limit, this should be added:*

\* To be income eligible, the applicant must be a family in the very low income category, which is a family whose income does not exceed 50 percent of the area median income. The PHA will not admit families whose income exceeds 50 percent of the area median income except those families included in 24 CFR 982.201(b).

\* To be income eligible, the family may be under the low-income limit in any of the following categories: [24 CFR 982.201(b)]

A very low income family.

A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within [180] days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act.

A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.

A low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.

A low-income non-purchasing family residing in a project subject to a home-ownership program under 24 CFR 248.173.

A low-income family or moderate income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.

A low-income family that qualifies for Voucher assistance as a non-purchasing family residing in a project subject to a resident home ownership program.

Portability: For initial lease-up at admission, families who exercise portability must be within the applicable income limit for the jurisdiction of the receiving PHA in which they want to live.

#### D. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218]

Prior to admission, every family member regardless of age must provide the Housing Authority with a complete and accurate Social Security Number unless they do not contend eligible immigration status.

New family members must provide this verification prior to being added to the lease. If the new family member became a member of the household within six months prior to the date of admission and is under the age of six and has not been assigned a Social Security Number, the family shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security Number. The Housing Authority shall grant one ninety (90) day extension for newly-added family members under the age of six if in its sole discretion it determines that the person's failure to comply was due to circumstances that could not have reasonably been foreseen and was outside the control of the person. If the Social Security Number is not provided within the required period, the assistance shall be terminated.



If a person is already a program participant and has not disclosed his or her Social Security Number, it must be disclosed at the next re-examination or re-certification.

Participants aged 62 or older as of January 31, 2010 whose initial eligibility determination was begun before January 31, 2010 are exempt from the required disclosure of their Social Security Number. This exemption continues even if the individual moves to a new assisted unit.

The best verification of the Social Security Number is the original Social Security card. If the card is not available, the Housing Authority will accept an original document issued by a federal or state government agency, which contains the name of the individual and the Social Security Number of the individual, along with other identifying information of the individual or such other evidence of the Social Security Number as HUD may prescribe in administrative instructions.

If a member of an applicant family indicates they have a Social Security Number, but cannot readily verify it, the family cannot be assisted until verification is provided.

If an individual fails to provide the verification within the time allowed, the family will be denied assistance or will have their assistance terminated. If the Social Security Number of each household member cannot be provided to the Housing Authority within 60 days of it being requested, the family shall lose its place on the waiting list and are removed from the waiting list. During this 60 days, if all household members have not disclosed their SSN at the time a unit becomes available, the Housing Authority must offer the available unit to the next eligible applicant family on the waiting list. The Housing Authority shall grant one ninety (90) day extension from termination if in its sole discretion it determines that the person's failure to comply was due to circumstances that could not have reasonably been foreseen and there is a reasonable likelihood that the person will be able to disclose a Social Security Number by the deadline.

#### E. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR Part 5, Subpart E]

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither, may elect not to contend their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD.

For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

Mixed Families. A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed." Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

All members ineligible. Applicant families that include no eligible members are ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.

Non-citizen students. Defined by HUD in the non-citizen regulations at 24 CFR 5.522. Not eligible for assistance.

Appeals. For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

#### Verification of Status Before Admission

The PHA will not provide assistance to families prior to the verification of eligibility for the individual or at least one member of the family pursuant to this section.

All adults must be able to sign the lease. If the state of Pennsylvania forbids individuals with ineligible immigration status from executing contracts (i.e., leases or other legal binding documents), then they are ineligible for this program.

#### F. OTHER CRITERIA FOR ADMISSIONS [24 CFR 982.552(b)]

A family will not be admitted to the program if any member of the family has been evicted from federally assisted housing for serious violation of the lease within the past [five] years.

A family will be denied admission to the program if any member of the family fails to sign and submit consent forms for obtaining information required by the PHA, including Form HUD-9886 and the "Consent for Release for Information" form.

\* The PHA will apply the following criteria, in addition to the HUD eligibility criteria, as grounds for denial of admission to the program:

- \* The family must not have violated any family obligation during a previous participation in the Section 8 program for [five] years prior to final eligibility determination.

- \* The PHA will make an exception, if the family member who violated the family obligation is not a current member of the household on the application.

- \* The family must pay any outstanding debt owed the PHA or another PHA as a result of prior participation in any federal housing program within [30] days of PHA notice to repay.

- \*The family must be in good standing regarding any current payment agreement made with another PHA for a previous debt incurred, before this PHA will allow participation in its Section 8 program.

- \* The PHA will check criminal history for all adults in the household to determine whether any member of the family has violated any of the prohibited behaviors as

referenced in the section on screening and terminations policy in the "Denial or Termination of Assistance" chapter.

In deciding whether to exercise their discretion to admit an individual or household that has engaged in criminal activity, the Housing Authority of the County of Dauphin will consider all of the circumstances relevant to the particular admission, including but not limited to: the seriousness of the offending action.

If any applicant deliberately misrepresents the information on which eligibility or tenant rent is established, the PHA may deny assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum).

\*A check of the State's lifetime sex offender registration program for each adult household member, including live-in aides. No household with an individual registered under a State sex offender registration will be admitted to the program. The Housing Authority will check with our State registry and if the applicant has resided in another State(s), with that State(s)'s list.

The Housing Authority will also utilize the US Department of Justice's Dru Sjodin National Sex Offender website as an additional resource. The Dru Sjodin National Sex Offender Database is an online, searchable database, hosted by the Department of Justice, which combines the data from individual state sex offender registries.

If an applicant is about to be denied housing based on either the criminal check or the sex offender registration program, the applicant will be informed of this fact and given an opportunity to dispute the accuracy of the information before the denial or eviction occurs. Applicants that are denied housing will be given a "Notice of Occupancy Rights under the Violence Against Women Act" which provides information on their rights and responsibilities under the Violence Against Women Act (VAWA). A copy of the HUD-approved Certification form shall also be provided with the notice.

\* G. TENANT SCREENING [24 CFR 982.307)]

The PHA will take into consideration any of the criteria for admission described in the "Denial or Termination of Assistance" chapter.

The PHA [will not] screen family behavior or suitability for tenancy, other than past criminal behavior for program eligibility. The PHA will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

In deciding whether to exercise their discretion to admit an individual or household that has engaged in criminal activity, the Housing Authority of the County of Dauphin will consider all of the circumstances relevant to the particular admission, including but not limited to: the seriousness of the offending action.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening families based on their tenancy histories, including such factors as:[24 CFR 982.307(a)(3)]

Payment of rent and utility bills

Caring for a unit and premises

Respecting the rights of other residents to the peaceful enjoyment of their housing

Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and

Compliance with other essential conditions of tenancy.

The PHA may give the owner:

The family's current and prior address as shown in the PHA's records; and

The name and address (if known by the PHA) of the landlord at the family's current and prior address.

\*The PHA will offer the owner other information in the PHA's possession concerning the family if requested, including:

\* Information about the family's tenancy history; or

\* Information about drug-trafficking by family members

The same types of information may be supplied to all owners.

The PHA will advise families how to file a complaint if they have been discriminated against by an owner. The PHA will advise the family to make a Fair Housing complaint if such a complaint appears justified. The PHA may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

## H. CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT

Changes that occur during the period between issuance of a voucher and lease up may affect the family's eligibility or share of the rental payment.

## I. INELIGIBLE FAMILIES

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to non-citizen status. See "Complaints and Appeals" chapter for additional information about reviews and hearings.

J. PROHIBITED ADMISSIONS CRITERIA [982.202(b)]

Admission to the program may not be based on:

Where a family lives prior to admission to the program.

Where the family will live with assistance under the program.

Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock.

Discrimination because a family includes children

Whether a family decides to participate in a family self sufficiency program; or

Other reasons as listed in the “Statement of Policies and Objectives” chapter under the Fair Housing and Reasonable Accommodations sections.

K. VIOLENCE AGAINST WOMEN ACT (VAWA) PROTECTIONS

Under the Violence Against Women Act (VAWA, notwithstanding the title of the statute, protections are not limited to women but cover victims regardless of sex, gender identity, or sexual orientation), Housing Choice Voucher participants have the following specific protections, which will be observed by the Housing Authority:

- A. An incident or incidents or actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence, and shall not in itself be good cause for terminating the assistance, tenancy, or occupancy rights of the victim of such violence by either the Housing Authority or the owner or property manager.
- B. An applicant for assistance or a tenant/participant receiving assistance under a covered housing provider may not be denied admission to, denied assistance under, terminated from participation in, or evicted from housing on the basis or as a direct result of the fact that the applicant or tenant/participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy.
- C. The Housing Authority shall provide each applicant and participant a HUD prescribed Notice of Occupancy Rights and Certification form. It shall also be provided with any notice of eviction. In addition, the Authority shall make an adopted Emergency Transfer Plan and Emergency Transfer Request available upon request.

- D. The Housing Authority may terminate the assistance to remove a lawful occupant or tenant who engages in criminal acts or threatened acts of violence or stalking to family members or others without terminating the assistance or evicting victimized lawful occupants. Also, the owner or property manager may evict a lawful occupant or tenant who engages in criminal acts or threatened acts of violence or stalking to family members or others without evicting other victimized lawful occupants. This is also true even if the household member is not a signatory to the lease. Under VAWA, both the Housing Authority and the owner or property manager are granted the authority to bifurcate the lease.
- E. The Housing Authority and owner or property manager may honor court orders regarding the rights of access or control of the property.
- F. There is no limitation on the ability of the Housing Authority to terminate assistance for other good cause unrelated to the incident or incidents of domestic violence, dating violence, sexual assault or stalking, other than the victim may not be subject to a “more demanding standard” than non-victims. Likewise, an owner or property manager can evict for good cause unrelated to the incident or incidents of domestic violence, dating violence, sexual assault or stalking. This is provided that neither subjects such a tenant to a more demanding standard than other tenants in making the determination whether to evict, or to terminate assistance or occupancy rights.
- G. There is no prohibition on the owner evicting if it “can demonstrate an actual and imminent threat to other tenants or those employed at or providing goods or services to the property if that tenant’s (victim’s) tenancy is not terminated.” An actual and imminent threat consists of a physical danger that is real, would occur within an immediate timeframe, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.
- H. Any protections provided by law which give greater protection to the victim are not superseded by these provisions.

***VERIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT OR STALKING***

The Housing Authority shall require and the owner or property manager may require verification in all cases where an individual claims protection under VAWA against an action involving such individual proposed to be taken by the Housing Authority. The

request for verification shall take the form of a written request by the Housing Authority to the claimant.

- A. Requirement for Verification.** The law allows, but does not require, the Housing Authority or a Section 8 owner or property manager to verify that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking claimed by a tenant or other lawful occupant is bona fide and meets the requirements of the applicable definitions set forth in this policy. The Housing Authority shall require verification in all cases where an individual claims protection against an action involving such individual proposed to be taken by the Housing Authority. Section 8 owners or managers receiving rental assistance administered by the Housing Authority may elect to require verification, or not to require it as permitted under applicable law.

Verification of a claimed incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking may be accomplished in one of the following three ways:

1. **HUD-approved form** - By providing to the Housing Authority or to the requesting Section 8 owner or property manager a written certification, on the form approved by the U.S. Department of Housing and Urban Development (HUD), that the individual is a victim of domestic violence, dating violence, sexual assault or stalking that the incident or incidents in question are bona fide incidents of actual or threatened abuse meeting the requirements of the applicable definition(s) set forth in this policy. The incident or incidents in question must be described in reasonable detail as required in the HUD-approved form, and the completed certification must include the name of the perpetrator.
2. **Other documentation** - by providing to the Housing Authority or to the requesting Section 8 owner or property manager documentation signed by an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing the domestic violence, dating violence, sexual assault or stalking, or the effects of the abuse, described in such documentation. The professional providing the documentation must sign and attest under penalty of perjury (28 U.S.C. 1746) to the professional's belief that the incident or incidents in question are bona fide incidents of abuse meeting the requirements of the applicable definition(s) set forth in this policy. The victim of the incident or incidents of domestic violence, dating violence, sexual assault or stalking described in the documentation must also sign and attest to the documentation under penalty of perjury.

3. ***Police or court record*** – by providing to the Housing Authority or to the requesting Section 8 owner or property manager a Federal, State, tribal, territorial, or local police or court record describing the incident or incidents in question.
  
- B. ***Time allowed to provide verification/failure to provide.*** An individual who claims protection against adverse action based on an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking, and who is requested by the Housing Authority, or a Section 8 owner or property manager to provide verification, must provide such verification within 14 business days after receipt of the written request for verification. Failure to provide verification, in proper form within such time will result in loss of protection under VAWA and this policy against a proposed adverse action. The submission of false information may be the basis for the termination of assistance or for eviction.
  
- C. ***Managing conflicting documentation.*** In cases where the Housing Authority receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the Housing Authority may determine which is the true victim by requiring third-party documentation as described in 24 CFR 5.2007 and in accordance with any HUD guidance as to how such determinations will be made. The Housing Authority shall honor any court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household.

### ***CONFIDENTIALITY***

All information provided under VAWA including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, shall be retained in confidence and shall not be entered into any shared database or provided to any related entity except to the extent that the disclosure is:

- A. Requested or consented to by the individual in writing;
- B. Required for used in an eviction proceeding; or
- C. Otherwise required by applicable law.

The Housing Authority shall provide its tenants notice of their rights under VAWA including their right to confidentiality and the limits thereof.



## Chapter 3

### APPLYING FOR ADMISSION

[24 CFR 982.204]

#### INTRODUCTION

The policy of the PHA is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for assistance, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but the PHA will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the waiting list in accordance with this Plan.

#### A. OVERVIEW OF THE APPLICATION TAKING PROCESS

The purpose of application taking is to permit the PHA to gather information and determine placement on the waiting list. The application will contain questions designed to obtain pertinent program information.

Families who wish to apply for any one of the PHA's programs must **[complete a written application form when application-taking is open.]** Applications will be made available in an accessible format upon request from a person with a disability.

**\*When the waiting list is open, any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an application.**

**\*Applications will be mailed to interested families upon request.**

**\* The application process will involve two phases. The first is the "initial" application for assistance (referred to as a preapplication). This first phase results in the family's placement on the waiting list, based on information provided by the applicant family on the preapplication form.**

**\* The preapplication will be dated, time-stamped, and referred to the PHA's eligibility office where it will be maintained until such time as it is needed for processing.**

**\* The second phase is the "final determination of eligibility" (referred to as the full application). The full application takes place when the family reaches the top of the waiting list. The "top" of the waiting list does not mean just the family in the number one position. The Authority necessarily sends letters to many applicants at the "top" of the waiting list, a group that could include a hundred, two hundred or even more. All those in this group or batch are treated the same and, depending upon many factors including the timeliness of**

**verifications, any applicant family in the group/batch could receive a voucher before another family. At this time the PHA ensures that verification of all HUD and PHA eligibility factors is current in order to determine the family's eligibility for the issuance of a voucher.**

If an applicant does not have their letter of benefits from the Social Security Administration or the letter is outdated, the Housing Authority will ask the family to go online to the SSA website and print current information to give the Housing Authority. If the family does not have a computer, while meeting with the applicant, the Housing Authority will help the applicant request a benefit verification letter from SSA's website, Social Security Online, at [www.socialsecurity.gov](http://www.socialsecurity.gov) or ask the applicant to request a *Proof of Income Letter* from SSA's toll-free number (800-772-1213).

Prior to admission, every family member regardless of age must provide the Housing Authority with a complete and accurate Social Security Number unless they do not contend eligible immigration status. If a family member is under the age of six and has not been assigned a Social Security Number, the applicant shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security Number. The Housing Authority may grant one ninety (90) day extension for family members under the age of six if in its sole discretion it determines that the applicant's failure to comply was due to circumstances that could not have reasonably been foreseen and was outside the control of the applicant. Applicants will be provided the opportunity to complete the information on form HUD-92006, Supplement to Application for Federally Assisted Housing. The form gives applicants the option to identify an individual or organization that the Housing Authority may contact and the reason(s) the individual or organization may be contacted. The applicants, if they choose to provide the additional contact information, must sign and date the form.

If the applicant chooses to have more than one contact person or organization, the applicant must make clear to the Housing Authority the reason each person or organization may be contacted. The Housing Authority will allow the applicant to complete a form HUD-92006 for each contact and indicating the reason the Housing Authority may contact the individual or organization. For example, the applicant may choose to have a relative as a contact for emergency purposes and an advocacy organization for assistance for tenancy purposes.

Those applicants who choose not to provide the contact information should check the box indicating that they "choose not to provide the contact information" and sign and date the form.

## **B. OPENING/CLOSING OF APPLICATION TAKING** [24 CFR 982.206, 982.54(d)(1)]

The PHA will utilize the following procedures for opening the waiting list:

When the PHA opens the waiting list, the PHA will advertise through public notice in the following newspapers, minority publications and media entities, location(s), and program(s) for which applications are being accepted:

**\*[The Harrisburg Patriot and Upper Dauphin Centinal Newspapers, Upper Dauphin Human Service Bldg, Elizabethtown, PA., the Charles P. Polk Foundation, Millersburg, PA**

The notice will contain:

The dates, times, and the locations where families may apply.

The programs for which applications will be taken.

A brief description of the program.

A statement that public housing residents must submit a separate application if they want to apply for the Section 8 rental assistance Program.

Limitations, if any, on who may apply.

The notices will be made in an accessible format if requested. They will provide potential applicants with information that includes the PHA address and telephone number, how to submit an application, information on eligibility requirements, and the availability of local preferences.

Upon request from a person with a disability, additional time will be given as an accommodation for submission of an application after the closing deadline. This accommodation is to allow persons with disabilities the opportunity to submit an application in cases when a social service organization provides inaccurate or untimely information about the closing date.

If the waiting list is open, the PHA will accept applications from eligible families unless there is good cause for not accepting the application, such as denial of assistance because of action or inaction by members of the family for the grounds stated in the "Denial or Termination of Assistance" chapter of this Administrative Plan. [24 CFR 982.206(b)(2)]

### **Closing the Waiting List**

The PHA may stop applications if there are enough applicants to fill anticipated openings for the next 12 months. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

**\* The PHA will announce the closing of the waiting list by public notice.**

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next [24] months. The PHA will give at least [three] days' notice prior to closing the list. When the period for accepting applications is over, the PHA will add the new applicants to the list by:

**\* Separating the new applicants into groups based on preferences and ranking**

applicants within each group by date and time of application.

**Limits on Who May Apply**

When the waiting list is open:

**\* Any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an application with exception of the following:**

**Applicants who have been denied housing or whose participation has been terminated for failure to satisfy certain Section 8 criteria for admission and participation may reapply after the following periods of time have elapsed:**

- (1) Violent and/or drug-related criminal activity – five calendar years from the date of the prohibited behavior or one calendar year from the date of release from any period of incarceration imposed as a result of the prohibited behavior, whichever date is later.**
- (2) Committing fraud in connection with any Federal housing assistance program - three years.**
- (3) Intentional misrepresentation of information related to their housing application or benefits derived therefore - one year.**
- (4) If a family is denied/terminated for any other reasons - one year.**

When the application is submitted to the PHA:

**\* It establishes the family's date and time of application for placement order on the waiting list.**

**C. "INITIAL" APPLICATION PROCEDURES** [24 CFR 982.204(b)]

The PHA will utilize a **[preliminary application form]**. The information is to be filled out by the applicant whenever possible. To provide specific accommodation for persons with disabilities, the information may be completed by a staff person over the telephone. It may also be mailed to the applicant and, if requested, it will be mailed in an accessible format.

**[Translations will be provided for non-English speaking applicants by staff in Spanish.]**

The purpose of the preapplication is to permit the PHA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. The preapplication will contain at least the following information:

Applicant name

Family Unit Size (number of bedrooms the family qualifies for under PHA subsidy standards) (By PHA)

Date and time of application (By PHA)

Information regarding possible eligibility for any local preference. (Preference will be based on information provided by applicant since, ordinarily, verification is not performed until the final verification stage.)

Racial or ethnic designation of the head of household

**\*Annual (gross) family income**

**\*Targeted program qualifications**

**\* Duplicate applications, including applications from a segment of an applicant household, will not be accepted.**

Applicant families which appear ineligible based on information provided on the preliminary application will be placed on the waiting list pending verification of information at the “final eligibility determination” stage.

Preapplications [**will not**] require an interview. The information on the application [**will not**] be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

#### **D. PLACEMENT ON THE WAITING LIST**

Applicants will be selected for placement on the waiting list by a lottery or random selection method.

#### **E. APPLICANT STATUS WHILE ON WAITING LIST** [CFR 982.204]

**\*Applicants are required to inform the PHA [in writing] of changes in address. Applicants are also required to respond to periodic requests from the PHA to update information on their application and to determine their interest in assistance.**

If after a review of the preapplication the family is determined to be preliminarily eligible, they will be notified in writing or in an accessible format upon request, as a reasonable accommodation.

This written notification of preliminary eligibility will be mailed to the applicant by first class mail.

The Authority may “purge” the waiting list periodically to determine who is still interested in receiving a voucher. This procedure would entail contacting applicants on the waiting list by first class mail at their addresses of record and inquiring whether they desire to remain on the waiting list and, possibly, whether their circumstances have changes. If the Authority does not receive a response from the applicant within the specified period of time, the applicant would be removed from the waiting list.

**F. TIME OF SELECTION** [24 CFR 982.204]

When funding is available, families will be selected from the waiting list in their determined sequence, regardless of family size, subject to income targeting requirements.

- 1. Based on the PHA's turnover and the availability of funding, groups of families will be selected from the waiting list to form a final eligibility "pool." The sequence of selection from the pool will be based on completion of verification of each family's information and, consequently, any family in the final eligibility "Pool" may receive a voucher before or after any other applicant family in the pool. Subject to the availability of funding, all applicant families in the pool will receive a voucher subsequent to the determination of eligibility.**

2. a. The potential members of the applicant pool will be sent “continued interest/update” letters prior to the invitation for the interview. These letters are intended to determine whether the applicant is still interested in rental assistance and whether there have been any changes in the family’s circumstances since the family completed the preliminary application. In particular, these letters are intended to determine whether the family may still be eligible for any preferences indicated on their preliminary application.
- b. If the “continued interest/update” letter is returned as undeliverable or if the applicant indicates that they are no longer interested in rental assistance through the Housing Choice Voucher Program, they will be removed from the Section 8 waiting list. If they indicate that they are interested and they appear to be eligible for the same preferences as indicated on their preliminary application, they will be invited to the interview for completion of the final application. On the other hand, if their circumstances have changed and they are no longer eligible for the preference(s) granted, which determined their position on the waiting list, they will be assigned the appropriate preferences which will determine their new position on the waiting list.

## **G. COMPLETION OF A FULL APPLICATION**

All preferences claimed on the preapplication or while the family is on the waiting list will be verified. The preference claimed has to be valid and applicable at the time of verification. The verification of information will occur as soon as possible after the family has been chosen for the eligibility pool and after the family provides the Authority will complete and accurate information. **The applicant will certify by signature that all information on the application is complete and accurate.**

Once the preference has been verified, the family will complete a full application, present Social Security number information, citizenship/eligible immigrant information, and sign the Consent for Release of Information forms.

Applicants will also be given the opportunity to update their HUD Form 92006 if applicable and if they desire.

The full application will be mailed or communicated as requested as an accommodation to a person with a disability or completed, if necessary, when the applicant attends the interview.

After the preference is verified, when the PHA is ready to select applicants, applicants will be required to:

### **Requirement to Attend Interview**

The PHA utilizes the full application interview to discuss the family's circumstances in greater detail, to clarify information which has been provided by the family, and to ensure that the information is complete. The interview is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process, as well as to advise the family of other PHA services or programs which may be available.

**\* The head of household is required to attend the interview.**

**\* If the head of household cannot attend the interview, the spouse may attend to complete the application and certify for the family. The head of household, however, will be required to attend an interview within [14 ] days to review the information and to certify by signature that all of the information is complete and accurate.**

**\* It is the applicant's responsibility to reschedule the interview if s/he misses the appointment. If the applicant does not reschedule or misses [two] scheduled meetings, the PHA will reject the application.**

**\* Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule no later than [7] days from the original appointment date. [The request must be made to the staff person who scheduled the appointment.]**

**\* If an applicant fails to appear for a pre-scheduled appointment, the PHA will automatically schedule a second appointment. If the applicant misses the second appointment without prior approval, the application is denied.**

If an applicant does not have their letter of benefits from the Social Security Administration or the letter is outdated, the Housing Authority will ask the family to go online to the SSA website and print current information to give the Housing Authority. If the family does not have a computer, while meeting with the applicant, the Housing Authority will help the applicant request a benefit verification letter from SSA's website, Social Security Online, at [www.socialsecurity.gov](http://www.socialsecurity.gov) or ask the applicant to request a *Proof of Income Letter* from SSA's toll-free number (800-772-1213).

Prior to admission, every family member regardless of age must provide the Housing Authority with a complete and accurate Social Security Number unless they do not contend eligible immigration status. If a family member is under the age of six and has not been assigned a Social Security Number, the applicant shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security Number. The Housing Authority may grant one ninety (90) day extension for family members under the age of six if in its sole discretion it determines that the applicant's failure to comply was due to circumstances that could not have reasonably been foreseen and was outside the control of the applicant. Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to participate in the interview process, but only with permission of the person with a disability.



If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review. (See "Complaints and Appeals" chapter.)

All adult members (18 years of age and older) must sign the HUD Form 9886, Release of Information, , the declarations and consents related to citizenship/immigration status and any other documents required by the PHA. Applicants will be required to sign specific verification forms for information which is not covered by the HUD form 9886. Failure to do so will be cause for denial of the application for failure to provide necessary certifications and release as required by the PHA.

Every adult household member must sign a consent form to release criminal conviction records and to allow PHAs to receive records and use them in accordance with HUD regulations.

If the PHA determines at or after the interview that additional information or document(s) are needed, the PHA will request the document(s) or information **[in writing.]** The family will be given **[14 calendar]** days to supply the information.

If the information is not supplied in this time period, the PHA will provide the family a notification of denial for assistance. (See "Complaints and Appeals" chapter)

#### **H. VERIFICATION** [24 CFR 982.201(e)]

Information provided by the applicant will be verified using the verification procedures in the "Verification Procedures" chapter. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, **preferences** and other pertinent information will be verified. Verifications may not be more than 90 days old at the time of issuance of the Voucher.

If an applicant does not have their letter of benefits from the Social Security Administration or the letter is outdated, the Housing Authority will ask the family to go online to the SSA website and print current information to give the Housing Authority. If the family does not have a computer, while meeting with the applicant, the Housing Authority will help the applicant request a benefit verification letter from SSA's website, Social Security Online, at [www.socialsecurity.gov](http://www.socialsecurity.gov) or ask the applicant to request a *Proof of Income Letter* from SSA's toll-free number (800-772-1213).

Prior to admission, every family member regardless of age must provide the Housing Authority with a complete and accurate Social Security Number unless they do not contend eligible immigration status. If a family member is under the age of six and has not been assigned a Social Security Number, the applicant shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security Number. The Housing Authority may grant one ninety (90) day extension for family members under the age of six if in its sole discretion it determines that the applicant's failure to comply was due to circumstances that could not have reasonably been foreseen and was outside the control of the applicant. **I.**

## **FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY**

[24 CFR 982.201]

After the verification process is completed, the PHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the PHA, and the current eligibility criteria in effect. If the family is determined to be eligible, the PHA will mail a notification of eligibility. A briefing will be scheduled for the issuance of a voucher and the family's orientation to the housing program.

## Chapter 4

# ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

[24 CFR Part 5, Subpart D; 982.54(d)(1); 982.204, 982.205, 982.206]

### **INTRODUCTION**

It is the PHA's objective to ensure that families are placed in the proper order on the waiting list and selected from the waiting list for admissions in accordance with the policies in this Administrative Plan.

**\* This chapter explains the local preferences which the PHA has adopted to meet local housing needs, defines the eligibility criteria for the preferences and explains the PHA's system of applying them.**

By maintaining an accurate waiting list, the PHA will be able to perform the activities which ensure that an adequate pool of qualified applicants will be available so that program funds are used in a timely manner.

### **A. WAITING LIST** [24 CFR 982.204]

The PHA uses a single waiting list for admission to its Section 8 tenant-based assistance program.

Except for Special Admissions, applicants will be selected from the PHA waiting list in accordance with policies and preferences and income targeting requirements defined in this Administrative Plan.

The PHA will maintain information that permits proper selection from the waiting list.

The waiting list contains the following information for each applicant listed:

Applicant name

Family unit size (number of bedrooms family qualifies for under PHA subsidy standards)

Date and time of application

Information regarding possible eligibility for any local preference. (Preference will be based on information provided by applicant since, ordinarily, verification is not performed until the final verification stage.)

Racial or ethnic designation of the head of household

**\*Annual (gross) family income**

**\*Number of persons in family**

**\*Targeted program qualifications**

**B. SPECIAL ADMISSIONS** [24 CFR 982.54(d)(e), 982.203]

If HUD awards a PHA program funding that is targeted for specifically named families, the PHA will admit these families under a Special Admission procedure.

Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list. The PHA maintains separate records of these admissions.

The following are examples of types of program funding that may be designated by HUD for families living in a specified unit:

A family displaced because of demolition or disposition of a public or Indian housing project;

A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;

For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990;

A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; or an expired Mod Rehab contract.

A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

**C. WAITING LIST PREFERENCES** [24 CFR 982.207]

The Housing Authority has established a number of preferences which determine applicants' positions on the waiting list. Applicants may be eligible for more than one preference. Generally, each preference is worth ten points; however, the Housing Authority may assign more than ten points to a preference under special circumstances, for example, a special program the Housing Authority is or will be administering. **Preference points are cumulative.** For example, a family which is eligible for one preference would be assigned 10 points whereas a family eligible for three preferences would receive 30 points. The more points a family has, the higher that family's position on the waiting list.

Within each preference group, applications will be ordered by the date and time of receipt of a completed application.

**D. LOCAL PREFERENCES** [24 CFR 982.207]

**1. RESIDENCY PREFERENCE (10 POINTS)**

Families who live, work or have been hired to work in the County of Dauphin outside the City of Harrisburg, which is the area of operation of the Housing Authority of the County of Dauphin, are eligible for a residency preference.

**2. VICTIMS OF DOMESTIC VIOLENCE (10 POINTS)**

**The Authority will offer a local preference to families that that been subjected to or victimized by a member of the family or household with the past sixty (60) days.**

The Authority will require evidence that the family has been displaced as a result of fleeing violence in the home. Families are also eligible for this preference if there is proof that family members are currently living in a situation where they are being subjected to or victimized by violence in the home. The following criteria are used to establish a family's eligibility for this preference:

- \* Actual or threatened violence must have occurred with the past sixty (60) days or be a of a continuing nature.
- \* To qualify for this preference, the abuser must still reside in the unit from which the victim was displaced. The applicant must certify that the abuser will not reside with the applicant unless the Authority gives prior written approval.
- \* The Authority will approve the return of the abuser to the household under the following conditions:
  1. The Authority verifies that the abuser has received therapy or counseling that appears to minimize the likelihood of recurrence of violent behavior.
  2. A counselor, therapist or other appropriate professional recommends in writing that the individual be allowed to reside with the family.

\* If the abuser returns to the family without approval of the Authority, the Authority will deny or terminate assistance for breach of certification.

\* At the family's request, the Authority will take precautions to ensure that the new location of the family is concealed in cases of domestic abuse.

### **3. HOMELESSNESS, INVOLUNTARY DISPLACEMENT, OR WITNESS PROTECTION PROGRAM (10 POINTS)**

**A. HOMELESSNESS** A preference for homelessness will be given to a family or individual who meets the following definition:

(1) A family or individual who lacks a fixed, regular and adequate night-time residence; and

(2) A family or individual who has a primary night-time resident that is:

(a) a supervised publicly or privately operated shelter designed to provide temporary living accommodations;

(b) an institution that provides a temporary residence for persons intended to be institutionalized; or

(c) a public or private place not designed for, or ordinarily used as a regular sleeping accommodation for human beings.

The eligibility for the Homelessness preference will be extended for up to six months for those who met the definition of homelessness and for whom Section 8 rental assistance was not available during their period of actual homelessness. This extension applies to those who met the definition of homelessness and who at the time of the verification of eligibility for this preference do not own a home or are not on a residential lease and who are staying temporarily at a residence of a friend, relative or other person. For example, this would apply to those who were at a shelter and who reached the time limit for their stay at the shelter and who, of necessity, sought refuge temporarily with a friend, relative or other person. The six month period would begin at the time of their leaving the shelter or leaving the street.

### **B. INVOLUNTARY DISPLACEMENT**

**(1) Government Action:** A family or individual will be considered to be involuntary displaced and thereby eligible for this preference if such family or individual

has been displaced by government action such as condemnation, e.g., having to move from a dwelling declared unfit for human habitation.

**(2) Disaster:** The family's previous home has been extensively damaged and made unliveable by a disaster such as a fire, flood, earthquake or tornado.

### **C. WITNESS PROTECTION PROGRAM**

Families and individuals who have been displaced because of participation in a government sponsored witness protection program are eligible for this preference.

### **4. PHYSICAL OR MENTAL DISABILITY (10 POINTS)**

A family whose head-of-household, spouse or co-head-of-household is permanently disabled, as defined below, is eligible for this preference.

(A) A person shall be considered to have a disability if such a person has a physical, mental or emotional impairment which is expected to be a long-continued duration, substantially impedes his or her ability to live independently, and is of such a nature that such ability could be improved by more suitable housing conditions.

(B) A person will also be considered to have a disability if she or he has a developmental disability, which is a severe, chronic disability that,

(1) is attributable to a mental or physical impairment or combination of mental and physical impairments;

(2) is manifested before the person attains age 22;

(3) is likely to continue indefinitely;

(4) results in substantive functional limitations in three or more areas of life activity.

### **5. BRIDGE SUBSIDY PROGRAM PREFERENCE (10 POINTS)**

At the recommendation of the Dauphin County MH/ID Office, Section 8 Housing Choice Voucher Program individual and family applicants that participate in the Dauphin County MH/ID Bridge Subsidy Program will be eligible for an additional preference of 10 points upon successfully achieving the following requirements:

1.) Complete a minimum of one full year of successful participation in the Bridge Subsidy Program.

- 2.) Successfully complete the first annual inspection process.
- 3.) Successfully complete the first annual recertification process.

The Dauphin County MH/ID Office reserves the right to terminate an individual or family's participation in the Bridge Subsidy Program at any time for just cause. Such a termination action would cause the participant in the Bridge Subsidy Program to forfeit the additional ten point preference that may have been awarded by the Housing Authority but would not jeopardize the participant's original application status under the Section 8 Housing Choice Voucher Program.

#### **6. SHELTER PLUS CARE PROGRAM PREFERENCE (10 POINTS)**

At the recommendation of the Dauphin County MH/ID Office, Section 8 Housing Choice Voucher Program individual and family applicants that participate in the Housing Authority's Shelter Plus Care Program will be eligible for an additional preference of 10 points upon successfully achieving the following requirements:

- 1.) Complete a minimum of one full year of successful participation in the Shelter Plus Care Program.
- 2.) Successfully complete the first annual inspection process.
- 3.) Successfully complete the first annual recertification process.

Termination of an individual or family's participation in the Shelter Plus Care Program at any time for just cause would cause the participant in the Shelter Plus Care Program to forfeit the additional ten point preference that may have been awarded by the Housing Authority but would not jeopardize the participant's original application status under the Section 8 Housing Choice Voucher Program.

#### **7. PHFA FY13 SECTION 811 PROGRAM (60 POINTS)**

The Housing Authority of the County of Dauphin is allocating fifteen (15) Housing Choice Vouchers for utilization under the FY13 Section 811 Program administered by the Pennsylvania Housing Finance Agency. This FY13 SECTION 811 PROGRAM preference will end upon the issuance and lease-up of all fifteen (15) Housing Choice Vouchers which have been allocated.

At any given time, the sum total number of individuals and families who are receiving housing assistance payments as a result of the FY13 Section 811 Program and individuals and families on the HACD HCV waiting list with the FY13 Section 811 Program preference shall not exceed fifteen (15).



The Housing Authority is allocating the Vouchers consistent with DHS' Office of Mental Health and Substance Abuse Services Olmstead Plan which includes a preference for adults with serious mental disabilities as a targeted population.

The Housing Authority shall give priority when issuing Vouchers in accordance with PHFA's FY13 Section 811 Program priority populations as set forth below:

- a. Priority 1 – Persons with disabilities ages 18-61, who are institutionalized, but able to live in the community with permanent supportive housing. Institutions include, but are not limited to, private and public mental health hospitals, nursing facilities and Intermediate Care Facilities for the Intellectually Disabled.
- b. Priority 2 – Persons with disabilities ages 18-61, who are at risk of institutionalization without permanent supportive housing, including, but not limited to, persons who are living with elderly caregivers or in unstable situations, homeless, aging out of the Early and Periodic Screening, Diagnosis and Treatment Program with no family support system and individuals aging out of foster care.
- c. Priority 3 – Persons with disabilities ages 18-61, who are living in congregate settings, who desire to move to an integrated community, including, but not limited to, persons in Community Residential Rehabilitation facilities, Long Term Structured Residences, personal care homes and domiciliary care.

#### **7. 2018 SECTION 811 MAINSTREAM VOUCHER PROJECT (10 POINTS)**

Non-elderly persons (age 18-61) with disabilities transitioning out of institutional and other segregated settings, at serious risk of institutionalization, homeless, or at risk of becoming homeless. Category definitions can be found in the Housing Authority's form ***2018 Section 811 Mainstream Voucher Project for Dauphin County Application Procedures***.

At any given time, the number of applicants on the waiting list that may qualify for this preference cannot exceed forty-one (41).

This preference has been established in accordance with the 2017 Mainstream Voucher Program NOFA related to the Housing Authority's application to and subsequent award by the U.S. Department of Housing and Urban Development for the administration of its 2018 Section 811 Mainstream Voucher Project.

All applicant families or individuals who appear to be otherwise eligible, but who are not eligible for one of the above preferences, will be placed on the Housing Choice Voucher (Section 8) waiting list with zero (0) points.

## Treatment of Single Applicants

\* Single applicants will be treated as any other eligible family on the waiting list.

### **E. INCOME TARGETING**

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the Authority reserve a minimum of seventy-five percent of its Section 8 new admissions for those families whose incomes do not exceed the higher of 30% of the median income for the area (as determined by HUD with adjustments for smaller and larger families) or the Federal poverty level, except that HUD may establish income ceilings higher or lower than 30% of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes. The PHA will admit families who qualify under the Extremely Low Income limit to meet the income targeting requirement, regardless of preference.

The Authority's income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act.

The Authority is also exempted from this requirement where the PHA is providing assistance to low income or moderate income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

### **F. INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION** [24 CFR 982.207]

At the time of application, an applicant's entitlement to a local preference may be made on the following basis.

**\* An applicant's certification that they qualify for a preference will be accepted without verification at the initial application. When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified.**

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list without the local preference and given an opportunity for a meeting.

### **G. EXCEPTIONS FOR SPECIAL ADMISSIONS** [24 CFR 982.203, 982.54(d)(3)]

If HUD awards the Authority program funding that is targeted for specifically named families, the Authority will admit these families under a Special Admission procedure. Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list. The PHA maintains separate records of these admissions.

The following are examples of types of program funding that may be designated by HUD for families living in a specified unit:

- A family displaced because of demolition or disposition of a Public or Indian housing project;
- A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;
- For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990;
- A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; and
- A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

## **H. TARGETED FUNDING** [24 CFR 982.203]

When HUD awards special funding for certain family types, families who qualify are placed on the regular waiting list. When a specific type of funding becomes available, the waiting list is searched for the first available family meeting the targeted funding criteria.

Applicants who are admitted under targeted funding which are not identified as a Special Admission **[are identified by codes in the automated system]**. The Authority has the following "Targeted" Programs:

- \* **Family Unification Program**
- \* Project Access
- \* **NED Category 2 HCVs**
- \* **Section 811 Mainstream Vouchers**

Note: The Authority, if eligible, intends to apply for "Mainstream Vouchers" at the earliest opportunity and when such vouchers are available. Such vouchers would also be considered as "Targeted Funding".

## **I. PREFERENCE AND INCOME TARGETING ELIGIBILITY** [24 CFR 982.207]

### **Change in Circumstances**

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify the Authority in writing when their circumstances change.

**\* When an applicant claims an additional preference, s/he will be placed on the waiting list in the appropriate order determined by the newly-claimed preference.**

**\*The exception to this is, if at the time the family applied, the waiting list was only open to families who claimed that preference. In such case, the applicant must verify that they were eligible for the first preference before they are returned to the waiting list with the new preference.**

**\*If the family's verified annual income, at final eligibility determination, does not fall under the Extremely Low Income limit and the family was selected for income targeting purposes before family(ies) with a higher preference, the family will be returned to the waiting list.**

**\*The Authority will merge its waiting lists for all programs.**

**Other Housing Assistance** [24 CFR 982.205(b)]

**Other housing assistance means a federal, State or local housing subsidy, as determined by HUD, including Public Housing.**

**The Authority may not take any of the following actions because an applicant has applied for, received, or refused other housing: [24 CFR 982.205(b)]**

- \* Refuse to list the applicant on the PHA waiting list for tenant-based assistance;**
- \* Deny any admission preference for which the applicant is currently qualified;**
- \* Change the applicant's place on the waiting list based on preference, date and time of application, or other factors affecting selection under the Authority's selection policy; or**
- \* Remove the applicant from the waiting list.**

**However, the Authority may remove the applicant from the waiting list for tenant-based assistance if the Authority has offered the applicant assistance under the voucher program and the applicant has refused such assistance.**

**J. ORDER OF SELECTION** [24 CFR 982.207(e)]

The PHA's method for selecting applicants from a preference category leaves a clear audit trail that can be used to verify that each applicant has been selected in accordance with the method specified in the administrative plan.

**Among Applicants with Equal Preference Status**

Among applicants with equal preference status, the waiting list will be organized by **[date and time of receipt of the preliminary application]**.

**K. FINAL VERIFICATION OF PREFERENCES** [24 CFR 982.207]

Preference information on applications will be updated as applicants are selected from the waiting list. Letters may also be sent to applicants prior to scheduling an interview to request updated information to determine whether their position on the waiting list, because of preferences claimed, is justified. Subsequent to the interview, the Authority will obtain necessary verifications of preference and other information by third party verification and other means.

**L. PREFERENCE DENIAL** [24 CFR 982.207]

If the Authority denies a preference, the Authority will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for **[an informal meeting with a person designated by the Authority other than the person or subordinate of the person who made the determination to deny the preference.]** If the preference denial is upheld as a result of the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

**\* If the applicant falsifies documents or makes false statements in order to qualify for any preference, they will be removed from the waiting list.**

**M. REMOVAL FROM WAITING LIST AND PURGING** [24 CFR 982.204©]

**\* The Waiting List will be purged periodically by a mailing to all applicants to ensure that the waiting list is current and accurate. The mailing will ask for confirmation of continued interest.**

**\* Any mailings to the applicant which require a response will state that failure to respond within [14 calendar] days will result in the applicant's name being dropped from the waiting list.**

An extension of [5] days to respond will be granted, if requested and needed as a reasonable accommodation for a person with a disability.

If the applicant did not respond to the Authority's request for information or updates because of a family member's disability, the Authority will reinstate the applicant in the family's former position on the waiting list.

**\* If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.**

**\* If a letter is returned with a forwarding address, it will be re-mailed to the address indicated.**

**\* The Authority allows a grace period of [5] days after completion of the purge. Applicants who respond during this grace period will be reinstated.**

Reserved

## Chapter 5

# SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

### INTRODUCTION

HUD guidelines require that PHA's establish subsidy standards for the determination of family unit size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards. This Chapter explains the subsidy standards which will be used to determine the voucher size (family unit size) for various sized families when they are selected from the waiting list, as well as the PHA's procedures when a family's size changes, or a family selects a unit size that is different from the Voucher.

### A. DETERMINING FAMILY UNIT (VOUCHER) SIZE [24 CFR 982.402]

The PHA does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the Voucher. The PHA's subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines.

**\* For subsidy standards, an adult is a person 18 years old or older.**

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements.

The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

**\* One bedroom will be generally be assigned for each two family members. The PHA will consider factors such as family characteristics including sex, age, or relationship. Consideration will also be given for medical reasons and the presence of a live-in aide.**

**\* Generally, the PHA assigns one bedroom to two people within the following guidelines:**

**\* Persons of different generations, persons of the opposite sex older than four (other than spouses), children of the same sex with a six year age difference or more (when the older child is 16 years or older), and unrelated adults should be allocated a separate bedroom.**

**\* Foster children will be included in determining unit size only if they will be in the unit for more than [6] months.**

**\* Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.**

\* Space may be provided for a child who is away at school, but who lives with the family generally at least 120 days each calendar year. Space may also be provided for a child who lives part of the time with each of two parents as a result of a joint custody arrangement. For such a child, space may be provided in the rental unit of the parent who does not have primary custody, but with whom the child lives at least 120 days during the course of a calendar year.

\* Space will not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military.

\* A single pregnant woman with no other family members must be treated as a two-person family. A biological parent may occupy the same bedroom as his/her child until the child reaches the age of two.

\* Single person families shall be allocated a one bedroom voucher.

<b>GUIDELINES FOR DETERMINING VOUCHER SIZE</b>		
<b>Voucher Size</b>	<b>Persons in Household</b>	
	<b>Minimum Number</b>	<b>Maximum Number</b>
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8
5 Bedrooms	6	10
6 Bedrooms	8	12

**B. EXCEPTIONS TO SUBSIDY STANDARDS** [24 CFR 982.403(a) & (b)]

The PHA shall grant exceptions from the subsidy standards if the family requests and the PHA determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

The PHA will grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger voucher size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a:

- \* **Verified medical or health reason; or**
- \* **Elderly persons or persons with disabilities who may require a live-in attendant.**



## **Request for Exceptions to Subsidy Standards**

**\* The family may request a larger sized voucher than indicated by the PHA's subsidy standards. Such request must be made in writing within [7] days of the PHA's determination of bedroom size. The request must explain the need or justification for a greater number of bedrooms than the family would otherwise be entitled to. Documentation verifying the need or justification will be required as appropriate.**

**\* The PHA will not issue a larger voucher due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.**

Requests based on health related reasons must be verified by a [doctor, medical professional, or social service professional].

## **PHA Error**

If the PHA errs in the designation of the number of bedrooms, the family will be issued a Voucher of the appropriate size.

## **Changes for Applicants**

The voucher size is determined prior to the briefing by comparing the family composition to the PHA subsidy standards. If an applicant requires a change in the voucher size, based on the requirements of the PHA subsidy standards, the above-referenced guidelines will apply.

## **Changes for Participants**

The members of the family residing in the unit must be approved by the PHA. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within [30] days. The above referenced guidelines will apply.

## **Underhoused and Overhoused Families**

If a unit does not meet HQS space standards due to an increase in family size, (unit too small), the PHA will issue a new voucher of the appropriate size and assist the family, if requested, in locating a suitable unit.

The PHA will also notify the family of the circumstances under which an exception will be granted, such as:

**\* If a family with a disability is under-housed in an accessible unit.**

**\* If a family requires the additional bedroom because of a health problem which has been verified by the PHA.**

\* The PHA and family have been unable to locate a unit within [60] days.

If a family becomes “over-housed” because of a change in family composition, i.e. family members have moved out, the Authority will issue the family a new voucher corresponding to the new (present) size of the family beginning at the family’s first regular re-examination following the change in family unit size so that the family receives rental assistance according to current family needs.

If the family has misrepresented its family size, the Authority may issue the family a new voucher to correspond to the family’s actual size on the first of the second month following the Authority’s becoming aware of the family’s misrepresentation of its family size.

**C. UNIT SIZE SELECTED** [24 CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the Voucher. There are three criteria to consider:

Subsidy Limitation: The family unit size as determined for a family under the PHA subsidy standard for a family assisted in the voucher program is based on the PHA's adopted payment standards. **The payment standard for a family shall be the lower of:**

The payment standard amount for the family unit size; or

The payment standard amount for the unit size rented by the family.

Utility Allowance: The utility allowance for a family is the lower of the utility allowance amount for the family unit size or the utility allowance amount for the size of the unit rented by the family. At the request of a family with a person with disabilities, the Housing Authority must approve a utility allowance higher than the applicable amount if such a higher utility allowance is needed as a reasonable accommodation. For current tenants, the Housing Authority must implement the new allowance at the family’s next annual reexamination, provided that the Housing Authority is able to provide the family with at least 60 days’ notice prior to reexamination.

Housing Quality Standards: The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

<b>*HQS GUIDELINES FOR UNIT SIZE SELECTED</b>	
<b>Unit Size</b>	<b>Maximum Number in Household</b>
0 Bedroom	1
1 Bedroom	4
2 Bedrooms	6

3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

## Chapter 6

# FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION

[24 CFR Part 5, Subparts E and F; 982.153, 982.551]

### INTRODUCTION

The PHA will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and at annual reexamination is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the Regulations.

This Chapter defines the allowable expenses and deductions to be subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subparts E and F, and further instructions set forth in HUD Notices and Memoranda. **The formula for the calculation of TTP is specific and not subject to interpretation.** The PHA's policies in this Chapter address those areas which allow the PHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

### A. INCOME AND ALLOWANCES [24 CFR 5.609]

Income: Includes all monetary amounts which are received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD defines what is to be calculated and what is to be excluded in the federal regulations. In accordance with this definition, all income which is not specifically excluded in the regulations is counted.

Annual Income is defined as the gross amount of income **anticipated** to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income which has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.

If a participant purchases a home using the Section 8 Homeownership option, if one is offered by the Housing Authority, the value of this asset shall be excluded from the income calculation for the first ten years of ownership from the closing date. For all re-certifications occurring after ten years of ownership, the value of the asset shall equal the fair market value of the property minus any loans on the property and minus 10% of the fair market value of the property (expenses to convert to cash as determined by PIH Notice 2012-3). The fair market value of the property will be determined by the assessed value as determined by the City, Town or Village Assessor if the assessed value is made at market value. This market value will be obtained by reviewing and documenting the local assessment roll or the owner's most recent property tax bill. If a market

value tax assessment is not available, then the Housing Authority will use the sales comparison method examining at least three comparable properties in the surrounding (or similar) neighborhood that possess comparable factors that affect market value. For determining the loans on the property, the Housing Authority will first try to verify the current payoff amount of the loan(s) included on the participant's monthly mortgage statement. If the payoff amount is not available, the Housing Authority may deduct the loan balance from the market value and document the file as to the method used.

Annual income does not include the following amounts specified in the federal regulations currently found in 24 CFR 5.609:

- A. Income from employment of children (including foster children) under the age of 18 years;
- B. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone) or payments made under Kin-GAP or similar guardianship care programs for children leaving the juvenile court system.;
- C. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses;
- D. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- E. Income of a live-in aide;
- F. The full amount of student financial assistance paid directly to the student or to the educational institution;
- G. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- H. The amounts received from the following programs:
  - 1. Amounts received under training programs funded by HUD;
  - 2. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
  - 3. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special

- equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;
4. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Housing Authority or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination, and serving as a member of the Housing Authority governing board. No resident may receive more than one such stipend during the same period of time;
  5. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program;
  6. Temporary, non-recurring or sporadic income (including gifts). This specifically includes temporary income payments from the U. S. Census Bureau, defined as employment lasting no longer than 180 days per year and not culminating in permanent employment;
  7. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
  8. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
  9. Adoption assistance payments in excess of \$480 per adopted child;
  10. Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
  11. Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
  12. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
  13. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits. These exclusions include:

- a. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017(b));
- b. Payments to Volunteers under the domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(f)(1), 5058);
- c. Certain payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c));
- d. Income derived from certain sub marginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
- e. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));
- f. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, section 6);
- g. The first \$2000 of per capita shares received from judgment funds awarded by the Indian National Gaming Commission or the U.S. Claims Court, the interests of individual Indians in trust or restricted lands, and the first \$2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407). This exclusion does not include proceeds of gaming operations regulated by the Commission;
- h. Amounts of scholarships funded under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070), including awards under Federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, only (42 U.S.C. 1437f), any financial assistance in excess of amounts received by an individual for tuition and any other required fees and charges under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall not be considered income to that individual if that individual is over the age of 23 with dependent children (Pub. L. 109-115, section 327) (as amended) (See definition of Tuition in Glossary);
- i. Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(g));

- j. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund (Pub. L. 101-201) or any other fund established pursuant to the settlement in *In Re Agent Orange Liability Litigation*, M.D.L. No. 381 (E.D.N.Y.);
- k. Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-420, 25 U.S.C. 1728);
- l. The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q);
- m. Earned income tax credit (EITC) refund payments received on or after January 1, 1991, for programs administered under the United States Housing Act of 1937, title V of the Housing Act of 1949, section 101 of the Housing and Urban Development Act of 1965, and sections 221 (d)(3), 235, and 236 of the National Housing Act (26 U.S.C. 32(l));
- n. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433);
- o. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));
- p. Any allowance paid under the provisions of 38 U.S.C. 1883(c) to children of Vietnam veterans born with spina bifida (38 U.S.C. 1802-5), children of women Vietnam veterans born with certain defects (38 U.S.C. 1811-16), and children of certain Korean service veterans born with spina bifida (38 U.S.C. 1821);
- q. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602(c));
- r. Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931(a)(2)).
- s. Any amount received under the Richard B. Russell School Lunch Act (42 U.S.C. 1760(e)) and the Child Nutrition Act of 1966 (42 U.S.C. 1780(b)), including reduced-price lunches and food under the Special Supplemental Food Program for Women, Infants, and Children (WIC);



- t. Payments, funds or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b));
- u. Payments from any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly (42 U.S.C. 1437a(b)(4));
- v. Compensation received by or on behalf of a veteran for service-connected disability, death, dependency, or indemnity compensation as provided by an amendment by the Indian Veterans Housing Opportunity Act of 2010 (Pub. L. 111-269; 25 U.S.C. 4103(9)) to the definition of income applicable to programs authorized under the Native American Housing Assistance and Self-Determination Act (NAHASDA) (25 U.S.C. 4101 *et seq.*) and administered by the Office of Native American Programs;
- w. A lump sum or a periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, 816 F. Supp. 2d 10 (Oct. 5, 2011 D.D.C.), for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010 (Pub. L. 111-291);
- x. Any amounts in an “individual development account” as provided by the Assets for Independence Act, as amended in 2002 (Pub. L. 107-110, 42 U.S.C. 604(h)(4));
- y. Per capita payments made from the proceeds of Indian Tribal Trust Cases as described in PIH Notice 2013-30 “Exclusion from Income of Payments under Recent Tribal Trust Settlements” (25 U.S.C. 117b(a)); and
- z. Major disaster and emergency assistance received by individuals and families under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93-288, as amended) comparable disaster assistance provided by States, local governments, and disaster assistance organizations (42 U.S.C. 5155(d)).
- aa. ABLÉ accounts created under the Achieving a Better Life Experience Act of 2014 (ABLE Act) are excluded from the calculation of both income and assets. (See PIH Notice 2019-09)

Adjusted Income is defined as the Annual income minus any HUD allowable expenses and deductions.

HUD has five allowable deductions from Annual Income:

Dependent Allowance: \$480 each for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled.

Elderly/Disabled Allowance: \$400 per family for families whose head or spouse is 62 or over or disabled.

Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family.

Child Care Expenses: Deducted for the care of children under 13 **when child care is necessary to allow an adult member to work, attend school, or actively seek employment.**

Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an **adult** family member to work.

**B. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS FOR PERSONS WITH DISABILITIES [24 CFR 5.617; 982.201(b)(3)]**

***11.9 EARNED INCOME DISALLOWANCE (EID)***

For persons with disabilities already participating in the in the Section 8 program, Earned Income Disallowance (EID) excludes income earned by family members who meet one of the following criteria:

1. Families whose income increases as a result of employment of a disabled family member who was previously unemployed (defined as working less than 10 hours a week at the established minimum wage) for one or more years.
2. Families whose income increases during the participation of a disabled family member in any economic self-sufficiency or other job training program.
3. Persons with disabilities who are or were, within 6 months, assisted under a State TANF or Welfare-to-Work program for at least \$500.

**CURRENT EID PARTICIPANTS**

For family members that currently benefit from the EID, and/or who become eligible prior to **07/01/2017**:

**Initial Twelve Month Exclusion**

- Qualified families will receive during the first cumulative 12 month period beginning with date of employment, an exclusion of 100% of any increase of annual income as a result of employment. EID will begin on the first day of the month following the effective date of employment.

#### Second Twelve Month Phase-In Exclusion

- Qualified families will receive during the second cumulative 12 month period of time after the expiration of the initial cumulative twelve month period as stated above, an exclusion of 50% of any increase of annual income as a result of employment.

#### Maximum Four Year Disallowance

- The Earned Income Disallowance is limited to a lifetime 48 month period for each family member. Each qualified family member will receive a full 12 month income exclusion and a full 12 month phase-in come exclusion beginning from the date of the initial exclusion.
- The EID benefit is limited to a 48-month period for the qualifying family member:
- The lifetime Disregard will end 48 months after it began, regardless of how many months were “used”.

#### **EID PARTICIPANTS QUALIFYING ON OR AFTER 07/01/2017:**

For family members qualifying on or after **07/01/2017**, the two (12) month periods of income exclusion are not cumulative over the total 24 month period. EID for these family members is as follows:

- Once a family member is determined to be eligible for the EID, the 24 month period starts;
- If the family member discontinues the employment that initially qualified the family for the EID, the 24 month period continues;
- During the 24 month period, EID benefits are recalculated based on changes to family member income and employment (no change from current practice);
- During the first 12 month period, a PHA must exclude all increased income resulting from the qualifying employment of the family member. After the first 12 month period, the Housing Authority will exclude from annual income of the family 50 percent of any increase

in income of such family member as a result of employment over the family member's income before the qualifying event (i.e., the family member's baseline income);

- The EID benefit is limited to a lifetime 24-month period for the qualifying family member;
- The lifetime Disregard will end 24 months after it began, regardless of how many months were "used".

### **C. MINIMUM RENT** [24 CFR 5.616]

#### **Minimum Rent**

"Minimum rent" is [ \$ 50.00 ]. Minimum rent refers to the **Total Tenant Payment** and includes the combined amount a family pays towards rent and/or utilities when it is applied.

#### **Hardship Requests for an Exception to Minimum Rent**

The Authority recognizes that in some circumstances even the minimum rent may create a financial hardship for families. The Authority will review all relevant circumstances brought to the Authority's attention regarding financial hardship as it applies to the minimum rent. The following section states the Authority's procedures and policies in regard to minimum rent financial hardship as set forth by the Quality Housing and Work Responsibility Act of 1998. HUD has defined circumstances under which a hardship could be claimed. (24 CFR 5.630)

#### **Criteria for Hardship Exception**

In order for a family to qualify for a hardship exception the family's circumstances must fall under one of the following HUD hardship criteria:

The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance, including a family with a member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act, and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

The family would be evicted as a result of the imposition of the minimum rent requirement;

The income of the family has decreased because of changed circumstances, including loss of employment, death in the family, or other circumstances as determined by the Authority or HUD

## **Authority Notification to Families of Right to Hardship Exception**

The Authority will notify all families subject to minimum rents of their right to request a minimum rent hardship exception. "Subject to minimum rent" means the minimum rent was the greatest figure in the calculation of the greatest of 30% of monthly adjusted income, 10% of monthly income, minimum rent or welfare rent.

**\* If the minimum rent is the greatest figure in the calculation of Total Tenant Payment, Authority staff will include a copy of the notice regarding hardship request provided to the family in the family's file.**

The Authority's notification will advise families that hardship exception determinations are subject to Authority review and hearing procedures.

The Authority will review all family requests for exception from the minimum rent due to financial hardships.

**\* Requests for minimum rent exception will be accepted by the Authority from the family [in writing].**

**\*The Authority will request documentation as proof of financial hardship.**

**\*The Authority will use its standard verification procedures to verify circumstances which have resulted in financial hardship.**

**\* Requests for minimum rent exception must include a statement of the family hardship that qualify the family for an exception.**

## **Suspension of Minimum Rent**

The Authority will grant the minimum rent exception to all families who request it, effective the first of the following month.

The minimum rent will be suspended until the Authority determines whether the hardship is:

Covered by statute

Temporary or long term

"Suspension" means that the Authority must not use the minimum rent calculation until the Authority has made this decision.

During the minimum rent suspension period, the family will not be required to pay a minimum rent and the housing assistance payment will be increased accordingly.

If the Authority determines that the minimum rent is not covered by statute, the Authority will impose a minimum rent including payment for minimum rent from the time of suspension.

### **Temporary Hardship**

If the Authority determines that the hardship is temporary, a minimum rent will not be imposed for a period of up to 90 days from the date of the family's request. At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension.

\*The Authority will offer a repayment agreement to the family for any such rent not paid during the temporary hardship period. (See "Owner and Family Debts to the Authority" chapter for Repayment agreement policy).

### **Long-Term Duration Hardships** [24 CFR 5.616(c)(3)]

If the Authority determines that there is a qualifying long-term financial hardship, the Authority must exempt the family from the minimum rent requirements for as long as the hardship continues. The exemption from minimum rent shall apply from the first day of the month following the family's request for exemption.

### **Retroactive Determination**

The Authority will reimburse the family for any minimum rent charges which took effect after October 21, 1998 that qualified for one of the mandatory exceptions.

**\* If the family is owed a retroactive payment, the Authority will provide reimbursement in the form of a cash refund to the family.**

**\* The Authority's definition of a cash refund is a check made out to the family.**

### **D. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT**

[24 CFR 982.54(d)(10), 982.551]

The Authority must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, the Authority must count the income of the spouse or the head of the household if that person is temporarily absent, even if that person is not on the lease.

**\* "Temporarily absent" is defined as away from the unit for more than [30 days]**

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. The Authority will evaluate absences from the unit using this policy.

### **Absence of Any Member**

Any member of the household will be considered permanently absent if s/he is away from the unit for **[90 days in a 12 month period]** except as otherwise provided in this Chapter.

### **Absence due to Medical Reasons**

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the Authority will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than **[90]** consecutive days, the family member will not be considered permanently absent.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the Authority's "Absence of Entire Family" policy.

### **Absence Due to Full-time Student Status**

Full time students who attend school away from the home will be treated in the following manner:

- \* The eligibility of students and assisted housing under Section 8 of the U.S. Housing Act of 1937 is considered in HUD's final rule published in the Federal Register on December 30, 2005 and "Supplemental Guidance" published on April 10, 2006. The Authority will determine the eligibility of a student for Section 8 assistance in accordance with the aforementioned HUD regulations.**

### **Absence due to Incarceration**

If the sole member is incarcerated for more than **[60]** consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for **[60 days in a twelve month period]**.

- \* The Authority will determine if the reason for incarceration is for drug-related or violent criminal activity.**

### **Absence of Children due to Placement in Foster Care**

If the family includes a child or children temporarily absent from the home due to placement in foster care, the Authority will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than **[12]** of months from the date of removal of the child/ren, the Voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the Authority's subsidy standards.

## **Absence of Entire Family**

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the Authority will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

Families are required both to notify the Authority before they move out of a unit and to give the Authority information about any family absence from the unit.

**\* Families must notify the Authority [at least 30 days before leaving the unit or] [no fewer than 5 days after leaving the unit] if they are going to be absent from the unit for more than [30] consecutive days.**

If the entire family is absent from the assisted unit for more than [60] consecutive days, the unit will be considered to be vacated and the assistance will be terminated.

**\* If it is determined that the family is absent from the unit, the Authority will not continue assistance payments.**

HUD regulations require the Authority to terminate assistance if the entire family is absent from the unit for a period of more than 180 consecutive calendar days.

"Absence" means that no family member is residing in the unit.

In order to determine if the family is absent from the unit, the Authority may:

- \* Write letters to the family at the unit**
- \* Telephone the family at the unit**
- \* Interview neighbors**
- \* Verify if utilities are in service**
- \* Check with the post office**

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed 180 consecutive calendar days limit.

**\* If the absence which resulted in termination of assistance was due to a person's disability, and the Authority can verify that the person was unable to notify the Authority in accordance with the family's responsibilities, and if funding is available, the Authority may reinstate the family as an accommodation if requested by the family, [as long as the period was within 180 days].**



**Remaining member of a tenant family. If the remaining member of a tenant family is a minor or minors, it will be necessary for an adult to temporarily move into a unit to serve as a guardian for children residing in the unit. The income received by the temporary guardian will be counted in determining family income. Although typically a criminal background check is required before anyone can move into an HCV-assisted unit, this requirement will be waived for a guardian in this situation. Instead, the background check will occur after the person moves in. If the results of the check dictate that the person is ineligible for public housing, the family shall be given a reasonable time to find a replacement guardian or vacate the property.**

## Visitors

Any adult not included on the HUD 50058 who has been in the unit more than [14] consecutive days without Authority approval, or a total of [60] days in a 12-month period, will be considered to be living in the unit as [an unauthorized] household member.

**\* Absence of evidence of any other address will be considered verification that the visitor is a member of the household.**

**\* Statements from neighbors and/or the landlord will be considered in making the determination.**

**\* Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.**

**\* The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household and the Authority will terminate assistance since prior approval was not requested for the addition.**

Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to [120] days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than [120] days per year, the minor will be considered to be an eligible visitor and not a family member.

## Reporting Additions to Owner and Authority

Reporting changes in household composition to the Authority is both a HUD and an Authority requirement.

The family obligations require the family to request Authority approval to add any other family member as an occupant of the unit and to inform the Authority of the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members in writing. If any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations.

**\* If the family does not obtain prior written approval from the Authority, any person the family has permitted to move in will be considered an unauthorized household member.**

**\* In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to the Authority in writing within [14] days of the maximum allowable time.**

**\* Families are required to report any additions to the household in writing to the Authority within [14] days of the move-in date.**

An interim reexamination will be conducted for any additions to the household.

In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody.

### **Reporting Absences to the Authority**

Reporting changes in household composition is both a HUD and a Authority requirement.

If a family member leaves the household, the family must report this change to the Authority, in writing, within [14] days of the change and certify as to whether the member is temporarily absent or permanently absent.

The Authority will conduct an interim evaluation for changes which affect the Total Tenant Payment in accordance with the interim policy.

### **E. AVERAGING INCOME**

When annual income cannot be anticipated for a full twelve months, the Authority may:

**\* Average known sources of income (including temporary employment income from more than one source that produces a stream of income) and review historical patters of household income that vary to compute an annual income, or**

**\* Annualize current income and conduct an interim reexamination if income changes.**

If there are bonuses or overtime which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

If, by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so as to reduce the number of interim adjustments.

**\*The method used depends on the regularity, source and type of income.**

### **F. MINIMUM INCOME**

There is no minimum income requirement. Families who report zero income are required to [**\*complete a written certification every [30] [days].**

**\* If the family's expenses exceed their known income, the Authority will make inquiry of the head of household as to the nature of the family's accessible resources.**

**G. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME**  
[24 CFR 982.54(d)(10)]

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the Authority will calculate the income by using the following methodology and use the income figure which would result in a lower payment by the family:

- \* 1. Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.**

**H. REGULAR CONTRIBUTIONS AND GIFTS** [24 CFR 5.609]

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every **[three (3)]** months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than **[\$1,000.00]** per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts. (See "Verification Procedures" chapter for further definition.)

- \* If the family's expenses exceed its known income, the Authority will inquire of the family regarding contributions and gifts.**

**I. ALIMONY AND CHILD SUPPORT** [24 CFR 5.609]

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

- \* If the amount of child support or alimony received is less than the amount awarded by the court, the Authority will use the amount awarded by the court unless the family can verify that they are not receiving the full amount and verification of item(s) below are provided.**

The Authority will accept verification that the family is receiving an amount less than the award if:

- \* The Authority receives verification from the agency responsible for enforcement or collection.**
- \* The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.**
- \* It is the family's responsibility to supply a certified copy of the divorce decree.**

## **J. LUMP-SUM RECEIPTS** [24 CFR 5.609]

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

In order to determine amount of retroactive tenant rent that the family owes as a result of the lump sum receipt:

**\* The Authority uses a calculation method which calculates retroactively or prospectively depending on the circumstances.**

### **Prospective Calculation Methodology**

*INSTRUCTION: Include if using any prospective calculation of lump sum receipts.*

**\* If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows:**

**The lump sum will be added in the same way for any interims which occur prior to the next annual recertification.**

### **Retroactive Calculation Methodology**

*INSTRUCTION: Include if using any retroactive calculation of lump sum receipts.*

**\* The Authority will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.**

**\*The Authority will determine the amount of income for each certification period, including the lump sum, and recalculate the tenant rent for each certification period to determine the amount due the Authority.**

**\* The family [has the choice of paying] this "retroactive" amount to the Authority in a lump sum.**

**\* At the Authority's option, the Authority may enter into a Payment Agreement with the family.**

The amount owed by the family is a collectible debt even if the family becomes unassisted.

### **Attorney Fees**

**\* The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.**

### **K. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS** [24 CFR 5.603(d)]

Contributions to company retirement/pension funds are handled as follows:

While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

### **L. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE** [24 CFR 5.603(d)(3)]

The Authority must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The Authority will count the difference between the market value and the actual payment received in calculating total assets.

Assets disposed of as a result of foreclosure or bankruptcy are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation are not considered to be assets disposed of for less than fair market value.

**\* The Authority's minimum threshold for counting assets disposed of for less than Fair Market value is [\$3,000.00]. If the total value of assets disposed of within a one-year period is less than [\$3,000.00], they will not be considered an asset.**

### **M. CHILD CARE EXPENSES** [24 CFR 5.603]

Child care expenses for children under 13 may be deducted from annual income if they enable an adult to work or attend school full time, or to actively seek employment.

**\* In the case of a child attending private school, only after-hours care can be counted as child care expenses.**

**\* Child care expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the child care. Examples of those adult members who would be considered *unable* to care for the child include:**

**\* The abuser in a documented child abuse situation, or**

**\* A person with disabilities or older person unable to take care of a small child, as verified by a reliable knowledgeable source.**

Allowability of deductions for child care expenses is based on the following guidelines:

**Child care to work:** The maximum child care expense allowed must be less than the amount earned by the person enabled to work. **\* The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.**

**\* Child care for school:** The number of hours claimed for child care may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.

**\* Amount of Expense:** The Authority will [collect data] as a guideline. If the hourly rate materially exceeds the guideline, the Authority may calculate the allowance using the guideline.

#### **N. MEDICAL EXPENSES** [24 CFR 5.609(a)(2), 5.603]

**\* When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide.**

**\* Nonprescription medicines must be doctor-recommended in order to be considered a medical expense.**

**\* Accupressure, accupuncture and related herbal medicines, and chiropractic services [will] be considered allowable medical expenses.**

#### **O. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES** [24 CFR 5.520]

*INSTRUCTION: In accordance with the Quality Housing and Work Responsibility Act of 1998, Authorities are not allowed to "OPT OUT" of implementing the Non Citizen rule. This section must be included in the Administrative Plan.*

##### **Applicability**

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

##### **Prorated Assistance Calculation**

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

**P. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS**

*INSTRUCTION: The QHWRA establishes new requirements for the treatment of income changes resulting from welfare program requirements. These requirements are effective immediately. However, the Authority must take procedural steps expeditiously, which establish the foundation for imposing the HUD required changes.*

The Authority will not reduce the rental contribution for families whose welfare assistance is reduced specifically because of:

- fraud by a family member in connection with the welfare program; or
- failure to participate in an economic self-sufficiency program; or
- noncompliance with a work activities requirement

However, the Authority will reduce the rental contribution if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where a family member has not complied with other welfare agency requirements; or
- A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment, such as the family member has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family's income for rental contribution.

Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.

The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed.

When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.



## **Verification Before Denying a Request to Reduce Rent**

The Authority will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

The welfare agency, at the request of the Authority, will inform the Authority of:

amount and term of specified welfare benefit reduction for the family;

reason for the reduction; and

subsequent changes in term or amount of reduction.

## **Cooperation Agreements**

**\* The Authority has a [written] cooperation agreement in place with the local welfare agency which assists the Authority in obtaining the necessary information regarding welfare sanctions.**

**\* The Authority has taken a proactive approach to culminating an effective working relationship between the Authority and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to Section 8 and public housing residents.**

**\* The Authority and the local welfare agency have mutually agreed to notify each other of any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 and public housing residents.**

## **Q. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS [24 CFR 982.153, 982.517]**

The same Utility Allowance Schedule is used for all tenant-based programs.

The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The Authority's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards.

The Authority may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

The Authority must classify utilities in the utility allowance schedule according to the following general categories: space heating, **[air conditioning,]** cooking, water heating, water, sewer, trash collection; **[other electric,]** refrigerator (for tenant supplied refrigerator), range (cost of tenant-supplied range); and other specified services.

An allowance for tenant-paid air conditioning will be provided in those cases where the majority of housing units in the market have central air conditioning or are wired for tenant installed air conditioners [24 CFR 982.517.

The Authority will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next reexamination.

The approved utility allowance schedule is given to families along with their Voucher. The utility allowance for a family is the lower of the utility allowance amount for the family unit size or the utility allowance amount for the size of the unit rented by the family. At the request of a family with a person with disabilities, the Housing Authority must approve a utility allowance higher than the applicable amount if such a higher utility allowance is needed as a reasonable accommodation. For current tenants, the Housing Authority must implement the new allowance at the family's next annual reexamination, provided that the Housing Authority is able to provide the family with at least 60 days' notice prior to reexamination.

Where families provide their own range and refrigerator, the Authority will establish an allowance adequate for the family to purchase or rent a range or refrigerator, even if the family already owns either appliance. Allowances for ranges and refrigerators will be based on the lesser of the cost of leasing or purchasing the appropriate appliance over a **[12]** month period.

Where the calculation on the HUD 50058 results in a utility reimbursement payment due the family [24 CFR 982.514(b)], the Authority will provide a utility reimbursement payment for the family each month. The check will be made out directly to the tenant.

## Chapter 7

### VERIFICATION PROCEDURES

[24 CFR Part 5, Subparts B, D, E and F; 24 CFR 982.158; 24 CFR 5.617]

#### INTRODUCTION

*INSTRUCTION: HUD does not specify specific standards for what constitutes proper verification of many factors. We have included representative industry practices as examples of acceptable verification.*

HUD regulations require that the factors of eligibility and Total Tenant Payment/Family Share be verified by the Authority. Authority staff will obtain written verification from independent sources whenever possible and will document tenant files whenever third party verifications are not possible as to why third party verification was impossible to obtain.

Applicants and program participants must provide true and complete information to the Authority whenever information is requested. The Authority's verification requirements are designed to maintain program integrity. This chapter explains the Authority's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. The Authority will obtain proper authorization from the family before requesting information from independent sources.

#### A. METHODS OF VERIFICATION AND TIME ALLOWED [24 CFR 982.516]

The Authority will verify information through the methods of verification acceptable to HUD in the following order:

##### **1. Up-front Income Verifications (UIV)**

UIV is the verification of income through an independent source that systematically maintains income information in computerized form for a large number of individuals.

Current UIV resources include the following:

- a. Enterprise Income Verification (EIV)** – The EIV System is a web-based application, which provides PHAs with employment, wage, unemployment compensation and social security benefit information of tenants who participate in the Public Housing and various Section 8 programs under the jurisdiction of the Office of Public and Indian Housing (PIH). Information in EIV is derived from computer matching programs initiated by HUD with the

Social Security Administration (SSA) and the U.S. Department of Health and Human Services (HHS), for all program participants with valid personal identifying information (name, date of birth (DOB), and social security number (SSN)) reported on the form HUD-50058. Use of the EIV system in its entirety is mandatory for all annual and interim re-examinations. The Housing Authority will monitor the following EIV reports on a monthly basis – (1) Deceased Tenants Report, (2) Identity Verification Report, and the (3) Immigration Report. In addition, it will monitor on a quarterly basis the following EIV reports – (1) Income Discrepancy Report, (2) Multiple Subsidy Report, and (3) the New Hires Report. Whether or not an admission is homeless will be noted in the 50058.

- b. State Wage Information Collection Agencies (SWICAs)**
- c. State systems for the Temporary Assistance for Needy Families (TANF) program**
- d. Credit Bureau Information (CBA) credit reports**
- e. Internal Revenue Service (IRS) Letter 1722**
- f. Private sector databases (e.g. The Work Number)**

The Housing Authority will use additional UIV resources as they become available. This will be done before, during and/or after regular and interim reexaminations of household income as appropriate.

UIV information is not available for families just entering the Housing Choice Voucher Program.

The EIV Income Report must remain in the tenant file for the duration of tenancy and no longer than three years from the end of participation (EOP) date. The Housing Authority is required to maintain at a minimum, the last three years of the form HUD-50058, and supporting documentation for all annual and interim reexaminations of family income. All records are to be maintained for a period of at least three years from the effective date of the action.

## **2. Third-Party Written Verifications**

An original or authentic document generated by a third-party source dated

either within the 60-day period preceding the reexamination or the Housing Authority request date. Such documentation may be in the possession of the tenant (or applicant), and is commonly referred to as tenant-provided documents. It is the HUD's position that such tenant-provided documents are written third-party verification since these documents originated from a third-party source. The Housing Authority may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information.

Examples of acceptable tenant-provided documentation (generated by a third-party source) include, but are not limited to: pay stubs, payroll summary report, employer notice/letter of hire/termination, SSA benefit verification letter, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices. Current acceptable tenant-provided documents will be used for income and rent determinations.

The Housing Authority will obtain a **minimum** of one (1) month's worth of current and consecutive pay stubs for determining annual income from wages. For new income sources or when one (1) month's worth of pay stubs are not available, the Housing Authority will project income based on the information from a traditional written third-party verification form or the best available information.

**Note:** Documents older than 60 days (from the Housing Authority interview/determination or request date) is acceptable for confirming effective dates of income.

**Note:** Social Security benefit information in EIV is updated every three months. If the tenant agrees with the EIV-reported benefit information, PHAs do not need to obtain or request a benefit verification letter from the tenant.

The Housing Authority will allow two (2) weeks for the return of third-party written verifications prior to continuing on to the next type of verification.

3. **Written Third-Party Verification Form:** Also known as traditional third-party verification. A standardized form to collect information from a third-party source is distributed by the Housing Authority. The form is completed by the third-party by hand (in writing or typeset) when sent the form by the Housing Authority.

HUD recognizes that third-party verification request forms sent to third-party sources often are not returned. In other instances, the person who completes the verification form may provide incomplete information; or some tenants may collude with the third-party source to provide false information; or the tenant intercepts the form and provides false information.

HUD requires the Housing Authority to rely on documents that originate from a third-party source's computerized system and/or database, as this process reduces the likelihood of incorrect or falsified information being provided on the third-party verification request form. The use of acceptable tenant-provided documents, which originate from a third-party source, will improve the integrity of information used to determine a family's income and rent and ultimately reduce improper subsidy payments. This verification process will also streamline the income verification process.

The Housing Authority will allow two (2) weeks for the return of third-party written verifications prior to continuing on to the next type of verification.

#### **4. Third-Party Oral Verifications**

This type of verification includes direct contact with the source, in person or by telephone. When this method is used, staff members will be required to document in writing with whom they spoke, the date of the conversation, the telephone number, and the facts obtained.

The Housing Authority will allow three (3) business days for the return of third-party oral verifications prior to continuing on to the next type of verification.

#### **5. Review of Documents**

When UIV, written and oral third-party verifications are not available within the two (2) week and three (3) business days period allowed in paragraphs 2, 3, and 4 above, the Housing Authority will use the information received by the family, provided that the documents provide complete information. Photocopies of the documents, excluding government checks, provided by the family will be maintained in the file. In cases in which documents are viewed and cannot be photocopied, staff reviewing the documents will complete a written statement as to the contents of the document(s).

## 6. Self-Certification and Self-Declaration

When UIV, written and oral third-party verifications are not available within the two (2) week and three (3) business days period allowed in paragraphs 2, 3, and 4 above, and hand-carried verification cannot be obtained, the Housing Authority will accept a statement detailing information needed, signed by the head, spouse, co-head, or other adult family member.

Third-party written, third-party oral and family-provided verifications may also be used to supplement Up-front Income Verifications.

Verification forms and reports received will be contained in the applicant/tenant file. Oral third-party documentation will include the same information as if the documentation had been written, i.e. name, date of contact, amount received, etc.

When any verification method other than Up-front Income Verification is utilized, the Housing Authority will document the reason for the choice of the verification methodology in the applicant/resident's file.

The following chart comes from PIH Notice 2010-19.

Level	Verification Technique	Ranking
6	<b>Up-front Income Verification (UIV)</b> using HUD's Enterprise Income Verification (EIV) system (not available for income verifications of applicants)	<b>Highest</b> (Mandatory)
5	<b>Up-front Income Verification (UIV)</b> using non-HUD system	<b>Highest</b> (Optional)
4	<b>Written Third-Party Verification</b>	<b>High</b> (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV-reported employment and income information <b>and</b> is unable to provide acceptable documentation to support dispute)

<b>3</b>	<b>Written Third-Party Verification Form</b>	<b>Medium-Low</b> (Mandatory if written third-party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)
<b>2</b>	<b>Oral Third-Party Verification</b>	<b>Low</b> (Mandatory if written third-party verification is not available)
<b>1</b>	<b>Tenant Declaration</b>	<b>Low</b> (Use as a last resort when unable to obtain any type of third party verification)

**B. RELEASE OF INFORMATION** [24 CFR 5.230]

Adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form.

In addition, family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information/Privacy Act Notice.

**\* Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature.**

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance because it is a family obligation to supply any information and to sign consent forms requested by the Authority or HUD.

**C. COMPUTER MATCHING**

***INSTRUCTION:** The 1988 McKinney Act legislation authorized State wage record keepers to release to both HUD and Authoritys information pertaining to wages and unemployment compensation. How Authoritys access this information varies. Most Authoritys that do computer matching have signed an agreement with the appropriate State agency so that they can compare the name and social security number of applicants and participants with the records of the State agency.*

HUD **may** conduct a computer matching initiative to independently verify resident income. HUD can access income information and compare it to information submitted by Authorities on the 50058 form. HUD can disclose Social Security information to Authorities, but is precluded by law from disclosing Federal tax return data to Authorities. If HUD receives information from



Federal tax return data indicating a discrepancy in the income reported by the family, HUD will notify the family of the discrepancy. The family is required to disclose this information to the Authority (24 CFR 5.240). HUD's letter to the family will also notify the family that HUD has notified the Authority in writing that the family has been advised to contact the Authority. HUD will send the Authority a list of families who have received "income discrepancy" letters.

When the Authority receives notification from HUD that a family has been sent an "income discrepancy" letter, the Authority will:

Wait 40 days after the date of notification before contacting tenant.

After 40 days following the date of notification, the Authority will contact the tenant by **[mail and telephone]** asking the family to promptly furnish any letter or other notice by HUD concerning the amount or verification of family income.

The Authority will fully document the contact in the tenant's file, including **[a copy of the letter to the family/ written documentation of phone call]**.

When the family provides the required information, the Authority will verify the accuracy of the income information received from the family, review the Authority's interim recertification policy, will identify unreported income, will charge retroactive rent as appropriate, and change the amount of rent or terminate assistance, as appropriate, based on the information.

**\* If the amount of rent owed to the Authority exceeds [\$1000], the Authority will seek to terminate assistance.**

If tenant fails to respond to Authority:

The Authority will ask HUD to send a second letter.

After an additional 40 days, the Authority will ask HUD to send a third letter.

After an additional 40 days, the Authority will send a letter to the head of household, warning of the consequences if the family fails to contact the Authority within two weeks.

If the tenant claims a letter from HUD was not received:

The Authority will ask HUD to send a second letter with a verified address for the tenant.

After 40 days, the Authority will contact the tenant family.

If the tenant family still claims they have not received a letter, the Authority will ask HUD to send a third letter.

After an additional 40 days, the Authority will set up a meeting with the family to complete IRS forms 4506 and 8821.

If the tenant family fails to meet with the Authority or will not sign the IRS forms, the Authority will send a warning letter to the head of household, notifying the family that termination proceedings will begin within one week if the tenant fails to meet with the Authority and/or sign forms.

If tenant does receive a discrepancy letter from HUD:

The Authority will set up a meeting with the family.

If the family fails to attend the meeting, the Authority will reschedule the meeting.

If the family fails to attend the second meeting, the Authority will send a termination warning.

The family must bring the original HUD discrepancy letter to the Authority.

If tenant disagrees with the Federal tax data contained in the HUD discrepancy letter:

The Authority will ask the tenant to provide documented proof that the tax data is incorrect.

If the tenant does not provide documented proof, the Authority will obtain proof to verify the Federal tax data using third party verification.

**D. ITEMS TO BE VERIFIED** [24 CFR 982.516]

All income not specifically excluded by the regulations.

Full-time student status including High School students who are 18 or over.

Current assets including assets disposed of for less than fair market value in preceding two years.

Child care expense where it allows an **adult** family member to be employed or to further his/her education.

Total medical expenses of all family members in households whose head or spouse is elderly or disabled.

Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an **adult** family member to be employed.

Disability for determination of preferences, allowances or deductions.

U.S. citizenship/eligible immigrant status

Social security numbers for all family members who have been issued a social security number.

"Preference" status

**[Familial/Marital]** status when needed for head or spouse definition.

Verification of Reduction in Benefits for Noncompliance:

The Authority will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

**E. VERIFICATION OF INCOME** [24 CFR 982.516]

This section defines the methods the Authority will use to verify various types of income.

**Employment Income**

Verification forms request the employer to specify the:

Date employment began and, if applicable, date employment ended

Job Title

Amount and frequency of pay

Average regular hours worked per week and, if applicable, overtime hours worked

Other compensation, e.g bonuses, tips, commissions, etc expected in the next 12 months.

Date of the last pay increase

Present value of Retirement Account and whether employee has access to it

Likelihood of change of employment status and effective date of any known salary increase during the next 12 months

**\* Year to date earnings**

Acceptable methods of verification include, in this order:

1. EIV or other “Third Party” verification such as “The Work Number” or SWICA
2. Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings.
3. Employment verification form completed by the employer.
4. Oral verification with the Employer
5. W-2 forms plus income tax return forms.
6. **[Self-certifications or]** income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities. *[INSTRUCTION: For some self employment types, where there is the potential for substantial income, self-certification should be unacceptable]*

**\* Applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.**

**\* In cases where there are questions about the validity of information provided by the family, the Authority will require the most recent federal income tax statements.**

**\* Where doubt regarding income exists, a referral to IRS for confirmation may be made on a case-by-case basis.**

**Social Security, Pensions, Supplementary Security Income (SSI), Disability Income**

Acceptable methods of verification include, in this order:

1. EIV
2. Benefit verification form completed by agency providing the benefits.
3. Award or benefit notification letters prepared by the providing agency.
- \*4. Computer report electronically obtained or in hard copy.**

### **Unemployment Compensation**

Acceptable methods of verification include, in this order:

1. EIV
2. Verification form completed by the unemployment compensation agency.
3. Computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts.
- \*4. Payment stubs.**
5. Award letter, letter announcing change in amount of future payments.

### **Welfare Payments or General Assistance**

Acceptable methods of verification include, in this order:

1. Authority verification form completed by payment provider.
- \*2. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.**
- \*3. Computer-generated Notice of Action.**
- \*4. Computer-generated list of recipients from Welfare Department.**

### **Alimony or Child Support Payments**

Acceptable methods of verification include, in this order:

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- \*2 A [notarized] letter from the person paying the support.**
- \*3. Copy of latest check and/or payment stubs from Court Trustee. Authority must record the date, amount, and number of the check.**
- \*4. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.**

**\* If payments are irregular, the family must provide:**

- \* **A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules.**
- \* **A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.**
- \* **A notarized affidavit from the family indicating the amount(s) received.**
- \* **A welfare notice of action showing amounts received by the welfare agency for child support.**
- \* **A written statement from an attorney certifying that a collection or enforcement action has been filed.**

### **Net Income from a Business**

In order to verify the net income from a business, the Authority will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

1. IRS Form 1040, including:

Schedule C (Small Business)

Schedule E (Rental Property Income)

Schedule F (Farm Income)

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

2. Audited or unaudited financial statement(s) of the business.

**3. Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.**

### **Child Care Business**

If an applicant/participant is operating a licensed day care business, income will be verified as with any other business.

**\* If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the Authority will require that the applicant/participant complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person.**

**\* If the family has filed a tax return, the family will be required to provide it.**

**\* The Authority will conduct interim reevaluations every [90] days and require the participant to provide a log with the information about customers and income.**

**\* If child care services were terminated, a third-party verification will be sent to the parent whose child was cared for.**

### **Recurring Gifts**

The family must furnish a self-certification which contains the following information:

The person who provides the gifts

The value of the gifts

The regularity (dates) of the gifts

The purpose of the gifts

### **Zero Income Status**

**\* Families claiming to have no income will be required to execute verification forms periodically to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household.**

**The families will have to complete a form verifying how they pay for insurance, credit cards, food, transportation, utilities, etc. to verify any income coming into the household. Every month they will have to verify whether their income has changed.**

**\*The Authority will run a credit report if information is received that indicates the family has an unreported income source.**

### **Full-time Student Status**

Only the first \$480 of the earned income of full time students, other than head, co-head, or spouse, will be counted towards family income.

Financial aid, scholarships and grants received by full time students are not counted towards family income except as provided in the final rule published in the Federal Register on December 31, 2005 and supplementary information published in the Federal Register on April 10, 2006. Both the student's income and the parents' income must be separately assessed for income eligibility. Additionally, the financial assistance of the student in excess of tuition will be included in annual income when determining the student's eligibility for Section 8 assistance, unless the student is over the age of 23 with dependent children.

Verification of full time student status includes:

Written verification from the registrar's office or other school official.

School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

#### **F. INCOME FROM ASSETS** [24 CFR 982.516]

For declared assets of less than \$3,000, third-party verification will not be required. Applicant/Resident provided documents (a minimum of two current and consecutive statements from the source) will be used for verifications in this category. The average of the two statements will be used.

For declared assets of \$3,000 or more, third-party verification will be processed. For any asset that does not generate a monthly statement (e.g., whole life policies, etc.) the family will be required to request a letter from the source and provide the letter to the Housing Authority. If that is not possible the family will be required to provide the name and address of the source so that the Housing Authority can pursue traditional third-party verifications.

#### **Savings Account Interest Income and Dividends**

Acceptable methods of verification include, in this order:

1. Authority verification forms completed by the financial institution
2. Account statements, passbooks, certificates of deposit
3. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.



4. IRS Form 1099 from the financial institution, provided that the Authority must adjust the information to project earnings expected for the next 12 months.

### **Interest Income from Mortgages or Similar Arrangements**

Acceptable methods of verification include, in this order:

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

### **Net Rental Income from Property Owned by Family**

Acceptable methods of verification include, in this order:

1. IRS Form 1040 with Schedule E (Rental Income).
2. Copies of latest rent receipts, leases, or other documentation of rent amounts.
3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
- \* 4. **Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.**

## **G. VERIFICATION OF ASSETS**

For declared assets of less than \$3,000, third-party verification will not be required. Applicant/Resident provided documents (a minimum of two current and consecutive statements from the source) will be used for verifications in this category.

For declared assets of \$3,000 or more, third-party verification will be processed.

For any asset that does not generate a monthly statement (e.g., whole life policies, etc.) the family will be required to request a letter from the source and provide the letter to the Housing Authority. If that is not possible the family will be required to provide the name and address of the source so that the Housing Authority can pursue traditional third-party verifications.

### **Family Assets**

The Authority will require the information necessary to determine the current cash value of the family's assets, (the net amount the family would receive if the asset were converted to cash).

Acceptable verification may include any of the following:

Verification forms, letters, or documents from a financial institution or broker.

Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.

Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.

Real estate tax statements if the approximate current market value can be deduced from assessment. If a participant purchases a home using the Section 8 Homeownership option, if one is offered by the Housing Authority, the value of this asset shall be excluded from the income calculation for the first ten years of ownership from the closing date. For all re-certifications occurring after ten years of ownership, the value of the asset shall equal the fair market value of the property minus any loans on the property and minus 10% of the fair market value of the property (expenses to convert to cash as determined by PIH Notice 2012-3). The fair market value of the property will be determined by the assessed value as determined by the City, Town or Village Assessor if the assessed value is made at market value. This market value will be obtained by reviewing and documenting the local assessment roll or the owner's most recent property tax bill. If a market value tax assessment is not available, then the Housing Authority will use the sales comparison method examining at least three comparable properties in the surrounding (or similar) neighborhood that possess comparable factors that affect market value. For determining the loans on the property, the Housing Authority will first try to verify the current payoff amount of the loan(s) included on the participant's monthly mortgage statement. If the payoff amount is not available, the Housing Authority may deduct the loan balance from the market value and document the file as to the method used.

Financial statements for business assets.

Copies of closing documents showing the selling price and the distribution of the sales proceeds.

Appraisals of personal property held as an investment.

**\* Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.**

**Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification**

For all Certifications and Recertifications, the Authority will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for less than fair market value, verification [**certification**] is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

## **H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME**

[24 CFR 982.516]

### **Child Care Expenses**

Written verification from the person who receives the payments is required. If the child care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.

Verifications must specify the child care provider's name, address, telephone number, [**social security number,**] the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

### **Medical Expenses**

Families who claim medical expenses will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.

Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

For attendant care:

A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.

Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. Authority may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.

The Authority will use mileage at the [IRS] rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

### **Assistance to Persons with Disabilities** [24 CFR 5.611(c)]

In All Cases:

Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.

Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.

In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

**I. VERIFYING NON-FINANCIAL FACTORS** [24 CFR 5.617(b)(2)]

**Verification of Legal Identity**

**\* In order to prevent program abuse, the Authority will require applicants to furnish verification of legal identity for all family members.**

**\* The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.**

- \* Certificate of Birth, naturalization papers**
- \* Church issued baptismal certificate**
- \* Current, valid photo Driver's license**
- \* U.S. military discharge (DD 214)**
- \* U.S. passport**
- \* Company/agency photo Identification Card**
- \* Department of Motor Vehicles Identification Card**

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

- \* Certificate of Birth**
- \* Church Issued Baptismal Certificate**
- \* Adoption papers**
- \* Custody agreement**

**\* Health and Human Services ID**

**\* School records**

**\* If none of these documents can be provided, a third party who knows the person may, at the Authority's discretion, provide a verification.**

### **Verification of Marital Status**

*INSTRUCTION: This would be used to determine spouse for income and deduction and noncitizen purposes*

Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.

Verification of a separation may be a copy of court-ordered maintenance or other records.

Verification of marriage status is a marriage certificate.

### **Familial Relationships**

*INSTRUCTION: HUD has left the definition of non-elderly or non-disabled family up to the Authority. As a result of this, there is a variety in the definition among Authoritys. The Authority's definition of family will determine what facts have to be verified.*

**\* Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.**

**\* The following verifications will always be required if applicable:**

**\* Verification of relationship:**

**\* Official identification showing names**

**\* Birth Certificates**

**\* Baptismal certificates**

**\* Verification of guardianship is:**

**\* Court-ordered assignment**

**\* Affidavit of parent**

**\* Verification from social services agency**

**\* School records**

**Verification of Permanent Absence of Family Member**

If an adult member who was formerly a member of the household is reported permanently absent by the family, the Authority will consider any of the following as verification:

Husband or wife institutes divorce action.

Husband or wife institutes legal separation.

Order of protection/restraining order obtained by one family member against another.

Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.

Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.

If the adult family member is incarcerated, a document from the Court or correctional facility should be obtained stating how long they will be incarcerated.

**Verification of Change in Family Composition**

The Authority may verify changes in family composition (either reported or unreported) **[through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources]**.

**Verification of Disability**

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) or verified by appropriate diagnostician **such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker**, using the HUD language as the verification format.

**Verification of Citizenship/Eligible Immigrant Status** [24 CFR 5.508, 5.510, 5.512, 5.514]

***INSTRUCTION:** In accordance with the Quality Housing and Work Responsibility Act of 1998, effective immediately, Authoritys may no longer elect not to comply with ("opt-out" of) the Non-citizen requirements (Part 5, Subpart E). Therefore, language regarding "opting-out" have been removed from this model administrative plan.*

**To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants.** Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by United States Citizenship and Immigration Service (USCIS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the Authority hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

**\* The Authority [will] require citizens to provide documentation of citizenship.**

**\* Acceptable documentation will include at least one of the following original documents:**

**United States birth certificate**

**United States passport**

**Resident alien/registration card**

**Naturalization Certificate**

**Other appropriate documentation as determined by the Authority**

Eligible Immigrants who were Participants and 62 or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.



Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The Authority verifies the status through the USCIS SAVE system. If this primary verification fails to verify status, the Authority must request within ten days that the USCIS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide. If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

**\* Time of Verification**

**\*For applicants, verification of U.S. citizenship/eligible immigrant status occurs [at the same time as verification of other factors of eligibility for final eligibility determination/at the time of initial application].**

**\* The Authority will not provide assistance to any family prior to the affirmative establishment and verification of the eligibility of the individual or at least one member of the family.**

**\*Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial Authority does not supply the documents, the Authority must conduct the determination.**

Extensions of Time to Provide Documents

The Authority [will] grant an extension of [ 30] for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration

The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551)

Alien Registration Receipt Card (I-151)

Arrival-Departure Record (I-94)

Temporary Resident Card (I-688)

Employment Authorization Card (I-688B)

Receipt issued by the USCIS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

If the Authority determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated, unless the ineligible individual has already been considered in prorating the family's assistance.

#### **J. VERIFICATION OF SOCIAL SECURITY NUMBERS** [24 CFR 5.216]

Prior to admission, every family member regardless of age must provide the Housing Authority with a complete and accurate Social Security Number unless they do not contend eligible immigration status. New family members must provide this verification prior to being added to the lease. If the new family member is under the age of six and has not been assigned a Social Security Number the family shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security Number. The Housing Authority may grant one ninety (90) day extension for newly-added family members under the age of six if in its sole discretion it determines that the person's failure to comply was due to circumstances that could not have reasonably been foreseen and was outside the control of the person.

If a person is already a program participant and has not disclosed his or her Social Security Number, it must be disclosed at the next re-examination or re-certification.

Participants aged 62 or older as of January 31, 2010 whose initial eligibility determination was begun before January 31, 2010 are exempt from the required disclosure of their Social Security Number. This exemption continues even if the individual moves to a new assisted unit.

The best verification of the Social Security Number is the original Social Security card. If the card is not available, the Housing Authority will accept an original document issued by a federal or state government agency, which contains the name of the individual and the Social Security Number of the individual, along with other identifying information of the individual or such other evidence of the Social Security Number as HUD may prescribe in administrative instructions.

If a member of an applicant family indicates they have a Social Security Number, but cannot readily verify it, the family cannot be assisted until verification is provided.

If an individual fails to provide the verification within the time allowed, the family will be denied assistance or will have their assistance terminated. The Housing Authority may grant one ninety (90) day extension from termination if in its sole discretion it determines that the person's failure to comply was due to circumstances that could not have reasonably been foreseen and there is a reasonable likelihood that the person will be able to disclose a Social Security Number by the deadline. **Medical Need for Larger Unit**

A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable professional.

## **K. VERIFICATION OF WAITING LIST PREFERENCES** [24 CFR 982.207]

*INSTRUCTION: The Authority may elect to continue using any of the former federal preferences as local preferences. The Authority may adopt its own criteria based on local housing needs to establish qualifications for any preferences offered by the Authority. The following criteria are offered as guidelines and are based on the former criteria established by HUD for federal preferences..*

### **Local Preferences**

#### **Involuntary Displacement**

Families who claim they are being or have been displaced due to either a disaster or government action: written verification by the displacing unit or agency of government, **[or by a service agency such as the Red Cross]**.

#### **Domestic Violence**

Families who claim they are being or have been displaced due to domestic violence:

Written verification from police, social service agency, court, clergyperson, physician, and/or public or private facility giving shelter and/or counseling to victims. Verification must be obtained (from a landlord or other source) that the abuser still resides at the unit.

The family must certify that the abuser will not return to the household without the advance written approval of the Authority. Before giving approval, the Authority will require verification of the following:

**\* That the family members involved have been through a counseling program and the service provider believes that a reconciliation is likely.**

**\* Statement from social worker, psychologist, or other professional familiar with the abuser that he/she has received counseling/treatment and is unlikely to continue the abuse.**

**\* Statement from local law enforcement agency that no complaints have been filed since the date of the preference approval.**

**\* Certification that the abuser has completed any of the following programs:**  
[Alcoholics Anonymous, Addiction Services,, Gaudenzia Inc, Compulsive Gambling Center, Inc, etct]

Families who claim they have been or are about to be displaced to avoid reprisals for providing information to assist police in a criminal investigation.

**\* Certification of threat assessment by a law enforcement agency**

**\* Oral or written recommendation from law enforcement agency or HUD.**

### **Homelessness**

The Authority uses the following definition of “homelessness”:

(A) A family or individual who lacks a fixed, regular and adequate night-time residence; AND

(B) A family or individual who has a primary nighttime residence that is:

(i) a supervised publicly or privately operated shelter designed to provide temporary living accommodations;

(ii) an institution that provides a temporary residence for persons intended to be institutionalized, or

(iii) a public or private place not designed for, or ordinarily used as a regular sleeping accommodation for human beings.

To document homelessness, a written certification by a public or private facility providing shelter, the police, or a social services agency will be necessary.

***INSTRUCTION:*** Name the agencies from which the Authority will accept certifications.

**\* The Authority designates agencies for this purpose. Any suitable agency may verify.**

**\* Prior to processing the application, the Authority requires a second certification from the same source that the applicant is not yet permanently housed and has been continuously homeless or temporarily housed since claiming the preference.**

**\* An Authority inspector may verify that the applicant is living in a place not normally used for human habitation.**

**\* If a family is in transitional housing and wishes the Authority to hold the family's place on the waiting list, a statement is required from the agency providing the transitional housing.**

**\* Residency Preference**

**For families who live, work or have been hired to work in the jurisdiction of the Authority. Families who are unable to work due to age or disability automatically qualify for this preference.**

*INSTRUCTION: HUD must approve use of this preference.*

**\* In order to verify that an applicant is a resident, the Authority will require a minimum of [4] of the following documents: rent receipts, leases, utility bills, employer or agency records, school records, drivers licenses, voters registration records, credit reports, statement from household with whom the family is residing.**

**\* For families who have been hired to work in jurisdiction of the Authority, a statement from the employer will be required.**

**Disability:**

The Authority may verify disability to determine whether a family or person meets the definition of disability used to determine eligibility for Section 8 assistance or to identify applicant needs for features of accessible units or reasonable accommodations.

Verification of disability may be obtained through the following methods:

1. A third-party verification form may be sent by the Authority to an appropriate source of information, including, but not limited to the individual's physician, care workers, social worker, psychiatrist, or the Veteran's Administration.
  - a. If a third-party form is used, it must be signed by the applicant authorizing the release of such information to the Authority.
  - b. The form should provide the definitions of disability used to determine eligibility and rent and should request that the source completing the form identify whether the applicant meets the definition.

2. Receipt of social security disability payments is adequate verification of an individual's disability status for the Section 8 rental assistance program.

## **L. EIV - DESCRIPTION, DEVIATIONS AND INCOME DISCREPANCIES**

### **DESCRIPTION OF EIV:**

EIV is a HUD electronic income data system intended to provide Housing Authorities with income and employment information about their Public Housing and Section 8 participants. The EIV system should be used whenever it is necessary to verify family income such as during interim recertifications and annual recertifications.

The EIV system does not necessarily have all income sources for all family members and the income information is not up-to-date. Nevertheless, it is valuable in confirming sources of income provided by the tenant.

HUD now considers EIV as a tool to facilitate the Upfront Income Verification (UIV) method, which is considered as an "automated written 3<sup>rd</sup> party verification" method. HUD now considers EIV as a tool to facilitate the UIV technique.

Ordinarily, a tenant will provide information about his/her income such as pay stubs or a current Social Security benefit letter. The Authority then prints the EIV household income report to documents use of EIV and maintains this EIV information in the tenant's file. If the EIV information corroborates the tenant supplied income information, the Authority then proceeds to calculate income and rent based on the tenant supplied documentation.

Additional third-party information is required if there is a discrepancy between the EIV information and the tenant supplied information. In addition, third-party information is also required if other information is needed such as effective dates of employment, pay rate, number of hours worked, any scheduled pay raise in the next year, and any other change in circumstances. Of course, third-party information is required if the tenant disputes any EIV information such as unreported employment.

UIV supplemented by current tenant provided documentation enables the Authority to comply with the regulatory third-party verification requirement and use the most current information for income and rent determinations **and reduces the administrative burden of obtaining third party verification.**

EIV data should NOT be used to calculate income and rent because such date is not necessarily current and does not necessarily reflect a full quarter of income.

### **Discrepancies in Verified Information**

An EIV Income Report shall be pulled from the system before annual or interim reexamination are conducted for any family and compared with family-reported information. If the EIV report reveals an income source that was not reported by the tenant or a substantial difference (defined as \$2400 or more annually) in the reported income information, the Housing Authority will:

- A. Discuss the income discrepancy with the tenant; and
- B. Request the tenant to provide any documentation to confirm or dispute the unreported or underreported income and/ or income sources; and
- C. In the event the tenant is unable to provide acceptable documentation to resolve the income discrepancy, the Housing Authority will request from the third-party source, any information necessary to resolve the income discrepancy; and
- D. If applicable, determine the tenant's underpayment of rent as a result of unreported or underreported income, retroactively\*; and
- E. Take any other appropriate action, including the following:
  - 1. Immediately calculate and collect the back rent due to the agency;
  - 2. Establish a repayment plan for the resident to pay the sum due to the agency (see Section 19 for information on Repayment Agreements); and/or
  - 3. Utilize other actions including criminal prosecution, reporting to the Credit Bureau, and/or any other appropriate remedy.

\*The Housing Authority will determine the retroactive rent as far back as the existence of complete file documentation (form HUD-50058 and supporting documentation) to support such retroactive rent determinations.

The tenant will be provided an opportunity to contest the Housing Authority's determination of tenant rent underpayment. Tenants will be promptly notified in writing of any adverse findings made on the basis of the information verified through the aforementioned income discrepancy resolution process. The tenant may contest the findings in accordance with established grievance procedures. The Housing Authority will not terminate, deny, suspend, or reduce the family's assistance until the expiration of any notice or grievance period.

When there is an unsubstantial or no disparity between tenant-reported and EIV-reported income information, the Housing Authority will obtain from the tenant, any necessary documentation to complete the income determination process. As noted previously, the Housing Authority may reject any tenant-provided documentation, if the Authority deems the documentation unacceptable. Documentation provided by the tenant will only be rejected for only the following reasons:

- A. The document is not an original; or

- B. The original document has been altered, mutilated, or is not legible; or
- C. The document appears to be a forged document (i.e. does not appear to be authentic).

The Housing Authority will explain to the tenant, the reason(s) the submitted documents are not acceptable and request the tenant to provide additional documentation. If at any time, the tenant is unable to provide acceptable documentation that the Housing Authority deems necessary to complete the income determination process, the Authority will submit a traditional third-party verification form to the third-party source for completion and submission to the Housing Authority.

If the third-party source does not respond to the Housing Authority's request for information, the Authority is required to document the tenant file of its attempt to obtain third-party verification and that no response to the third-party verification request was received.

The Housing Authority will then pursue lower level verifications in accordance with the verification hierarchy.

### **Repayment Agreements**

If the tenant owes an amount (back rent) for a prior period, the tenant must either pay the amount owed promptly (within ten calendar days) or enter into a Repayment Agreement satisfactory to the Housing Authority in accordance with the Repayment Agreement Procedure described in Chapter 18. In all cases, the amount owed to the Housing Authority should be paid back in as short a time as possible, **but in no case longer than twenty-four months**. The Repayment Agreement will contain, at a minimum, the name and address of the tenant family, the total amount owed, the date and amount of the first payment, the monthly payment amount, the term or number of monthly payments to be made and the amount of the last payment. The Repayment Agreement must be signed by the Head of Household and co-Head-of-Household, whose signatures must be witnessed. Other adult members of the family with significant income should sign as well. A model Repayment Agreement will be prepared and made available to all staff members.

### **Termination of Assistance**

If a tenant family refuses to enter into a Repayment Agreement for an amount of back rent owed, it must be made very clear that their rental assistance will be terminated. **If the back rent owed is substantial and there is no prospect of collection within a two year time period, the Authority may opt to terminate assistance.** Under ordinary circumstances, it is not feasible to pursue collection of amounts owed through the legal procedures after termination of assistance because of the cost involved and the lack of likelihood of collection; however, that decision would also



be made on a case-by-case basis. The Authority would never provide rental assistance to any family that owes an amount to the Authority (exclusive of existing Repayment agreements) or to another Housing Authority.

### **Report to Credit Bureau**

If the tenant family fails to sign a Repayment Agreement and, as a consequence, its rental assistance is terminated, the amount owed will be reported to the Credit Bureau or similar entity.

### **Prosecution**

In cases of egregious failure to report income (Fraud) resulting in a debt of a substantial amount of money, the Authority may report the tenant family to the Office of Inspector General for prosecution.

Once the data has served its purpose, it shall be destroyed by either burning or shredding the data. All wage, unemployment, employment, and new hire information shall be destroyed no later than two years from the date it is received.

## **15.1 The EIV's Deceased Tenants Report**

The Authority shall generate the EIV's Deceased Tenants Report monthly shortly before disbursing HAP payments to owners to see if the system flags deceased residents. The Authority shall review the report and follow up with any listed families immediately and take any necessary corrective action as set forth in PIH Notice 2010-9 or successor publications.

If it is a single member household, notify the owner in writing of the deceased Head of Household and suspend HAP payments for any month following the month in which the death occurred. If the property is occupied by a live-in-aide to the deceased person, the assistance will end and the landlord and aide must decide on the future of the aide's tenancy.

If an owner received HAP for any month in which the owner was ineligible to receive HAP because of a deceased tenant, the Authority will immediately notify the owner in writing of the ineligible HAP and require the owner to repay the overpayment within 30 days. If the owner does not comply, the Authority will deduct the amount due to the Agency from any amounts due to the owner under any other HAP contract. If there is no other HAP contract with the owner, the Authority may seek and obtain additional relief by judicial order or action in accordance with state and local laws.

## **M. TEMPORARY COMPLIANCE ASSISTANCE**

Per PIH Notice 2013-03, HUD granted PHAs some temporary administrative burden relief. HACD is hereby adopting the following allowable relief activities.

- A. HACD opts to conduct a streamlined reexamination of income for elderly and disabled families when 100% of the family's income is fixed income. Instead of third-party verification, HACD will merely inflate income and rent by applying any published cost of living adjustments to a previously verified amount.
- B. HACD will utilize the authority granted by the Notice to approve payment standards of up to 120% of FMR without prior HUD approval, if needed, as a reasonable accommodation for a family including a person with a disability. HACD will maintain documentation that the rent reasonableness analysis has been completed and that the unit has the feature(s) needed to meet the needs of the person with disabilities. (HCV Program only)

Per HUD requirements, HACD will send HUD an email to the e-mail address in the PIH Notice as well as a copy to the Philadelphia HUD FO Public Housing Director or Program Center Coordinator to notify them of the adoption of these changes.

## Chapter 8

### VOUCHER ISSUANCE AND BRIEFINGS

[24 CFR 982.301, 982.302]

#### INTRODUCTION

The PHA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit. Families are provided sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the PHA will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, PHA procedures, and how to lease a unit. The family will also receive a briefing packet which provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

#### A. ISSUANCE OF VOUCHERS [24 CFR 982.204(d), 982.54(d)(2)]

When funding is available, the PHA will issue vouchers to applicants whose eligibility has been determined. The number of vouchers issued must ensure that the PHA stays as close as possible to 100 percent lease-up. The PHA performs a monthly calculation [**electronically**] to determine whether applications can be processed, the number of vouchers that can be issued, and to what extent the PHA can over-issue (issue more vouchers than the budget allows to achieve leaseup).

The PHA may over-issue vouchers only to the extent necessary to meet leasing goals. All vouchers which are over-issued must be honored. If the PHA finds it is over-leased, it must adjust future issuance of vouchers in order not to exceed the ACC budget limitations over the fiscal year.

#### B. BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR 982.301]

##### Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in [**groups and individual meetings**]. Families who attend group briefings and still have the need for individual assistance will be referred to [**the Section 8 Supervisor**].

Briefings will be conducted in English. \* **Briefings will also be conducted in [Spanish] when necessary.**

The purpose of the briefing is to explain how the program works and the documents in the

voucher holder's packet to families so that they are fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The PHA will not issue a voucher to a family unless the household representative has attended a briefing and signed the voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend [2] scheduled briefings, without prior notification and approval of the PHA, may be denied admission based on failure to supply information needed for certification. The PHA will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

### **Briefing Packet** [24 CFR 982.301(b)]

The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements. **[The PHA also includes other information and/or materials which are not required by HUD.]**

The family is provided with the following information and materials

The term of the voucher, and the PHA policy for requesting extensions or suspensions of the voucher (referred to as tolling).

A description of the method used to calculate the housing assistance payment for a family, including how the PHA determines the payment standard for a family; how the PHA determines total tenant payment for a family and information on the payment standard and utility allowance schedule. How the PHA determines the maximum allowable rent for an assisted unit. **[including the rent reasonableness standard].**

Where the family may lease a unit. For family that qualifies to lease a unit outside the PHA jurisdiction under portability procedures, the information must include an explanation of how portability works.

The HUD required tenancy addendum, which must be included in the lease.

The form the family must use to request approval of tenancy **[request for tenancy approval]**, and a description of the procedure for requesting approval for a tenancy.

A statement of the PHA policy on providing information about families to prospective owners.

The PHA Subsidy Standards including when and how exceptions are made **[and how the voucher size relates to the unit size selected].**

The HUD brochure on how to select a unit **[and the HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS].**

The HUD pamphlet on lead-based paint entitled *Protect Your Family From Lead in Your Home* [**and information about where blood level testing is available**].

Information on Federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form. **\*The PHA will also include the pamphlet "Fair Housing: It's Your Right" and other information about fair housing laws and guidelines** [and the phone numbers of the local fair housing agency and the HUD enforcement office].

A list of landlords or other parties willing to lease to assisted families or help in the search [**or known units available for the voucher issued**]. The list includes landlords or other parties who are willing to lease units or help families find units outside areas of poverty or minority concentration.

If the family includes a person with disabilities, notice that the PHA will provide [**assistance in locating accessible units and**] a list of available accessible units known to the PHA.

The family obligations under the program [**including any obligations of a family participating in the welfare to work voucher program**].

The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act.

PHA informal hearing procedures including when the PHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.

Information packet including an explanation of how portability works, including a list of neighboring housing agencies with the name, address and telephone number of a portability contact person at each for use by families who move under portability. (required for PHAs in MSAs)

A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families. (required for PHAs in MSAs)

Information regarding the PHA's outreach program which assists families who are interested in, or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations.

A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration (required for PHAs in MSAs).

**PHA's sample lease for owners who do not use a lease for their unassisted tenants.**

- \* **An Owner's Handbook, an HQS checklist and sample contract.**
- \* **Procedures for notifying the PHA and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair.**
- \* **The family's rights as a tenant and a program participant.**
- \* **Requirements for reporting changes between annual recertifications.**
- \* **Information on security deposits and legal referral services.**
- \* **Exercising choice in residency**
- \* **Choosing a unit carefully and only after due consideration.**
- \* **The Family Self Sufficiency program and its advantages.**

If the family includes a person with disabilities, the PHA will ensure compliance with CFR 8.6 to ensure effective communication.

#### \* **Owner Briefing**

\* **Briefings are held for owners [frequency]. All new owners receive a personal invitation and current owners are notified by [describe]. Prospective owners are also welcome. The purpose of the briefing is to assure successful owner participation in the program. The briefing covers the responsibilities and roles of the three parties.**

#### **Signature Briefing**

**All new owners will be required to attend a signature briefing with the family head [at the office/at the unit] to execute contracts and leases. Other owners will be encouraged to attend signature briefings to reduce future conflict between the owner and tenant. The PHA will provide details on the program rules and relationships and responsibilities of all parties.**

\* **The PHA provides group briefings for new owners and any other owners who wish to attend at least [number of times] per [month/year].**

\* **Interested owners who request to sit in on scheduled family briefings to obtain information about the voucher program will be allowed to do so if the request is made within [number] days of the scheduled briefing.**

### **C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION**

*INSTRUCTION: SEMAP requires the PHA to adopt and implement a written policy to*

*encourage participation by owners of units located outside areas of poverty or minority concentration. PHAs must inform voucher holders of the full range of areas where they may lease units both inside and outside the PHA's jurisdiction and supply a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentrations.*

At the briefing, families are encouraged to search for housing in non-impacted areas and the PHA will provide assistance to families who wish to do so.

**\* The PHA has maps that show various areas and information about facilities and services in neighboring areas such as schools, transportation, and supportive and social services.**

**\* The PHA will investigate and analyze when voucher holders are experiencing difficulties locating or obtaining housing units outside areas of concentration.**

**\* The assistance provided to such families includes:**

**\* Providing families with a search record form to gather and record info.**

**\* Direct contact with landlords.**

**\* Counseling with the family.**

**\* Providing information about services in various non-impacted areas.**

**\* Meeting with neighborhood groups to promote understanding.**

**\* Formal or informal discussions with landlord groups**

**\* Formal or informal discussions with social service agencies**

**\* Meeting with rental referral companies or agencies**

**\* Meeting with fair housing groups or agencies**

#### **D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION**

The PHA will give participants a copy of HUD Form 903 to file a complaint.

#### **E. SECURITY DEPOSIT REQUIREMENTS** [24 CFR 982.313]

The owner is not required to but may collect a (one) security deposit from the tenant.

Security deposits charged to families may be any amount the owner wishes to charge, **(subject to the following conditions:)**

**\* Security deposits charged by owners may not exceed those charged to unassisted tenants (nor the maximum prescribed by State or local law.)**

For lease-in-place families, responsibility for first and last month's rent is not considered a

security deposit issue. In these cases, the owner should settle the issue with the tenant prior to the beginning of assistance.

#### **F. TERM OF VOUCHER** [24 CFR 982.303, 982.54(d)(11)]

During the briefing session, each household will be issued a voucher which represents a contractual agreement between the PHA and the Family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective.

#### **Expirations**

The voucher is valid for a period of at least sixty calendar days from the date of issuance. The family must submit a Request for Approval of the Tenancy and Lease within the sixty-day period unless an extension has been granted by the PHA.

If the voucher has expired, and has not been extended by the PHA or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

#### **Suspensions**

***INSTRUCTION:** The PHA must decide whether to suspend or toll the voucher.*

When a Request for Approval of Tenancy is received, the PHA [**will not**] deduct the number of days required to process the request from the 60 day term of the voucher.

#### **Extensions**

***INSTRUCTION:** The final merger rule, published in the Federal Register on 10/22/99, revised 24 CFR 982.303 to allow PHAs discretion to extend the cumulative voucher term beyond the prior 120-day limit, whether for reasonable accommodation or other good cause as determined by the PHA. The PHA must establish policies in the PHA's Administrative plan stating the conditions for granting extensions beyond the initial 60 day term of the voucher.*

**\* The PHA will extend the term up to [30 ] days beyond the initial voucher term if the family needs and requests an extension as a reasonable accommodation to make the program accessible to and usable by a family member with a disability. If the family needs an extension in excess of [30 ] days, the PHA will extend the voucher term for the amount of time reasonably required for said reasonable accommodation.**

**\* A family may request a written request for an extension of the voucher time period. All requests for extensions must be received prior to the expiration date of the voucher.**

**\* Extensions are permissible at the discretion of the PHA up to a maximum of an**



**additional [30 ] days primarily for these reasons:**

- \* Extenuating circumstances such as hospitalization or a family emergency for an extended period of time which has affected the family's ability to find a unit within the initial sixty-day period. Verification is required.**
- \* The PHA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the PHA, throughout the initial sixty-day period. A completed search record [is] required.**
- \* The family was prevented from finding a unit due to disability accessibility requirements or large size [4 or more] bedroom unit requirement. The Search Record [is] part of the required verification.**
- \* The PHA extends in one or more increments. Unless approved by the [Section 8 Program Supervisor], no more than [2] extensions of [30] days or less will be granted and never for a total of more than an additional sixty days.**

## **Assistance to Voucher Holders**

Families who require additional assistance during their search may call the PHA Office to request assistance. Voucher holders will be notified at their briefing session that the PHA periodically updates the listing of available units and how the updated list may be obtained.

The PHA may assist families with negotiations with owners and provide other assistance related to the families' search for housing.

## **G. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS** [24 CFR 982.315]

In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, the [Sec. 8 Supervisor] shall consider the following factors to determine which of the families will continue to be assisted:

- \* **Which of the two new family units has custody of dependent children.**
- \* **Which family member was the head of household when the voucher was initially issued (listed on the initial application).**
- \* **The composition of the new family units, and which unit contains elderly or disabled members.**
- \* **Whether domestic violence was involved in the breakup.**
- \* **Which family members remain in the unit.**
- \* **Recommendations of social service professionals.**

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, the PHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

## **H. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER**

[24 CFR 982.315]

To be considered the remaining member of the tenant family, the person must have been previously approved by the PHA to be living in the unit.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

**\* In order for a minor child to continue to receive assistance as a remaining family member:**

**\* The court has to have awarded emancipated minor status to the minor, or**

**\* The PHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.**

A reduction in family size may require a reduction in the voucher family unit size.

Reserved

## Chapter 9

# REQUEST FOR APPROVAL OF TENANCY AND CONTRACT EXECUTION

### INSTRUCTION

*Effective October 21, 1998 the Quality Housing and Work Responsibility Act of 1998 (QHWRA) made permanent the 90-day owner termination and endless lease requirements. PHAs are no longer limited to the use of the endless leases, exclusively. Owners can now choose from the following options, but the initial term must still be at least 12 months:*

*They can elect to have an indefinite extension of the initial term (the endless lease). This option allows that the owner can only terminate tenancy during the term of the lease by instituting a court action, or*

*They can elect fixed, definite extensions of the initial term, such as month-to-month or year-to-year. This option allows that the owner can terminate tenancy without cause at the end of the initial term or any subsequent term.*

*However, the new legislation permits the HA to approve a shorter initial lease term, if the HA determines that:*

*Such shorter term would improve housing opportunities for the tenant, and*

*Such shorter term is the prevailing local market practice*

## **INTRODUCTION [24 CFR 982.305(a)]**

The Authority's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. The Authority's objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the Authority, or outside of the Authority's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with the Authority. This chapter defines the types of eligible housing, the Authority's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests For Approval of Tenancy (RFAT).

### **A. REQUEST FOR APPROVAL OF TENANCY [24 CFR 982.302, 982.305(b)]**

The Request for Approval of Tenancy (RFAT) and a copy of the proposed lease, including the HUD prescribed tenancy addendum, must be submitted by the family during the term of the voucher. The family must submit the Request for Approval of Tenancy in the form and manner required by the Authority.

The Request for Approval of Tenancy must be signed by both the owner and voucher holder.

\* The Authority [will not] permit the family to submit more than one RFAT at a time.

The Authority will review the proposed lease and the Request for Approval of Tenancy documents to determine whether or not they are approvable. The request will be approved if:

**The unit is an eligible type of housing**

**The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan)**

**The rent is reasonable**

**The security deposit is approvable in accordance with any limitations in this plan.**

**The proposed lease complies with HUD and Authority requirements (See "Lease Review" section below).**

**The owner is approvable, and there are no conflicts of interest (See "Owner Disapproval" section below).**

**In addition to the above, at the time a family initially receives assistance in a unit (new admissions and moves), if the gross rent for the unit exceeds the applicable payment standard for the family, the family share of rent may not exceed 40 percent of the family monthly adjusted income (See "Owner Rents, Rent Reasonableness and Payment Standards" chapter of this Administrative Plan).**

### **Disapproval of RFAT**

**If the Authority determines that the request cannot be approved for any reason, the landlord and the family will be notified in writing. The Authority will instruct the owner and family of the steps that are necessary to approve the request.**

**The owner will be given [15] calendar days to submit an approvable RFAT from the date of disapproval.**

**When, for any reason, an RFAT is not approved, the Authority will furnish another RFAT form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.**

### **B. ELIGIBLE TYPES OF HOUSING [24 CFR 982.353]**

**The Authority will approve any of the following types of housing in the voucher program:**

**All structure types can be utilized.**

**Manufactured homes where the tenant leases the mobile home and the pad.**

**\*Manufactured homes where the tenant owns the mobile home and leases the pad for [vouchers]**

**\*Group homes**

**\*Congregate facilities (only the shelter rent is assisted)**

**\*Single room occupancy**

**\*Units owned see definition (but not subsidized) by the Authority (following HUD-prescribed requirements).**

**A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.**

**The Authority may not permit a voucher holder to lease a unit which is receiving project-based Section 8 assistance or any duplicative rental subsidies.**

### **C. WHERE FAMILY CAN LEASE A UNIT**

(a) *Assistance in the initial PHA jurisdiction.* The family may receive tenant-based assistance to lease a unit located anywhere in the jurisdiction (as determined by State and local law) of the initial PHA. HUD may nevertheless restrict the family's right to lease such a unit anywhere in such jurisdiction if HUD determines that limitations on a family's opportunity to select among available units in that jurisdiction are appropriate to achieve desegregation goals in accordance with obligations generated by a court order or consent decree.

(b) *Portability: Assistance outside the initial PHA jurisdiction.* Subject to paragraph (c) of this section, and to the Authority's policies for denial or termination of assistance for a family as well as denial of admission and termination of assistance for criminals and alcohol abusers, a voucher-holder or participant family has the right to receive tenant-based voucher assistance in accordance with requirements of this part to lease a unit outside the initial PHA jurisdiction, anywhere in the United States, in the jurisdiction of a PHA with a tenant-based program under this part. The initial PHA must not provide such portable assistance for a participant if the family has moved out of the assisted unit in violation of the lease, except that if the family moves out in violation of the lease in order to protect the health or safety of a person who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the dwelling unit, and has otherwise complied with all other obligations under the Section 8 program, the family may receive a voucher from the PHA and move to another jurisdiction under the Housing Choice Voucher Program.

(c) *Nonresident applicants.* (1) This paragraph (c) applies if neither the household head nor spouse of an assisted family already had a "domicile" (legal residence) in the jurisdiction of the initial PHA at the time when the family first submitted an application for participation in the program to the initial PHA.

(2) The following apply during the 12 month period from the time when a family described in paragraph (c)(1) of this section is admitted to the program:

(i) The family may lease a unit anywhere in the jurisdiction of the initial PHA;

(ii) The family does not have any right to portability. This restriction does not apply to voucher recipients under the **2018 Section 811 Mainstream Voucher Project**;

(iii) The initial PHA may choose to allow portability during this period.

(3) If the initial PHA approves, the family may lease a unit outside the PHA jurisdiction under portability procedures.

(d) *Income eligibility.* (1) For admission to the program, a family must be income eligible in the area where the family initially leases a unit with assistance under the program.

(2) If a family is a participant in the initial PHA's voucher program, income eligibility is not redetermined when the family moves to the receiving PHA program under portability procedures.

(e) *Freedom of choice.* The PHA may not directly or indirectly reduce the family's opportunity to select among available units, except as provided in paragraph (a) of this section, or elsewhere in CFR 24 Part 982 (e.g., prohibition on the use of ineligible housing, housing not meeting HQS, or housing for which the rent to owner exceeds a reasonable rent). However, the PHA must provide families the information required in 24 CFR Part §982.301 for both the oral briefing and the information packet to ensure that they have the information they need to make an informed decision on their housing choice.

#### **D. LEASE REVIEW [24 CFR 982.308]**

**The Authority will review the lease, particularly noting the approvability of optional charges and compliance with regulations and state and local law. The tenant also must have legal capacity to enter a lease under state and local law. Responsibility for utilities, appliances and optional services must correspond to those provided on the on the Request For Approval of Tenancy.**

**The family and owner must submit a standard form of lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with state and local law.**

**The lease must specify:**

**The names of the owner and tenant, and**

**The address of the unit rented (including apartment number, if any), and**

**The amount of the monthly rent to owner, and**

**The utilities and appliances to be supplied by the owner, and**

**The utilities and appliances to be supplied by the family.**

**The HUD prescribed tenancy addendum must be included in the lease (or attached and incorporated) word-for-word before the lease is executed.**

**Effective September 15, 2000, the owner's lease must include the Lead Warning Statement and disclosure information required by 24 CFR 35.92(b).**

**The lease must provide that drug-related criminal activity engaged in by the tenant, any household member, or any guest on or near the premises, or any person under the tenant's control on the premises is grounds to terminate tenancy.**



**The lease must also provide that owner may evict family when the owner determines that:**

**Any household member is illegally using a drug; or**

A pattern of illegal use of drug by any household member interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

The lease must provide that the following types of criminal activity by a "covered person" are grounds to terminate tenancy:

Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises);

Any criminal activity that threatens the health, safety or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or

Any violent criminal activity on or near the premises by a tenant, household member, or guest; or

Any violent criminal activity on the premises by any other person under the tenant's control.

The lease must provide that the owner may terminate tenancy if a tenant is:

Fleeing to avoid prosecution or custody or confinement after conviction for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees (high misdemeanor in NJ); or

Violating a condition of probation or parole imposed under Federal or State law.

**\*House Rules of the owner may be attached to the lease as an addendum, provided they are approved by the Authority to ensure they do not violate any fair housing provisions and do not conflict with the tenancy addendum.**

### **Actions Before Lease Term**

**All of the following must always be completed before the beginning of the initial term of the lease for a unit:**

**The Authority has inspected the unit and has determined that the unit satisfies the HQS;**

**The Authority has determined that the rent charged by the owner is reasonable;**

**The landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum;**

**The Authority has approved leasing of the unit in accordance with program requirements;**

**The Authority has signed a Housing Assistance Payments (HAP) Contract with the landlord;**

**When the gross rent exceeds the applicable payment standard for the family, the Authority must determine that the family share (total family contribution) will not be more than 40% of the family's monthly adjusted income.**

#### **E. SEPARATE AGREEMENTS**

**Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.**

**The family is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.**

**Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the Authority.**

**Any appliances, services or other items which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.**

**If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.**

**All agreements for special items or services must be attached to the lease approved by the Authority. If agreements are entered into at a later date, they must be approved by the Authority and attached to the lease.**

**\* The Authority will not approve separate agreements for modifications to the unit for persons with disabilities. The modifications are usually within the dwelling and are critical to the use of the dwelling.**

#### **F. INITIAL INSPECTIONS [24 CFR 982.305(a) & (b)]**

**See "Housing Quality Standards and Inspections" chapter of this Administrative Plan.**

**G. RENT LIMITATIONS [24 CFR 982.507]**

**The Authority will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.**

**By accepting each monthly housing assistance payment from the Authority, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner is required to provide the Authority with information requested on rents charged by the owner on the premises or elsewhere.**

**At all times during the tenancy, the rent to owner may not be more than the most current reasonable rent as determined by the Authority.**

**H. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]**

**In any of the programs, if the proposed gross rent is not reasonable, at the family's request, the Authority will negotiate with the owner to reduce the rent to a reasonable rent. If, in the voucher program, the rent is not affordable because the family share would be more than 40% of the family's monthly adjusted income, the Authority will negotiate with the owner to reduce the rent to an affordable rent for the family.**

**At the family's request, the Authority will negotiate with the owner to reduce the rent or include some or all of the utilities in the rent to owner.**

**If the rent can be approved after negotiations with the owner , the Authority will continue processing the Request for Approval of Tenancy and lease. If the revised rent involves a change in the provision of utilities, a new Request for Approval of Tenancy must be submitted by the owner.**

**If the owner does not agree on the rent to owner after the Authority has tried and failed to negotiate a revised rent, the Authority will inform the family and owner that the lease is disapproved.**

**I. INFORMATION TO OWNERS [24 CFR 982.307(b), 982.54(d)(7)]**

**In accordance with HUD requirements, the Authority will furnish prospective owners, if requested, with the family's current address as shown in the Authority's records and, if known to the Authority, the name and address of the landlord at the family's current and prior address.**

**\* The Authority will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.**

**The Authority will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.**

**A statement of the Authority's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.**

**\* The Authority will furnish prospective owners with information about the family's rental history, or any history of drug trafficking.**

**\* The Authority will provide the following information, based on documentation in its possession:**

- \* Eviction history**
- \* Damage to rental units**
- \* Other aspects of tenancy history [specify]**
- \* Drug trafficking by family members**

**The information will be provided for the last [two] years.**

**The information will be provided [orally or in writing].**

**Only the [Sec 8 management aides or supervisor] may provide this information. The Authority's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.**

#### **J. OWNER DISAPPROVAL [24 CFR 982.306]**

**See chapter on "Owner Disapproval and Restriction."**

#### **K. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE**

**When the family reports changes in factors that will affect the total family share prior to the effective date of the HAP contract at admission, the information will be verified and the total family share will be recalculated. If the family does not report any change, the Authority need not obtain new verifications before signing the HAP contract, even if verifications are more than 60 days old.**

**L. CONTRACT EXECUTION PROCESS [24 CFR 982.305(c)]**

**The Authority prepares the Housing Assistance Contract and Lease for execution. The family and the owner will execute the Lease agreement, and the owner and the Authority will execute the HAP contract. Copies of the documents will be furnished to the parties who signed the respective documents. The Authority will retain a copy of all signed documents.**

**The Authority makes every effort to execute the HAP contract before the commencement of the lease term. The HAP contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed.**

**The following Authority representative(s) is/are authorized to execute a contract on behalf of the Authority: [Executive Director, Deputy Executive Director, or Section 8 Supervisor].**

**\* Owners must provide the current address of their residence (not a Post Office box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit's address.**

**Owners must provide an employer identification number or social security number.**

**\* Owners must also submit proof of ownership of the property, such as a grant deed or tax bill, and a copy of the management agreement if the property is managed by a management agent.**

**\* The owner must provide a home telephone number and business number if applicable.**

**Unless their lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The Authority will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.**

**M. CHANGE IN OWNERSHIP**

**See "Owner Disapproval and Restriction" chapter.**

**Reserved**

## Chapter 10

# HOUSING QUALITY STANDARDS AND INSPECTIONS

[24 CFR 982.401]

### INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and HAP contract.

The Authority will inspect each unit under contract at least annually. The Authority will also have an inspection supervisor perform quality control inspections on the number of files required for file sampling by SEMAP annually to maintain the Authority's required standards and to assure consistency in the Authority's program. This chapter describes the Authority's procedures for performing HQS and other types of inspections, and Authority standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and Authority requirements. (See additions to HQS).

### A. GUIDELINES/TYPES OF INSPECTIONS [24 CFR 982.401(a), 982.405]

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards. The Authority will not promote any additional acceptability criteria which is likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

**\* All utilities must be in service prior to the [effective date of the HAP contract] . If the utilities are not in service at the time of inspection, the inspector will notify the tenant or owner (whoever is responsible for the utilities according to the RFAT) to have the utilities turned on.** [The inspector will schedule a reinspection./The owner and tenant will both certify that the utilities are on.]

**\* If the tenant is responsible for supplying the stove and/or the refrigerator, the Authority will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS.** [The family must then certify that the appliances are in the unit and working]. **The Authority [will not] conduct a reinspection.**

There are five types of inspections the Authority will perform:

1. Initial/Move-in: Conducted upon receipt of Request for Approval of Tenancy.

2. Annual: Must be conducted within twelve months of the last annual inspection.
3. Move-Out/Vacate (for pre 10/2/95 contracts where there could be damage claims)
4. Special/Complaint: At request of owner, family or an agency or third-party.
5. Quality Control

**B. INITIAL HQS INSPECTION** [24 CFR 982.401(a), 982.305(b)(2)]

**Timely Initial HQS Inspection**

*INSTRUCTION: Select if the Authority has up to 1250 budgeted units in its tenant-based program.*

The Authority will inspect the unit, determine whether the unit satisfies the HQS and notify the family and owner of the determination within [15] days after the family and the owner have submitted a request for approval of tenancy.

The same [15] day clock will be suspended during any period when the unit is not available for inspection.

The Authority will include “date unit available for inspection” on the RFAT form. This date will determine whether the Authority will be required to meet the same [15]-day requirement or whether the Authority will suspend the same [15]-day period because the unit is not available for inspection until after the same [15]-day period.

**\* For file audit purposes, the Authority will note in each tenant file, the date on which the unit first became available for inspection according to information obtained from the RFAT.**

The Initial Inspection will be conducted to:

Determine if the unit and property meet the HQS defined in this Plan.

Document the current condition of the unit as to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.

Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial Housing Quality Standards inspection, the **[family, if there is damage the family is responsible for, and]** the owner will be advised to notify the Authority once repairs are completed.



On an initial inspection, the owner will be given up to [30] days to correct the items noted as Fail, at the inspector's discretion, depending on the amount and complexity of work to be done.

The owner will generally be allowed up to [one] reinspection for repair work to be completed.

If the time period given by the inspector to correct the repairs has elapsed, or the maximum number of failed reinspections has occurred, the family must select another unit.

**C. ANNUAL HQS INSPECTIONS** [24 CFR 982.405(a)]

The Authority conducts an inspection in accordance with Housing Quality Standards at least annually, [14] days prior to the date which is one year from the last annual inspection, so that the inspections are conducted at least annually, as required by SEMAP. Special inspections may be scheduled between anniversary dates.

HQS deficiencies which cause a unit to fail must be corrected by the landlord unless it is a fail for which the tenant is responsible.

The family must allow the Authority to inspect the unit at reasonable times with reasonable notice. [24 CFR 982.551(d)]

**\*Inspections will be conducted on business days only.**

**\*Reasonable hours to conduct an inspection are between [9:00] a.m. and [4:00] p.m.**

**\* The Authority will notify the family in writing or by phone at least [five] days prior to the date of the inspection.**

Inspection: The family [**and owner**] [**are**] notified of the date and time of the inspection appointment by mail [**or phone**]. If the family or an adult representative designated by the family is unable to be present, the family must reschedule the appointment so that the inspection is completed within [10] days.

**If the family does not contact the Authority to reschedule the inspection, or if the family misses [two] inspection appointments, the Authority will consider the family to have violated a Family Obligation and their assistance will be terminated in accordance with the termination procedures in the Plan.**

**\* Reinspection: The family and owner are provided a notice of the inspection appointment by mail. If the family is not at home for the reinspection appointment, a card will be left at the unit and another appointment is automatically scheduled. The appointment letter contains a warning of abatement (in the case of owner responsibility), and a notice of the owner's responsibility to notify the family.**

**In lieu of a reinspection, the Authority will accept that the defect or defects have been remedied by the owner's written certification along with a receipt from a vendor, a receipt**

**from a contractor indicating the scope of work, a photo of the repair, tenant confirmation, or any combination of these items as determined by the Authority. The corrections will be verified at the next on-site inspection.**

**If any required repair is not made in a timely manner, the rent shall be abated beginning with the next rent check. If two consecutive checks are abated, the assistance shall be cancelled.**

**\* The family is also notified that it is a Family Obligation to allow the Authority to inspect the unit. If the family was responsible for a breach of HQS identified in the "Denial or Termination of Assistance" chapter of this Administrative Plan, they will be advised of their responsibility to correct.**

### **Time Standards for Repairs**

Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of notification. (See Emergency Repair Items section.)

For non-emergency items, repairs must be made within 30 days.

For major repairs, the [Sec 8 Supervisor] may approve an extension beyond 30 days.

### **Rent Increases**

Rent to owner increases may not be approved if the unit is in a failed condition.

### **D. MOVE OUT/VACATE**

**\*A move out inspection will be performed only at the landlord's request if claim is to be submitted for contracts effective before 10/2/95.**

### **E. SPECIAL/COMPLAINT INSPECTIONS** [24 CFR 982.405(c)]

If at any time the family or owner notifies the Authority that the unit does not meet Housing Quality Standards, the Authority will conduct an inspection.

**\*The Authority may also conduct a special inspection based on information from third parties such as neighbors or public officials.**

The Authority will inspect only the items which were reported, but if the inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

**If the annual inspection date is within 120 days of a special inspection, and as long as all items are inspected that are included in an annual inspection, the special inspection will be categorized as annual and all annual procedures will be followed.**

**In the case of complaint inspections, in lieu of a reinspection, the Authority will accept that the defect or defects have been remedied by the owner's written certification along with a receipt from a vendor, a receipt from a contractor indicating the scope of work, a photo of the repair, tenant confirmation, or any combination of these items as determined by the Authority. The corrections will be verified at the next on-site inspection.**

**If any required repair is not made in a timely manner, the rent shall be abated beginning with the next rent check. If two consecutive checks are abated, the assistance shall be cancelled.**

**F. QUALITY CONTROL INSPECTIONS** [24 CFR 982.405(b)]

Quality Control inspections will be performed by the [Supervisor or other designated person] on the number of files required by SEMAP. The purpose of Quality Control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS.

The sampling of files will include recently completed inspections (within the prior 3 months), a cross-section of neighborhoods, and a cross-section of inspectors.

**G. ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS** [24 CFR 982.401 (a)]

The Authority adheres to the acceptability criteria in the program regulations [and local codes] [with the additions described below].

\* **Local Codes** [24 CFR 982.401(a)(4)]

*INSTRUCTION: If you wish to enter local codes, enter them here. The following are samples of additions that other Authorities have added to their plans. Any other reasonable standard may be added as long as it does not unduly restrict the housing stock available to participant families.*

Additions

Smoke Detectors:

**\* Steelton, Penbrook, and Highspire Boroughs require by code that there must be a smoke detector in every sleeping quarter (bedroom or other area used for sleeping), in addition to having one detector on every floor in a common area, including attics and basements. As other municipalities may add this code requirement in the future, this standard for smoke detectors will be required.**

Carbon Monoxide Detectors:

**\* National Building and Fire Codes require Carbon Monoxide Detectors in units with fossil fuel burning appliances anywhere within the building. There must be a**

**detector on every floor with a sleeping quarter on it, and there must be a detector on every floor with a fossil fuel burning appliance on that floor. Appliances include water heaters, furnaces or boilers, ovens and stoves, any fireplace or other non-electric heating device. Detectors are also required in all common areas such as hallways, laundry rooms, community rooms, and vestibules when a fossil fuel burning appliance is present in a residence.**

**Walls:**

- \* In areas where plaster or drywall is sagging, severely cracked or otherwise damaged, it must be repaired or replaced.**
- \* Any exterior or interior surfaces with peeling or chipping paint must be removed in an appropriate manner and painted with two coats of unleaded paint or other suitable material.**

**Windows:**

- \* All window sashes must be in good condition, solid and intact, and fit properly in the window frame. Damaged or deteriorated sashes must be replaced.**
- \* Windows must be weatherstripped as needed to ensure a watertight seal.**
- \* Window screens must be in good condition. (Applies only if screens are present)**
- \* Any room for sleeping must have a window.**

**Doors:**

- \* All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.**
- \* All interior doors must have no holes, have all trim intact, and be openable without the use of a key.**
- \* No interior or exterior door may have a lock that requires a key to be used to exit that room, or unit, as well as the building itself.**

**Floors:**

- \* All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.**
- \* All floors must be in a finished state (no plywood).**

**\* All floors should have some type of baseshoe, trim, or sealing for a "finished look." Vinyl baseshoe may be used **anywhere in the unit.****

#### Sinks:

**\* All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.**

**\* All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.**

**\* All sinks must have functioning stoppers.**

#### Security:

**\* If window security bars or security screens are present on emergency exit window, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.**

**\* Owners are responsible for providing and replacing old batteries for battery powered units. Tenants will be instructed not to tamper with smoke detectors or remove batteries. Tenants will be instructed not to tamper with carbon monoxide detectors (where required) or to remove batteries.**

#### Bedrooms:

**\* Bedrooms in basements or attics are not allowed unless they meet local code requirements and must have adequate ventilation and emergency exit capability.**

**\* Minimum bedroom ceiling height is 7'6" or local code, whichever is greater. Sloping ceilings may not slope to lower than five feet in the 70 square foot area.**

#### Electric Receptacles:

**\* Any electric receptacle within 6 feet in any direction of any water source, must be GFCI protected. A water source is described as a shower, tub, sink, or hose connection. However, washing machine hook ups are excluded from this requirement.**

#### Modifications

**\* Modifications or adaptations to a unit due to a disability must meet all applicable HQS and building codes.**

**Extension for repair items not required by HQS will be granted for modifications/adaptations to the unit if agreed to by the tenant and landlord. Authority will**

**allow execution of the HAP contract if unit meets all requirements and the modifications do not affect the livability of the unit.**

**H. EMERGENCY REPAIR ITEMS** [24 CFR 982.404(a)]

The following items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the inspector:

- \* Lack of security for the unit**
  - \* Waterlogged ceiling in imminent danger of falling**
  - \* Major plumbing leaks or flooding**
  - \* Natural gas leak or fumes**
  - \* Electrical problem which could result in shock or fire**
  - \* No heat when outside temperature is below [60] degrees Fahrenheit and temperature inside unit is below [60] degrees Fahrenheit.**
  - \* No domestic (potable) water available in unit**
  - \* No running hot water**
  - \* Obstacle which prevents tenant's entrance or exit**
  - \* Lack of functioning toilet**
- \* In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to make the repair, proper authorities will be notified by the Authority.**

If the emergency repair item(s) are not corrected in the time period required by the Authority, and the owner is responsible, the housing assistance payment will be abated and the HAP contract may be terminated.

If the emergency repair item(s) are not corrected in the time period required by the Authority, and it is an HQS breach which is a family obligation, the Authority may terminate the assistance to the family.

**Smoke Detectors**

- \* Inoperable smoke detectors are a serious health threat and will be treated by the Authority as an emergency (24 hour) fail item.**

**\* If the smoke detector is not operating properly the Authority will contact the owner by phone and request the owner to repair or replace the smoke detector within 24 hours. The Authority will reinspect the unit the following day, if possible.**

**\* If the Authority determines that the family has purposely disconnected the smoke detector (by removing batteries or other means), the family will be required to repair or replace the smoke detector within 24 hours and the Authority will reinspect the unit the following day, if possible.**

**\* The Authority will issue a written warning to any family determined to have purposely disconnected the unit's smoke detector. Warning will state that deliberate disconnection of the unit's smoke detector is a health and fire hazard and is considered a violation of the HQS.**

### **Carbon Monoxide Detectors – (where required)**

**\* Inoperable carbon monoxide detectors are a serious health threat and will be treated by the Authority as an emergency (24 hour) fail item.**

**\* If the carbon monoxide detector is not operating properly the Authority will contact the owner by phone and request the owner to repair or replace the carbon monoxide detector within 24 hours. The Authority will reinspect the unit the following day, if possible.**

**\* If the Authority determines that the family has purposely disconnected the carbon monoxide detector (by removing batteries or other means), the family will be required to repair or replace the carbon monoxide detector within 24 hours and the Authority will reinspect the unit the following day, if possible.**

**\* The Authority will issue a written warning to any family determined to have purposely disconnected the unit's carbon monoxide detector. Warning will state that deliberate disconnection of the unit's carbon monoxide detector is a health and fire hazard and is considered a violation of the HQS.**

### **I. CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS)**

[24 CFR 982.405, 982.453]

When it has been determined that a unit on the program fails to meet Housing Quality Standards, and the owner is responsible for completing the necessary repair(s) in the time period specified by the Authority, and the necessary repairs are not made within the prescribed time period and no extension has been requested or granted, the assistance payment to the owner will be [abated].

## **Abatement**

A Notice of Abatement will be sent to the owner, and the abatement will be effective from the day after the date of the failed inspection. Since the owner will have received the HAP Payment for the current month, the next month's payment will be abated. The abatement will continue until all deficiencies are corrected and the unit is in full compliance with the Housing Quality Standards. If an owner fails to correct deficiencies within a reasonable period of time after the specified time period, the Housing Assistance Payments Contract may be terminated.

The Authority will endeavor to inspect abated units within [5] days of the owner's notification that the work has been completed.

If the owner makes repairs during the abatement period, the abatement will be lifted on the day the unit passes inspection; however, no retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS.

**\* The family will be notified of the reinspection date and requested to inform the owner.**

**\* The notice of abatement states that the tenant is not responsible for the Authority's portion of rent that is abated.**

### **\* Reduction of Payments**

**\* The Authority will [grant an extension] in lieu of abatement in the following cases:**

**\* The owner has a good history of HQS compliance.**

**\* The failed items are minor in nature.**

**\* There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services.**

**\* The owner makes a good faith effort to make the repairs.**

**\* The repairs are expensive (such as exterior painting or roof repair) and the owner needs time to obtain the funds.**

**\* The repairs must be delayed due to climate conditions.**

**\* The [extension] will ordinarily be made for a period of time not to exceed [30] days; however, a longer extension period will be considered when the repairs, for good reason, could not be completed within a 30 day period. At the end of any extension period, [at the Authority's discretion,] if the work is not completed [or substantially completed], the Authority will begin the [termination of assistance].**



## **Termination of Contract**

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the end of the abatement period, the owner will be sent a HAP Contract Proposed Termination Notice. Prior to the effective date of the termination, the abatement will remain in effect.

If repairs are completed before the effective termination date, the termination [may] be rescinded by the Authority if the tenant chooses to remain in the unit. [Only one] Housing Quality Standards inspections will be conducted after the termination notice is issued.

### **J. DETERMINATION OF RESPONSIBILITY** [24 CFR 982.404, 982.54(d)(14)]

Certain HQS deficiencies are considered the responsibility of the family:

Tenant-paid utilities not in service

Failure to provide or maintain family-supplied appliances

Removal of battery from smoke detector by tenant, rendering the smoke detector inoperable by other means, or the removal of the smoke detector itself by tenant.

Removal of battery from carbon monoxide detector (where required) by tenant, rendering the carbon monoxide detector inoperable by other means, or the removal of the carbon monoxide detector itself by tenant.

Damage to the unit or premises caused by a household member or guest beyond normal wear and tear

**\* "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.**

The owner is responsible for all other HQS violations.

The owner is responsible for vermin infestation even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The Authority may terminate the family's assistance on that basis.

**\* The inspector will make a determination of owner or family responsibility during the inspection. \* The owner or tenant may appeal this determination to a mediator within [10] days of the inspection.**

**\* If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.**

**K. CONSEQUENCES IF FAMILY IS RESPONSIBLE** [24 CFR 982.404(b)]

*INSTRUCTION: Timeframe should be the same as that the Authority gives to owners.*

If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the Authority will require the family make any repair(s) or corrections within **[30]** days. If the repair(s) or correction(s) are not made in this time period, the Authority will terminate assistance to the family, after providing an opportunity for an informal hearing. Extensions in these cases must be approved by **[Sec 8 Supervisor]**. The owner's rent will not be abated for items which are the family's responsibility.

If the tenant is responsible and corrections are not made, the HAP contract will terminate when assistance is terminated.

## Chapter 11

### **OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS**

[24 CFR 982.502, 982.503, 982.504, 982.505, 982.507]]

#### **INTRODUCTION**

The policies in this chapter reflect the amendments to the HUD regulations, which were implemented by the Quality Housing and Work Responsibility Act of 1998 for the Section 8 Tenant-Based Assistance Program. These amendments became effective on October 1, 1999, which is referred to as the "merger date". These amendments complete the merging of the Section 8 Certificate and Voucher Programs into one program, called the Housing Choice Voucher Program.

All Section 8 participant families have been transitioned to the Housing Choice Voucher Program on or before October 1, 2001. Rent calculation methods for the Housing Choice Voucher Program are described at 24 CFR 982.505. The rent calculation formula is specific and is not subject to interpretation.

The Authority will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is the Authority's responsibility to ensure that the rents charged by owners are reasonable based upon unassisted comparables in the rental market, using the criteria specified in 24 CFR 982.507(b).

This chapter explains the Authority's procedures for determination of rent-reasonableness, payments to owners, adjustments to the payment standards, and rent adjustments.

#### **A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM**

The rent to owner is limited only by rent reasonableness. The Authority must demonstrate that the rent to owner is reasonable in comparison to rent for other comparable unassisted units.

The only other limitation on rent to owner is the maximum rent standard at initial occupancy (24 CFR 982.508). At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, whether it is a new admission or a move to a different unit, if the gross rent for the unit exceeds the applicable payment standard for the family, the family share may not exceed 40 percent of the family's monthly adjusted income.

During the initial term of the lease, the owner may not raise the rent to owner.

**B. MAKING PAYMENTS TO OWNERS** [24 CFR 982.451]

Once the HAP contract is executed, the Authority begins processing payments to the landlord. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made [**manually**] to the HAP Register for the following month. Checks are disbursed by [**the Accounting Department**] to the owner each month. Checks [**may not**] be picked up by owner at the Authority.\* **Checks will only be disbursed on the [1<sup>st</sup> and 15th day(s)] of the month.**

**Checks that are not received will not be replaced until a written request has been received from the payee and a stop payment has been put on the check.**

**Excess Payments**

The total of rent paid by the tenant plus the Authority housing assistance payment to the owner may not be more than the rent to owner as stipulated in the Housing Assistance Payments Contract or as subsequently modified by the Housing Authority through the form "Notification of Adjustment of Housing Assistance Payments. The owner must immediately return any excess payment to the Authority.

Owners who do not return excess payments will be subject to penalties as outlined in the "Owner or Family Debts to the Authority" chapter of this Administrative Plan.

**C. RENT REASONABLENESS DETERMINATIONS** [24 CFR 982.507]

***INSTRUCTION:** Authorities should be aware that current SEMAP guidelines require Authorities to have a reasonable written methodology for determining rent reasonableness in its Administrative Plan.*

The Authority will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all programs.

**NOTE:** Reasonable rent is further defined by PIH Notice 2020-19, *Rent Reasonableness – Defining Assisted Units for the Housing Choice Voucher and Project-Based Voucher Program*. The notice supersedes Notice PIH 2011-46, and updates guidance concerning what is considered an assisted unit under Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) for the purpose of rent reasonableness requirements. This notice does not provide comprehensive guidance concerning rent reasonableness requirements, but focuses on specific rent reasonableness issues.

The Authority will not approve a lease until the Authority determines that the initial rent to owner is a reasonable rent. The Authority must redetermine the reasonable rent before any increase in the rent to owner, and if there is a ten (10) percent decrease in the published FMR in

effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.

The Authority must redetermine rent reasonableness if directed by HUD and based on a need identified by the Authority's auditing system. The Authority may elect to redetermine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the Authority.

The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

If requested, the owner must give the Authority information on rents charged by the owner for other units in the premises or elsewhere. **\*The Authority will only request information on the owner's units elsewhere if the Authority has cause to demonstrate that the owner has a tendency to charge higher rents to program participants or if needed for rent reasonableness comparables.**

The data for other unassisted units will be gathered from [newspapers, Realtors, professional associations, inquiries of owners, market surveys, and other available sources].

The market areas for rent reasonableness are [zip codes/subdivisions/census tracts/neighborhoods] within the Authority's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items will be used for rent reasonableness documentation:

Size (number of Bedrooms/square footage)

Location

Quality

Amenities (bathrooms, dishwasher, air conditioning, off-street parking etc.)

Housing Services

Age of unit

Unit Type

Maintenance

Utilities

### **Rent Reasonableness Methodology**

**\* Information is gathered on rental units in the [Dauphin County] market area, and each unit is rated, using the Authority's rent reasonableness system. Using an automated method, the average rents are identified for units of like size and type within the same market area. Each defined factor of the items listed above on the unit to be assisted will be compared, using a point adjustment system, to those factors of comparable unassisted units in the database. The average will be adjusted up or down based on the dollar value of all HUD required comparable items in comparison with the total database.**

**\* The Authority uses a "standard deviation" method and uses automation to identify the average rent for units of like size and type within the same market area. The average is adjusted up or down based on the dollar value of all HUD required comparable items.**

The Authority maintains [an automated database] which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data is updated on an ongoing basis and purged when it is more than [18] months old

#### **D. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM** [24 CFR 982.503]

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation, and at the Authority's discretion, the Voucher Payment Standard amount is set by the Authority between 90 percent and 110 percent of the HUD published FMR. This is considered the basic range. The Authority reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, the Authority will ensure that the Payment Standard is always within the range of 90 percent to 110 percent of the new FMR, unless an exception payment standard has been approved by HUD. All revisions shall occur within three months of HUD's publication of any change in the FMR if the payment standard is no longer in the acceptable range. If there is a decrease to the Payment Standard Schedule during the term of a family's HAP contract, the Authority will continue to use the existing higher Payment Standard for the family's subsidy calculation for as long as the family continues to receive the voucher assistance in that unit. Families who are shopping for a new unit and have been issued a voucher where the search time may extend past the effective date of a new payment standard shall be informed of both the old and new payment standards once the amount of the new payment standard has been determined.

The Authority will establish a single voucher payment standard amount for each FMR area in the Authority jurisdiction. For each FMR area, the Authority will establish payment standard amounts for each "unit size". The Authority may have a higher payment standard within the Authority's jurisdiction if needed to expand housing opportunities outside areas of minority or poverty concentration, as long as the payment standard is within the 90-110% of FMR range.

A separate lower Payment Standard may also be established for any applicant voucher family not yet under HAP Contract and any participant family that is moving (the new reduced payment standard amount is used to determine the family HAP at the new unit.) The reduced Payment Standard amount is also immediately applicable for a participant family that is not moving from their current unit at any time that a new HAP Contract must be executed for the unit, such as

when the owner offers and the family accepts a new lease agreement.

The Authority may approve a payment standard of not more than 120 percent of the FMR without HUD approval if requested as a reasonable accommodation by a family that includes a person with a disability. The payment standard for a family including a disabled person can exceed 120% with HUD's prior approval.

The Authority will maintain documentation that shows:

1. a rent reasonableness analysis was conducted in accordance with the HCV program regulations at 24 CFR 982.507;
2. the family requested in writing, and provided supporting documentation (for example from a medical professional), lease approval for the unit and requested an exception payment standard as a reasonable accommodation; and
3. the unit has features that meet the needs of a family member with disabilities. For example, a unit may be suitable because of its physical features or for other reasons, such as having the requisite number of bedrooms, location on an accessible transit route, or proximity to accessible employment, education, services, or recreation.

#### **E. ADJUSTMENTS TO PAYMENT STANDARDS** [24 CFR 982.503]

Payment Standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. The Authority will not raise Payment Standards solely to make "high end" units available to Voucher holders. The Authority may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.

#### **Assisted Families' Rent Burdens**

**\*The Authority will review its voucher payment standard amounts at least annually to determine whether more than 40 percent of families in a particular unit size are paying more than 30% of their annual adjusted income for rent.**

**\* If it is determined that particular unit sizes in the Authority's jurisdiction have payment standard amounts that are creating rent burdens for families, the Authority will modify its payment standards for those particular unit sizes.**

**\* The Authority will increase its payment standard within the basic range for those particular unit sizes to help reduce the percentage of annual income that participant families in the Authority's jurisdiction are paying.**

**\* The Authority will establish a separate voucher payment standard, within the basic range,**

**for designated parts its jurisdiction if it determines that a higher payment standard is needed in these designated areas to provide families with quality housing choices and to give families an opportunity to move outside areas of high poverty and low income.**

### **Quality of Units Selected**

The Authority will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.

### **Authority Decision Point**

The Authority will review the average percent of income of families on the program. If more than (percent – 25%) of families are paying more than 30% of monthly adjusted income, the Authority will determine whether there is a difference by voucher size, whether families are renting units larger than their voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by the Authority in the Administrative Plan.

If families are paying more than 30% of their income for rent due to the selection of larger bedroom size units or luxury units, the Authority may decline to increase the payment standard. If these are not the primary factors for families paying higher rents, the Authority will continue increasing the payment standard.

### **Rent to Owner Increases**

The Authority may review a sample of the units to determine how often owners are increasing rents and the average percent of increase by bedroom size.

### **Time to Locate Housing**

The Authority may consider the average time period for families to lease up under the Voucher program. If more than [50%] of Voucher holders are unable to locate suitable housing within the term of the voucher and the Authority determines that this is due to [50%] of rents in the jurisdiction being unaffordable for families even with the presence of a voucher the Payment Standard may be adjusted.

### **Lowering of the Payment Standard**

Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below 90 percent of the FMR without authorization from HUD.



If there is a decrease to the Payment Standard Schedule during the term of a family's HAP contract, the Authority will continue to use the existing higher Payment Standard for the family's subsidy calculation for as long as the family continues to receive the voucher assistance in that unit.

### **Financial Feasibility**

Before increasing the Payment Standard, the Authority may review the budget to determine the impact projected subsidy increases would have on funding available for the program and number of families served.

For this purpose, the Authority will compare the number of families who could be served under a higher Payment Standard with the number assisted under current Payment Standards.

### **File Documentation**

A file will be retained by the Authority for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

## **F. EXCEPTION PAYMENT STANDARDS**

If the dwelling unit is located in an exception area, the Authority must use the appropriate payment standard amount established by the Authority for the exception area in accordance with regulation at 24 CFR 982.503(c).

**\* HUD has authorized the Authority to establish a payment standard [110%] for [all unit sizes] in [Authority jurisdiction]. This is referred to by HUD as the upper range.**

## **G. OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM** **[(24CFR 982.308(g))]**

**The owner is required to notify the Authority, in writing, at least sixty days before any change in the amount of rent to owner is scheduled to go into effect. Any requested change in rent to owner will be subject to rent reasonableness requirements. See 24 CFR 982.503.**

# Chapter 12

## RECERTIFICATIONS

[24 CFR 982.516]

### INTRODUCTION

In accordance with HUD requirements, the Authority will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition. This Chapter defines the Authority's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

### A. ANNUAL ACTIVITIES [24 CFR 982.516, 982.405]

There are three activities the Authority must conduct on an annual basis. **\*These activities will be coordinated whenever possible:**

- \* Recertification of income and family composition
- \* HQS inspection
- \* Rent to owner adjustment (following HUD requirements [regular tenancy certificate only])

The Authority produces a monthly listing of units under contract to ensure that timely reviews of rent to owner, housing quality, and factors related to total tenant payment/family share can be made. Requests for rent adjustments and other monetary changes will be transmitted to the **[Accounting department]**.

Reexamination of the family's income and composition must be conducted at least annually.

Annual inspections: See "Housing Quality Standards and Inspections" chapter.

Rent adjustments: See "Owner Rents, Rent Reasonableness and Payment Standards" chapter.

## **B. ANNUAL RECERTIFICATION/REEXAMINATION** [24 CFR 982.516]

Families are required to be recertified at least annually.

### **Moves Between Reexaminations**

When families move to another dwelling unit:

**\* The anniversary date for the recertification will be changed to correspond to the lease and contract date of the new unit.**

Income limits are not used as a test for continued eligibility at recertification.

### **Reexamination Notice to the Family**

The Authority will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview at least [ 90] days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the Authority will provide the notice in an accessible format. The Authority will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

### **Procedure**

The Authority's procedure for conducting annual recertifications will be in one of the two following manners:

1. Schedule the date and time of appointments and mail a notification to the family; when annual recertifications are to be done in person.

OR

2. Recertification documents are sent to the participant families to be recertified and the completed documents are to be returned by a stipulated date.

Owners are also notified at the time of reexamination so that they may request an increase in rent, if they want to increase the rent, and are also notified of the annual inspection of their rental unit so that they can participate in the inspection, if they so desire.

### **Completion of Annual Recertification**

The Authority will make every effort to have all recertifications for families completed before the anniversary date. This includes notifying the family of any changes in rent at least 30 days before the scheduled date of the change in family rent.

## Persons with Disabilities

Persons with disabilities who are unable to come to the Authority's office will be granted an accommodation by conducting the interview **[at the person's home/by mail]**, upon verification that the accommodation requested meets the need presented by the disability.

### **Collection of Information** [24 CFR 982.516(f)]

***INSTRUCTION:** Authoritys utilize two basic methods of data collection: 1) Authority allows the family to complete a recertification form, then reviews the form with the family; or 2) The housing interviewer interviews the family, asks the questions and records the answers on the recertification forms. This system utilizes the Personal Declaration Form so that the Authority has information in the family representative's own handwriting.*

The Authority has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate.

**\* The Authority will allow the family to complete the recertification form.**

### **Procedure is the Family is Required to Attend an Officer Interview:**

If the recertification procedure requires the family to come to an interview at the Authority office, the following family members will be required to attend the recertification interview: **(Applicable only when the recertification interview is done in person.)**

**\* The head of household only**

If the head of household is unable to attend the interview:

**\* The appointment will be rescheduled**

### **Failure to Respond to Notification to Recertify**

The written notification must state which family members are required to attend the interview. The family may call to request another appointment date up to **[two]** days prior to the interview.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the Authority, the Authority **[will]** reschedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the Authority will:

**\* Send family notice of termination and offer them an informal hearing**

**\* Exceptions to these policies may be made by [Section 8 Supervisor] if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability.**

**Procedure if the Family is sent a set of Recertification Documents:**

**Family to be certified will be sent a set of documents that the family must complete and return to the Authority by a specified date.**

**If the recertification documents are not completed and returned to the Authority within two weeks of the date of the first letter, the Authority will send a second letter to indicate that if those documents are not completed and returned with one week of the date of the second letter, the family's rental assistance will be terminated on a date specified in the second letter.**

**If the family does not respond to the second recertification letter within the specified period of time, the family will be sent a third letter ordinarily by certified mail informing the family that their rental assistance is being terminated on a date to be specified in the letter. A copy of the termination letter is also sent to the family's landlord.**

**Documents Required From the Family**

In the notification letter to the family, the Authority will include instructions for the family to bring or send the following:

- \* Application for Recertification
- \* Consent to Release Information
- \* Citizenship Certification (If not previously signed or for any new members of the family.)
- \* Authorization for the Release of Information/Privacy Act Notice
- \* Income and Asset Verification Form
- \* Employment Verification Form
- \* Documentation Regarding all other Sources of Income
- \* Documentation of all other assets. If a participant purchases a home using the Section 8 Homeownership option, if one is offered by the Housing Authority, the value of this asset shall be excluded from the income calculation for the first ten years of ownership from the closing date. For all re-certifications occurring after ten years of ownership, the value of the asset shall equal the fair market value of the property minus any loans on the property and minus 10% of the fair market value of the property (expenses to convert to cash as determined by PIH Notice 2012-3). The fair market value of the property will be determined by the assessed value as determined by the City, Town or Village Assessor if the assessed value is made at market value. This market value will be obtained by reviewing and documenting the local assessment roll or the owner's most recent property tax bill. If a market value tax assessment is not available, then the Housing Authority will

use the sales comparison method examining at least three comparable properties in the surrounding (or similar) neighborhood that possess comparable factors that affect market value. For determining the loans on the property, the Housing Authority will first try to verify the current payoff amount of the loan(s) included on the participant's monthly mortgage statement. If the payoff amount is not available, the Housing Authority may deduct the loan balance from the market value and document the file as to the method used.

\* Documentation of any deductions/allowances

\* Personal Declaration Form completed by head of household

\* Families will be provided the opportunity to update the information on form HUD-92006, Supplement to Application for Federally Assisted Housing, which they completed with their initial application. The form gives families the option to identify an individual or organization that the Housing Authority may contact and the reason(s) the individual or organization may be contacted.

Also, during the recertification, each household shall be asked whether any member is subject to the lifetime registration requirement under a state registration program. The Housing Authority will verify this information using the Dru Sjodin National Sex Offender Database and document this information in the same method used at admission. For any admissions after June 25, 2001 (the effective date of the Screening and Eviction for Drug Abuse and Other Criminal Activity final rule), if the recertification screening reveals that the tenant or a member of the tenant's household is subject to a lifetime sex offender registration requirement, or that the tenant has falsified information or otherwise failed to disclose his or her criminal history on their application and/or recertification forms, the Housing Authority will pursue eviction of the household.

If a family is about to be terminated from housing based on either the criminal check or the sex offender registration program, the applicant will be informed of this fact and given an opportunity to dispute the accuracy of the information before the eviction occurs.

\* **Other** [Documentation from all eligible income sources]

### **Verification of Information**

The Authority will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than **[120]** days old.

### **Tenant Rent Increases**

***INSTRUCTION:** HUD says "reasonable notice." We suggest you follow State law and provide at least a 30-day notice on rent increases (also decreases) for annual reexamination.*

If tenant rent increases, a thirty day notice is mailed to the family prior to the scheduled effective date of the annual recertification.

If less than thirty days are remaining before the scheduled effective date of the annual recertification, the tenant rent increase will be effective on the first of the month following the thirty day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual recertification.

### **Tenant Rent Decreases**

If tenant rent decreases, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the Authority.

### **C. REPORTING INTERIM CHANGES** [24 CFR 982.516]

Program participants must report all changes in household composition **in writing** to the Authority between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. **The family must obtain Authority approval prior to all other additions to the household.**

If any new family member is added, family income must include any income of the new family member. The Authority will conduct a reexamination to determine such additional income and will make the appropriate adjustments to the **Total Tenant Payment** (TTP) in the housing assistance payment and family unit size.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after moving into the unit.

### **Increases in Income**

***INSTRUCTION:** HUD permits Authoritys to decide if increases in income and assets must be reported by the family, when increases must be reported, and whether or not interim adjustments will be done when there is an increase in income. Even if the Authority does not do interim adjustments when families have an increase in income, the Authority can still require families to report any increases.*

### **Interim Reexamination Policy**

Families are required to report all increases in monthly income of **\$ 300.00** or more between reexaminations **in writing** within (14) days of the increase]. This reporting requirement includes the reporting of any asset which results in an increase in income of \$ 300.00 per month or more.

The Authority will conduct interim reexaminations when families have an increase in income between annual reexaminations which is \$ 300.00 per month or more and adjust the Total Tenant Payment accordingly.

### **Decreases in Income**

Participants may report a decrease in income and other changes which would reduce the amount of tenant rent, such as an increase in allowances or deductions. The Authority must calculate the change if a decrease in income is reported; however, if the household has an historical pattern of changing jobs and the household's income was based on an annualization of income based on anticipated and historical income patterns, the tenant's rent may not need to be decreased unless there is a demonstrated hardship. If such a decrease in income affects the Total Tenant Payment (TTP), the decrease in TTP will be effective the first of the following month provided that the decrease in income is reported no later than the 15<sup>th</sup> of the month. If such decrease is reported later than the 15<sup>th</sup> of the month, any decrease in the TTP and retroactive adjustment, if necessary, will occur the first of the second month following the date the decrease in rent is reported. **In any event, no actual decrease in TTP will be made effective until after the new income has been verified.**

### **Authority Errors**

If the Authority makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable, retroactive to when the decrease for the change would have been effective if calculated correctly.

### **D. OTHER INTERIM REPORTING ISSUES**

An interim reexamination does not affect the date of the annual recertification.

An interim reexamination will be scheduled for families with **[zero]** income every **[30]** days.

Any changes reported by participants other than those listed in this section will be noted in the file by the staff person, but will not be processed between regularly scheduled annual recertifications.

### **E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS** [24 CFR 5.615]



***INSTRUCTION:** The QHWRA establishes new requirements for the treatment of income changes resulting from welfare program requirements. These requirements are effective immediately. However, before implementation of the new requirements, the Authority must revise operating procedure to effectuate these provisions.*

The Authority will not reduce the family share of rent for families whose welfare assistance is reduced due to a "specified welfare benefit reduction", which is a reduction in benefits by the welfare agency specifically because of:

- \* Fraud in connection with the welfare program; or
- \* Non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program.

However, the Authority will reduce the rent if the welfare assistance reduction is a result of:

- \* The expiration of a lifetime time limit on receiving benefits; or
- \* A situation where the family has complied with welfare program requirements but cannot or has not obtained employment, or
- \* A situation where a family member has not complied with other welfare agency requirements.

### **Definition of Covered Family**

A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program.

### **Definition of "Imputed Welfare Income"**

The amount of annual income, not actually received by a family, as a result of a specified welfare benefit reduction, that is included in the family's income for purposes of determining rent.

The amount of imputed welfare income is determined by the Authority, based on written information supplied to the Authority by the welfare agency, including:

- \* The amount of the benefit reduction
- \* The term of the benefit reduction
- \* The reason for the reduction
- \* Subsequent changes in the term or amount of the benefit reduction

The family's annual income will include the imputed welfare income, as determined at the

family's annual or interim reexamination, during the term of the welfare benefits reduction (as specified by the welfare agency).

The amount of imputed welfare income will be offset by the amount of additional income the family receives that commences after the sanction was imposed. When additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income will be reduced to zero.

If the family was not an assisted resident when the welfare sanction began, imputed welfare income will not be included in annual income.

If the family claims the amount of imputed welfare income has been calculated incorrectly, the **[Sec. 8 Supervisor]** will review the calculation for accuracy. If the imputed welfare income amount is correct, the Authority will provide a written notice to the family that includes:

- \* A brief explanation of how the amount of imputed welfare income was determined;
- \* A statement that the family may request an informal hearing if they do not agree with the Authority determination.

## **Verification Before Denying a Request to Reduce Rent**

The Authority will obtain written verification from the welfare agency stating that the family's benefits have been reduced due to fraud or noncompliance with welfare agency economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

The Authority will rely on the welfare agency's written notice to the Authority regarding welfare sanctions.

## **Cooperation Agreements** [24 CFR 5.613]

*INSTRUCTION: The final Admissions and Occupancy rule, published in the Federal Register on 3/29/00, requires Authoritys to make best efforts to enter into cooperation agreements with welfare agencies.*

**\*The Authority has executed a Memorandum of Understanding with the local welfare agency under which the welfare agency agrees:**

**\* To target public assistance benefits and services to participants in the Authority's Self-Sufficiency program;**

**\* To provide written verification to the Authority concerning welfare benefits for applicant and participant families, and specified reduction in welfare benefits for a family member, listing: amount of reduction; reason for reduction; term of reduction, and subsequent redetermination.**

**\*The Authority will rely on the welfare agency's written notice regarding the amount of specified benefit reduction.**

**\* The Authority and the local welfare agency have mutually agreed to exchange information regarding any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 tenant-based assistance families.**

## **Family Dispute of Amount of Imputed Welfare Income**

If the family disputes the amount of imputed income and the Authority denies the family's request to modify the amount, the Authority will provide the tenant with a notice of denial, which will include:

**\* An explanation for the Authority's determination of the amount of imputed welfare income**

**\* A statement that the tenant may request an informal hearing.**

**\* A statement that the grievance information received from the welfare agency cannot be disputed at the informal hearing, and the issue to be examined at the informal hearing will**

**be the Authority's determination of the amount of imputed welfare income, not the welfare agency's determination to sanction the welfare benefits.**

**F. NOTIFICATION OF RESULTS OF RECERTIFICATIONS** [HUD Notice PIH 98-6]

The HUD Form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. Signatures **[are]** required by the Authority. If the family disagrees with the rent adjustment, they may request an informal hearing.

**G. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)**

[24 CFR 982.516(c)]

**Standard for Timely Reporting of Changes**

The Authority requires that families report interim changes to the Authority within **[14]** days of when the change occurs. Any information, document or signature needed from the family which is needed to verify the change must be provided within **[14]** days of the change.

**\* An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within [14] days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.**

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

**Procedures when the Change is Reported in a Timely Manner**

The Authority will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

Increases in the Tenant Rent are effective on the first of the month following at least thirty days' notice.

Decreases in the Tenant Rent are effective the first of the month following that in which the change is reported, provided that notification to the Authority had been made prior to the fifteenth of the month. **\* However, no rent reductions will be processed until all the facts have been verified, even if a retroactive adjustment results.** (See also "Decreases in Income" on page 12-6.)

**Procedures when the Change is Not Reported by the Family in a Timely Manner**

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following

guidelines will apply:

Increase in Tenant Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to **[sign a Repayment Agreement or make a lump sum payment]**.

Decrease in Tenant Rent will be effective on the first of the month following the month that the change was reported. If such a decrease in income affects the Total Tenant Payment, the decrease in TTP will be effective the first of the following month provided that the decrease in income is reported no later than the 15<sup>th</sup> of the month. If such decrease is reported later than the 15<sup>th</sup> of the month, any decrease in the TTP will occur the first of the second month following the date the decrease in rent is reported. In any event, no actual decrease in TTP will be made effective until after the new income has been verified; however a delay in verification which is not the fault of the tenant will not, in itself, delay the effective date of the decrease in TTP and may necessitate a retroactive adjustment.

### **Procedures when the Change is Not Processed by the Authority in a Timely Manner**

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the Authority in a timely manner.

In this case, an increase will be effective after the required thirty days' notice prior to the first of the month after completion of processing by the Authority.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

### **H. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES** [24 CFR 982.516(c)]

(See "Subsidy Standards" chapter.)

### **I. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES** [24 CFR 5.518]

*INSTRUCTION: If the Authority implemented the Noncitizens Rule on or after November 29, 1996, mixed families may receive prorated assistance only.*

Under the Noncitizens Rule, "mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

**\*The Noncitizens Rule was implemented prior to November 29, 1996, and "mixed" families**

who were participants as of June 19, 1995, shall continue receiving full assistance if they meet all of the following criteria:

\* The head of household or spouse is a U.S. citizen or has eligible immigrant status;

AND

\* All members of the family other than the head, the spouse, parents of the head or the spouse, and children of the head or spouse are citizens or eligible immigrants. The family may change the head of household to qualify under this provision.

**J. MISREPRESENTATION OF FAMILY CIRCUMSTANCES**

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the Authority may terminate assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum.)

Reserved

## Chapter 13

### MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

[24 CFR 982.314, 982.353, 982.355(a)]

#### INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the Authority's jurisdiction, or to a unit outside of the Authority's jurisdiction under portability procedures. The regulations also allow the Authority the discretion to develop policies which define any limitations or restrictions on moves. This chapter defines the procedures for moves, both within and outside of, the Authority's jurisdiction, and the policies for restriction and limitations on moves. This policy is consistent with all civil rights laws and regulations.

#### A. ALLOWABLE MOVES

A family may move to a new unit with continued assistance if:

The assisted lease for the old unit has terminated because the Authority has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.

The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family.

The family has given proper notice of lease termination ( if the family has a right to terminate the lease on notice to the owner, for owner breach, or otherwise).

The family or a member of the family is or has been the victim of domestic violence, dating violence, or stalking, as provided in 24 CFR part 5, subpart L, and the move is needed to protect the health or safety of the family or family member. The Authority may not terminate assistance if the family, with or without prior notification to the Authority, already moved out of a unit in violation of the lease, if such move occurred to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the dwelling unit.

#### B. RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552(a)]

**\* Families [will not] be permitted to move within the Authority's jurisdiction during the initial year of assisted occupancy unless the Landlord has failed to maintain the rental unit in accordance with Housing Quality Standards. Unless an immediate matter of health or safety, the Landlord is ordinarily given time to correct any deficiencies in the rental unit.**

**\* Families [will not] be permitted to move more than once in a 12-month period.**



The Authority will deny permission to move if there is insufficient funding for continued assistance. The Authority will provide written notification to the local HUD Office within 10 business days of determining it is necessary to deny moves to a higher-cost unit based on insufficient funding.

The Authority [will] deny permission to move if:

- 1. The family has violated a family obligation.**
- 2. The family owes the Authority money.**
- 3. The family has moved or been issued a voucher within the last [ twelve] months.**
- 4. The family is not income eligible in the receiving agency's jurisdiction; or**
- 5. The family has moved out of their unit in violation of the lease unless the reason for the move is to protect a victim of VAWA who is otherwise in full compliance with all other program requirements and reasonable believed to be in imminent danger from the abuser.**

**\* With the exception of numbers “4.” and “5.” above, the [Sec 8 Supervisor] may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.**

When a family is being evicted, the Authority will endeavor to determine the cause of the eviction and whether the family has violated a family obligation which would prevent the Authority from providing continued housing assistance.

If a Section 8 participant gives notice to the Housing Authority of his/her intention to move, the Authority will consult with the participant's present landlord to determine whether the participant owes the landlord any legitimate amount for rent or damages. If such an amount is owed, the Authority will not issue the Section 8 participant family another voucher until any amount owed to the landlord is paid or payment arrangements have been made to the satisfaction of the landlord. **In order to establish what the legitimate amount that may be owed to a landlord is, the Authority ordinarily requires that there be some adjudication of the dispute in a court.**

If a family who intends to move or is in the process of moving has already received a voucher and it is later discovered by the Housing Authority that the tenant owes a previous landlord any legitimate amount for rent or damages, the Authority will notify the tenant that he/she has ninety (90) days in which to satisfy any legitimate financial obligation to the previous landlord(s). If the tenant does not satisfy such financial obligation to the previous landlord(s) within such ninety (90) day period, the Housing Authority will rescind the voucher. If the tenant would want to receive rental assistance in the future, the tenant would have to reapply.

## **C. PROCEDURE FOR MOVES** [24 CFR 982.314]

### **Issuance of Voucher**

Subject to the restrictions on moves, if the family has not been recertified within the last [120] days, the Authority will issue the voucher to move [**after conducting the recertification**].

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

**\* The annual recertification date will be changed to coincide with the new lease-up date.**

### **Notice Requirements**

If the family wants to move to a new unit, the family must notify the Authority and the owner before moving from the old unit. If the family wants to move to a new unit that is located outside the Authority's jurisdiction, the notice to the Authority must specify the area where the family wants to move. See portability procedures in this chapter.

**\* Briefing sessions emphasize the family's responsibility to give the owner and the Authority proper written notice of any intent to move.**

The family must give the owner the required number of days written notice of intent to vacate specified in the lease and must give a copy to the Authority simultaneously.

### **Time of Contract Change**

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move [**except that there will be no overlapping assistance**].

In a move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy, unless proper notice was given to end a lease mid-month. Assistance will start on the new unit on the effective date of the new lease and contract, **which will be after the termination of the old lease and contract**. Assistance payments may **NOT** overlap for the month in which the family moves.

## **D. PORTABILITY** [24 CFR 982.353]

Portability applies to families moving out of or into the Authority's jurisdiction within the United States and its territories.

When a family moves under portability (in accordance with 24 CFR §982.353(b)) to an area where the unit is located within the Authority's jurisdiction, the Authority will administer assistance for the family. The Authority will not refuse to assist incoming portable families or direct them to another neighboring PHA for assistance.

**E. OUTGOING PORTABILITY** [24 CFR 982.353, 982.355]

Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit outside the Authority's jurisdiction, anywhere in the United States, in the jurisdiction of an Authority with a tenant-based program. When a family requests to move outside of the Authority's jurisdiction, the request must specify the area to which the family wants to move.

The Authority will determine the family's eligibility to move in accordance with **Chapter 9, Section C** and **Sections A and B** of this chapter of this Administrative Plan.

Once the receiving PHA is determined, the Authority will contact the receiving PHA, via email or other confirmed delivery method, prior to approving the family's request to move in order to determine whether the voucher will be absorbed or billed by the receiving PHA. The receiving PHA must advise the Authority in writing, via email or other confirmed delivery method, of its decision.

If the receiving PHA notifies the Authority that it will absorb the voucher, the receiving PHA cannot reverse its decision at a later date without consent of the Authority.

If the receiving PHA will bill the Authority for the portability voucher and the cost of the HAP will increase due to the move, the Authority may deny the move if it does not have sufficient funding for continued assistance.

If a billing arrangement is approved by the Authority or if the voucher is to be absorbed by the receiving PHA, the Authority will issue the family a voucher to move, if it has not already done so, and advise the family how to contact and request assistance from the receiving PHA.

The Authority will promptly notify the receiving PHA to expect the family. The Authority will give the receiving PHA the form HUD-52665, the most recent form HUD 50058 (Family Report) for the family, and all related verification information.

The family must promptly contact the receiving PHA in order to be informed of the receiving PHA's procedures for incoming portable families and comply with these procedures. The family's failure to comply may result in denial or termination of the receiving PHA's voucher.

The receiving PHA does not redetermine eligibility for a participant family. However, for a family that was not already receiving assistance in the PHA's HCV program, the Authority will determine whether the family is eligible for admission to the receiving PHA's HCV program. In determining income eligibility, the receiving PHA's income limits are used by the Authority.

When a receiving PHA assists a family under portability, administration of the voucher must be in accordance with the receiving PHA's policies. This requirement also applies to policies of Moving to Work agencies. The receiving PHA procedures and preferences for selection among eligible applicants do not apply to the family, and the receiving PHA waiting list is not used.

If the receiving PHA opts to conduct a new reexamination for a current participant family, the receiving PHA may not delay issuing the family a voucher or otherwise delay approval of a unit.

The receiving PHA must determine the family unit size for the family, and base its determination on the subsidy standards of the receiving PHA.

The receiving PHA must issue a voucher to the family. The term of the receiving PHA voucher may not expire before 30 calendar days from the expiration date of the Authority's voucher. If the voucher expires before the family arrives at the receiving PHA, the receiving PHA must contact the Authority to determine if it will extend the voucher.

Once the receiving PHA issues the portable family a voucher, the receiving PHA's policies on extensions of the voucher term apply. The receiving PHA must notify the Authority of any extensions granted to the term of the voucher.

The family must submit a request for tenancy approval to the receiving PHA during the term of the receiving PHA voucher. If the family submits a request for tenancy approval during the term of the voucher, the PHA must suspend the term of that voucher.

The receiving PHA must promptly notify the Authority if the family has leased an eligible unit under the program, or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the voucher.

At any time, either the Authority or the receiving PHA may make a determination to deny or terminate assistance to the family.

### **Restrictions on Portability**

#### **Nonresident Applicants**

If neither the household head nor spouse of an assisted family already had a "domicile" (legal residence) in the jurisdiction of the Authority at the time when the family first submitted an application for participation in the program to the Authority the following apply during the 12 month period from the time when a family is admitted to the program:

- (i) The family may lease a unit anywhere in the jurisdiction of the Authority;
- (ii) The family does not have any right to portability. This restriction does not apply to voucher recipients under the **2018 Section 811 Mainstream Voucher Project**;
- (iii) The Authority may choose to allow portability during this period.

If the Authority approves, the family may lease a unit outside the Authority's jurisdiction under portability procedures.

## Participants

After an applicant has leased-up in the jurisdiction of the initial housing agency, they cannot exercise portability during the first year of assisted occupancy, except in the following circumstances.

- \* The receiving and initial Authority agree to allow the move.
- \* **The family's move relates to an opportunity for education, job training or employment**

The Authority will not permit families to exercise portability:

- \* If the family is in violation of a family obligation.
- \* If the family owes money to the Authority.
- \* If the family has moved out of its assisted unit in violation of the lease.
- \* If the family owes their current landlord any money for rent or damages (as verified.)

Receiving Authority's will be required to submit hearing determinations to the Authority within [30] days.

The Authority will not permit families to port to an area which has a higher Payment Standard than the Housing Authority of the County of Dauphin if the Authority's budgetary situation does not allow such a move, i.e. funds are not available in the Authority's budget to pay the rent in a higher cost area.

## **F. INCOMING PORTABILITY** [24 CFR 982.354, 982.355]

### **Absorption or Administration**

The Authority will accept a family with a valid voucher from another jurisdiction and administer or absorb the voucher. If administering, the family will be issued a "portable" voucher by the Authority. The term of the voucher will not expire before the expiration date of any initial Authority voucher. The family must submit a request for approval of tenancy for an eligible unit to the receiving Authority during the term of the receiving Authority voucher. The receiving Authority may grant extensions in accordance with this Administrative Plan. However, if the family decides not to lease-up in the Authority's jurisdiction, they must contact the initial Authority to request an extension.

The Authority may absorb incoming portable families provided that there is funding available.

When the Authority does not absorb the incoming voucher, it will administer the initial Authority's voucher and the receiving Authority's policies will prevail.

For admission to the program a family must be income eligible in the area where the family initially leases a unit with assistance under the program.

The receiving Authority does not redetermine eligibility for a portable family that was already receiving assistance in the initial housing authority authority Section 8 tenant-based program. However, the Authority will do a criminal check to assure that no adult member of the porting family has engaged in any prohibited criminal activity since the last criminal check was performed. The Authority will also do a credit check to determine if the porting family owes money to a housing authority or is currently under a repayment agreement with a housing authority. If the porting family owes money to a housing authority or is currently under a repayment agreement with a housing authority, the Authority will deny portability. The Authority will issue a "portability voucher" according to its own Subsidy Standards. If the family has a change in family composition which would change the voucher size, the Authority will change to the proper size based on its own Subsidy Standards.

### **Income and Total Tenant Payment of Incoming Portables** [982.353(d)]

**\*As receiving Authority, the Authority will conduct a recertification interview but only verify the information provided if the documents are missing or are over [30] days old, whichever is applicable, or there has been a change in the family's circumstances.**

If the Authority conducts a recertification of the family it will not cause a delay in the issuance of a voucher.

If the family's income is such that a \$0 subsidy amount is determined prior to lease-up in the Authority's jurisdiction, the Authority will refuse to enter into a contract on behalf of the family at \$0 assistance.

### **Requests for Approval of Tenancy**

**\* A briefing will be mandatory for all portability families.**

When the family submits a Request for Tenancy Approval, it will be processed using the Authority's policies. If the family does not submit a Request for Tenancy Approval or does not execute a lease, the initial Authority will be notified within [30] days by the Authority.

If the family leases up successfully, the Authority will notify the initial Authority within [30] days, and the billing process will commence.

The Authority will notify the initial Authority if the family fails to submit a Request for Approval of Tenancy for an eligible unit within the term of the voucher.

If the Authority denies assistance to the family, the Authority will notify the initial Authority within [30] days and the family will be offered a review or hearing.

The Authority will notify the family of its responsibility to contact the initial Authority if the family wishes to move outside the Authority's jurisdiction under continued portability.

### **Regular Program Functions**

The Authority will perform all program functions applicable the tenant-based assistance program, such as:

- \* Annual reexaminations of family income and composition;
- \* Annual inspection of the unit; and
- \* Interim examinations when requested or deemed necessary by the Authority

### **Terminations**

The Authority will notify the initial Authority in writing of any termination of assistance within [15] days of the termination. If an informal hearing is required and requested by the family, the hearing will be conducted by the Authority, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the initial Authority.

The initial Authority will be responsible for collecting amounts owed by the family for claims paid and for monitoring repayment. If the initial Authority notifies the Authority that the family is in arrears or the family has refused to sign a payment agreement, the Authority will terminate assistance to the family.

### **Required Documents**

As receiving Authority, the Authority will require the documents listed on the HUD Portability Billing Form from the initial Authority.

### **Billing Procedures**

As receiving Authority, to cover assistance for a portable family that was not absorbed, the Authority will bill the initial PHA for housing assistance payments and administrative fees.

The initial PHA must promptly reimburse the Authority for the full amount of the housing assistance payments made by the Authority for the portable family. The amount of the housing assistance payment for a portable family in the Authority's program is determined in the same manner as for other families in the Authority's program.

The initial PHA must promptly reimburse the Authority for the lesser of 80 percent of the initial PHA ongoing administrative fee or 100 percent of the Authority's ongoing administrative fee for each program unit under HAP contract on the first day of the month for which the Authority is billing the initial PHA under this section. If administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the Authority may bill under this section (e.g., the Authority may bill for the lesser of 80 percent of the initial PHA's prorated ongoing administrative fee or 100 percent of the Authority's prorated ongoing administrative fee). If both PHAs agree, the PHAs may negotiate a different amount of reimbursement.

When a portable family moves out of the HCV program of the Authority that has not been absorbed, the PHA in the new jurisdiction to which the family moves becomes the receiving PHA, and the Authority is no longer required to provide assistance for the family.

In administration of portability, the Authority will comply with financial procedures required by HUD, including the use of HUD-required billing forms. The Authority will also comply with billing and payment deadlines under the financial procedures.

The Authority will manage the Authority's HCV program in a manner that ensures that the Authority has the financial ability to provide assistance for families that move out of the Authority's program under the portability procedures, and that have not been absorbed by the Authority, as well as for families that remain in the Authority's program.

### **Special Purpose Vouchers**

The Authority will maintain the codes on the Family Report, as long as the Authority chooses to bill the initial PHA.

The Authority will administer special purpose vouchers, such as the HUD-Veterans Affairs Supportive Housing vouchers, in accordance with HUD-established policy in cases where HUD has established alternative program requirements of such special purpose vouchers.



## Chapter 14

### CONTRACT TERMINATIONS

[24 CFR 982.311, 982.314]

#### INTRODUCTION

The Housing Assistance Payments (HAP) contract is the contract between the owner and the Authority which defines the responsibilities of both parties. This chapter describes the circumstances under which the contract can be terminated by the Authority and the owner, and the policies and procedures for such terminations.

#### A. CONTRACT TERMINATION [24 CFR 982.311]

The term of the HAP contract is the same as the term of the lease. The contract between the owner and the Authority may be terminated by the Authority, or by the owner or **by the** tenant terminating the lease.

No future subsidy payments on behalf of the family will be made by the Authority to the owner after the month in which the contract is terminated. The owner must reimburse the Authority for any subsidies paid by the Authority for any period after the contract termination date.

If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner. The owner will have no right to claim compensation from the Authority for vacancy loss under the provisions of certificate HAP contracts effective before October 2, 1995.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit. The contract for the new unit may begin during the month in which the family moved from the old unit, **but the two contracts may not overlap since rental assistance through the Section 8 Program may only be provided through one HAP Contract at one time.**

#### B. TERMINATION BY THE FAMILY: MOVES [24 CFR 982.314(c)(2)]

Family termination of the lease must be in accordance with the terms of the lease.

## **C. TERMINATION OF TENANCY BY THE OWNER: EVICTIONS**

[24 CFR 982.310, 982.455]

If the owner wishes to terminate the lease, the owner must provide proper notice as stated in the lease.

During the term of the lease, the owner may not terminate the tenancy except for the grounds stated in the HUD regulations.

During the term of the lease the owner may only evict for:

- \* Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease;
- \* Violations of Federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises or any drug-related criminal activity on or near the premises.
- \* Other good cause.

During the initial term of the lease, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do (see 982.310)

### **Evidence of Criminal Activity**

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines they have engaged in the criminal activity:

- \* Regardless of arrest or conviction
- \* Without satisfying the standard of proof used for a criminal conviction

### **Termination of Tenancy Decisions**

If the law and regulation permit the owner to take an action but don't require action to be taken, the owner can decide whether to take the action. Relevant circumstances for consideration include:

- \* The seriousness of the offense
- \* The effect on the community

- \* The extent of participation by household members
- \* The effect on uninvolved household members
- \* The demand for assisted housing by families who will adhere to responsibilities
- \* The extent to which leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action
- \* The effect on the integrity of the program

### **Exclusion of culpable household member**

The owner may require a tenant to exclude a household member in order to continue to reside in the assisted unit.

### **Consideration of Rehabilitation**

When determining whether to terminate the tenancy for illegal drug use or alcohol abuse, the owner may consider whether the member:

- \* Is no longer participating
- \* Has successfully completed a supervised drug or alcohol rehab program
- \* Has otherwise been successfully rehabilitated

The owner may require the tenant to submit evidence of any of the three (above).

Actions of termination by the owner must be consistent with the fair housing and equal opportunities **requirements** as stated in 24 CFR 5.105.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

**\* The Authority requires that the owner specify the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for the Authority's decision regarding termination of assistance.**

Housing assistance payments are paid to the owner under the terms of the HAP contract. If the owner has begun eviction and the family continues to reside in the unit, the Authority must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

**\* The Authority will continue housing assistance payments until the family moves or is evicted from the unit.**

**\* If the action is finalized in court, the owner must provide the Authority with the documentation, including notice of the lock-out date.**

The Authority must continue making housing assistance payments to the owner in accordance with the contract as long as the tenant continues to occupy the unit and the contract is not violated. By endorsing the monthly check from the Authority, the owner certifies that the tenant is still in the unit, the rent is reasonable and s/he is in compliance with the contract.

If an eviction is not due to a serious or repeated violation of the lease, and if the Authority has no other grounds for termination of assistance, the Authority may issue a new voucher so that the family can move with continued assistance.

#### **D. TERMINATION OF THE CONTRACT BY AUTHORITY**

[24 CFR 982.404(a), 982.453, 982.454, 982.552(a)(3)]

The term of the HAP contract terminates when the lease terminates, when the Authority terminates program assistance for the family, and when the owner has breached the HAP contract. (See "Owner Disapproval and Restriction" chapter)

The Authority may also terminate the contract if:

- \* The Authority terminates assistance to the family.
- \* The family is required to move from a unit when the unit does not meet the HQS space standards because of an increase in family size or a change in family composition.
- \* Funding is no longer available under the ACC.

The contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

#### **Notice of Termination**

When the Authority terminates the HAP contract under the violation of HQS space standards, the Authority will provide the owner and family written notice of termination of the contract, and the HAP contract terminates at the end of the calendar month that follows the calendar month in which the Authority gives such notice to the owner.

## Expiration of Lease

The Owner also has the right not to renew a lease that is expiring, provided that the Owner gives appropriate notice to the tenant as required by the lease. If the Owner opts not to renew a lease, the Owner should also provide a copy of the non-renewal notice to the Authority.

### **E. HAP CONTRACT TERMINATIONS NECESSITATED BY LACK OF FUNDING**

#### 1. Measures to be taken to reduce monthly HAP/UAP payments because of lack of funding

The Housing Authority monitors HAP/UAP expenditures every month. The number of participants to whom the Housing Authority can provide rental assistance is limited by HUD both in terms of the number of participants as well as the amount of funds provided for the Housing Choice Voucher Program. If the amount of funds provided by HUD is not sufficient to support the number of families in a leased-up status, measures will have to be taken to reduce the number of participants as follows:

- a. The issuance of new vouchers to applicants on the Section 8 waiting list will be suspended resulting in attrition over time.
- b. Termination of absorption of port-in vouchers from other Authorities (if applicable)
- c. Termination of vouchers previously issued to applicants, but not yet under a HAP Contract
- d. Disallowance of ports to higher cost areas
- e. Suspension of rental assistance to current HCV Program participants

Item 'e.' above would only be initiated if there were insufficient funding available through both the current monthly HAP subsidies provided by HUD and the Net Restricted Assets (NRA) account to support HAP/UAP payments in future months.

If the Housing Authority is forced to stop issuing Housing Choice Vouchers due to a funding shortfall as a result of HUD funding shortfalls, and has special purpose vouchers for non-elderly disabled persons (NED), Family Unification Program (FUP), or HUD-Veterans Affairs Supportive Housing (VASH) then when it resumes issuing Housing Choice Vouchers it will re-issue the NED, FUP and/or VASH Vouchers in the same proportion as they exist in relation to the overall program

The absolutely last step the Housing Authority will take to resolve its Housing Choice Voucher financial problems will be to terminate the vouchers of families already receiving assistance. The HUD Field Office and the FMC financial analyst will be notified prior to notices of termination being issued. If this becomes necessary, the following sequence shall be used to determine which individual Housing Choice Vouchers are terminated first.

- \* HACD will review the participant list and not initially terminate the HAP contract of any family in which the HOH is 62 years of age or older or of which the HOH has a permanent physical or mental disability.
- \* HACD will then select participant families at random (by numerical lottery) until the monthly HAP payments are reduced to the amount of HUD monthly HAP payment subsidy provided.
- \* Elderly and Disabled families
- \* If the Housing Authority has a special need voucher program (s) (i.e., NED, FUP, VASH, etc.) allocation of Housing Choice Vouchers, they shall be the last to be terminated.
- \* All participant families selected for HAP payment suspension, as described above, shall receive no less than a 30 day written notification of the suspension of rental assistance. Such notice shall also be provided to the affected property owner.

If it becomes necessary for the Housing Authority to terminate Housing Choice Vouchers, the participants terminated shall be reinstated onto the program as soon as fiscally and practically feasible. Readmission shall occur in reverse order of terminations outlined above. However, if the Housing Authority has a special needs (i.e., NED, FUP, VASH, etc.) allocation of Housing Choice Vouchers that were terminated, they shall be the first to be reinstated until the full NED, FUP, and VASH allocations are leased.

Participant families whose rental assistance is suspended under this Section shall not be afforded the opportunity for an Informal Hearing.

Suspension of assistance to the participant under this Section shall result in the termination of the Housing Assistance Payments Contract with the property owner on the same date as assistance to the participant family is suspended. This would be done in accordance with Section 4. b. (5) of the Section 8 Housing Assistance Payments Contract (HAP Contract).

## 2. Restoration of Assistance

Any participant family whose rental assistance was terminated through the method described in this policy, as a result of the lack of funds, may have such assistance restored at such time as HUD HAP/UAP funding permits. The restoration of rental assistance to these families would take precedence over the issuance of vouchers to applicants from the HCV-Section 8 waiting list or port-in families.

The sequence of reinstatement would be the same as the sequence of suspension of rental assistance as determined by random numbers (lottery). That is to say, the first person whose rental payment was terminated will be the first offered reinstatement and in that sequence until HAP payments approximate monthly HUD HAP/UAP subsidy. Funding may not allow all

previously terminated tenants to be reinstated; however, natural attrition may allow gradual reinstatement to occur.

Reinstatement shall be available to any suspended participant family who, as of the date of the reinstatement offer, is not receiving rental assistance in any form from another entity. Such other subsidized rental assistance shall mean assistance calculated in a manner similar to the manner in which rental calculations are done in the Section 8 Program.

Reinstatement shall also be subject to a new criminal record check to assure that none of the suspended family's members have engaged in any criminal activity since having their Section 8 rental assistance suspended. When offered the opportunity for reinstatement, suspended participant families will also have to follow the same procedures as an applicant, including, but not limited to issuance of a new voucher valid for 60 days, request for tenancy approval, housing HQS inspection, rent reasonableness and the execution of a HAP contract.

If sufficient HUD HAP funding were made available to offer reinstatement to previously suspended participant families, the Housing Authority shall in no way be liable for any HAP payments which would have been paid during the suspension period regardless of whether the tenant family is living in the same rental unit or not.

All suspended participant families shall be notified in writing of the offer of reinstatement. Such written notice will be sent to the last known mailing address provided by the participant. Failure of the suspended participant family to respond to the offer of reinstatement within 30 days of the date of the offer shall negate that family's eligibility for reinstatement.

### 3. Multiple Suspension Events

In the event the Authority must suspend Section 8 assistance on more than one occasion, the same procedures in this Section will be followed; however, in no event will the same participant family be subject to more than one suspension.

### 4. New Program Admission - Income Targeting

If a family is reinstated, such reinstatement shall not be considered a new admission for purposes of compliance with HUD's income targeting requirements.

## **F. VAWA PROTECTIONS**

Under the Violence Against Women Act (VAWA, notwithstanding the title of the statute, protections are not limited to women but cover victims regardless of sex, gender identity, or sexual orientation), Housing Choice Voucher participants have the following specific protections, which will be observed by the Housing Authority:

- A. An incident or incidents or actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as a serious or repeated

violation of the lease by the victim or threatened victim of that violence, and shall not in itself be good cause for terminating the assistance, tenancy, or occupancy rights of the victim of such violence by either the Housing Authority or the owner or property manager.

- B. An applicant for assistance or a tenant/participant receiving assistance under a covered housing provider may not be denied admission to, denied assistance under, terminated from participation in, or evicted from housing on the basis or as a direct result of the fact that the applicant or tenant/participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy.
- C. The Housing Authority shall provide each applicant and participant a HUD prescribed Notice of Occupancy Rights and Certification form. It shall also be provided with any notice of eviction. In addition, the Authority shall make an adopted Emergency Transfer Plan and Emergency Transfer Request available upon request.
- D. The Housing Authority may terminate the assistance to remove a lawful occupant or tenant who engages in criminal acts or threatened acts of violence or stalking to family members or others without terminating the assistance or evicting victimized lawful occupants. Also, the owner or property manager may evict a lawful occupant or tenant who engages in criminal acts or threatened acts of violence or stalking to family members or others without evicting other victimized lawful occupants. This is also true even if the household member is not a signatory to the lease. Under VAWA, both the Housing Authority and the owner or property manager are granted the authority to bifurcate the lease.
- E. The Housing Authority and owner or property manager may honor court orders regarding the rights of access or control of the property.
- F. There is no limitation on the ability of the Housing Authority to terminate assistance for other good cause unrelated to the incident or incidents of domestic violence, dating violence, sexual assault or stalking, other than the victim may not be subject to a “more demanding standard” than non-victims. Likewise, an owner or property manager can evict for good cause unrelated to the incident or incidents of domestic violence, dating violence, sexual assault or stalking. This is provided that neither subjects such a tenant to a more demanding standard than other tenants in making the determination whether to evict, or to terminate assistance or occupancy rights.



- G. There is no prohibition on the owner evicting if it “can demonstrate an actual and imminent threat to other tenants or those employed at or providing goods or services to the property if that tenant’s (victim’s) tenancy is not terminated.” An actual and imminent threat consists of a physical danger that is real, would occur within an immediate timeframe, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.
- H. Any protections provided by law which give greater protection to the victim are not superseded by these provisions.

***VERIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT OR STALKING***

The Housing Authority shall require and the owner or property manager may require verification in all cases where an individual claims protection under VAWA against an action involving such individual proposed to be taken by the Housing Authority. The request for verification shall take the form of a written request by the Housing Authority to the claimant.

- A. ***Requirement for Verification.*** The law allows, but does not require, the Housing Authority or a Section 8 owner or property manager to verify that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking claimed by a tenant or other lawful occupant is bona fide and meets the requirements of the applicable definitions set forth in this policy. The Housing Authority shall require verification in all cases where an individual claims protection against an action involving such individual proposed to be taken by the Housing Authority. Section 8 owners or managers receiving rental assistance administered by the Housing Authority may elect to require verification, or not to require it as permitted under applicable law.

Verification of a claimed incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking may be accomplished in one of the following three ways:

- 1. ***HUD-approved form*** - By providing to the Housing Authority or to the requesting Section 8 owner or property manager a written certification, on the form approved by the U.S. Department of Housing and Urban Development (HUD), that the individual is a victim of domestic violence, dating violence, sexual assault or stalking that the incident or incidents in question are bona fide incidents of actual or threatened abuse meeting the

requirements of the applicable definition(s) set forth in this policy. The incident or incidents in question must be described in reasonable detail as required in the HUD-approved form, and the completed certification must include the name of the perpetrator.

2. ***Other documentation*** - by providing to the Housing Authority or to the requesting Section 8 owner or property manager documentation signed by an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing the domestic violence, dating violence, sexual assault or stalking, or the effects of the abuse, described in such documentation. The professional providing the documentation must sign and attest under penalty of perjury (28 U.S.C. 1746) to the professional's belief that the incident or incidents in question are bona fide incidents of abuse meeting the requirements of the applicable definition(s) set forth in this policy. The victim of the incident or incidents of domestic violence, dating violence, sexual assault or stalking described in the documentation must also sign and attest to the documentation under penalty of perjury.
3. ***Police or court record*** – by providing to the Housing Authority or to the requesting Section 8 owner or property manager a Federal, State, tribal, territorial, or local police or court record describing the incident or incidents in question.

**B. *Time allowed to provide verification/failure to provide.*** An individual who claims protection against adverse action based on an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking, and who is requested by the Housing Authority, or a Section 8 owner or property manager to provide verification, must provide such verification within 14 business days after receipt of the written request for verification. Failure to provide verification, in proper form within such time will result in loss of protection under VAWA and this policy against a proposed adverse action. The submission of false information may be the basis for the termination of assistance or for eviction.

**C. *Managing conflicting documentation.*** In cases where the Housing Authority receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the Housing Authority may determine which is the true victim by requiring third-party documentation as described in 24 CFR 5.2007 and in accordance with any HUD guidance as to how such determinations will be made. The Housing Authority shall honor any court orders addressing rights of access or control of the property, including civil

protection orders issued to protect the victim and issued to address the distribution or possession of property among the household.

***CONFIDENTIALITY***

All information provided under VAWA including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, shall be retained in confidence and shall not be entered into any shared database or provided to any related entity except to the extent that the disclosure is:

- A. Requested or consented to by the individual in writing;
- B. Required for used in an eviction proceeding; or
- C. Otherwise required by applicable law.

The Housing Authority shall provide its tenants notice of their rights under VAWA including their right to confidentiality and the limits thereof.

Reserved

## Chapter 15

### DENIAL OR TERMINATION OF ASSISTANCE

[24 CFR 5.902, 5.902, 5.903, 5.905, 982.4, 982.54, 982.552, 982.553]

#### INTRODUCTION

The Authority may deny or terminate assistance for a family because of the family's action or failure to act. The Authority will provide families with a written description of the family obligations under the program, the grounds under which the Authority can deny or terminate assistance, and the Authority's informal hearing procedures. This chapter describes when the Authority is required to deny or terminate assistance, and the Authority's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

#### A. GROUNDS FOR DENIAL/TERMINATION [24 CFR 982.54, 982.552, 982.553]

If denial or termination is based upon behavior resulting from a disability, the Authority will delay the denial or termination in order to determine if there is an accommodation that would negate the behavior resulting from the disability.

#### Form of Denial/Termination

Denial of assistance for an applicant may include any or all of the following:

- \* Denial for placement on the Authority waiting list
- \* Denying or withdrawing a voucher
- \* Refusing to enter into a HAP contract or approve a tenancy
- \* Refusing to process or provide assistance under portability procedures

Termination of assistance for a participant may include any or all of the following:

- \* Refusing to enter into a HAP contract or approve a tenancy
- \* Terminating housing assistance payments under an outstanding HAP contract
- \* Refusing to process or provide assistance under portability procedures

**Mandatory Denial and Termination** [24 CFR 982.54 (d), 982.552(b), 982.553(a), 982.553(b)]

The Authority must deny assistance to applicants, and terminate assistance for participants if the family is under contract and 180 days (or 12 months, depending on the HAP contract used) have elapsed since the Authority's last housing assistance payment was made. (See "Contract Terminations" chapter.)

The Authority must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.

The Authority must deny admission to the program for applicants, and terminate assistance for program participants if the Authority determines that any household member is currently engaging in illegal use of a drug. See Section B of this chapter for the Authority's established standards.

The Authority must deny admission to the program for applicants, and terminate assistance for program participants if the Authority determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents. See Section B of this chapter for the Authority's established standards.

The Authority must deny admission to an applicant or terminate assistance to a Section 8 participant if the Authority determines that any member of the household is subject to a registration requirement under a Federal or State sex offender registration program. See section B of this chapter for the Authority's established standards regarding criminal background investigation and determining whether a member of the household is subject to a registration requirement under a Federal or State sex offender registration program.

The Authority must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.

The Authority must deny admission to the program for an applicant or terminate program assistance for a participant if any member of the family fails to sign and submit consent forms for obtaining information in accordance with Part 5, subparts B and F.

The Authority must deny admission or terminate assistance when required under the regulations to establish citizenship or eligible immigration status.

### **Grounds for Denial or Termination of Assistance** [24 CFR 982.552(c)]

The Authority will deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

- \* **If any family member violates any family obligation under the program as listed in 24 CFR 982.551.**
- \* If any family member has violated the family obligation under 24 CFR 982.551 not to engage in any drug-related criminal activity. (See also 24 CFR 982.553 of the regulations.)
- \* If any family member has violated the family obligation under 24 CFR 982.551 not to engage in any violent criminal activity or other criminal activity that threatens the health, safety or right of peaceful enjoyment of other residents or persons residing in the immediate vicinity of the premises.
- \* **Any member of the family has a felony charge.**
- \* **Any member of the family has been evicted from federally assisted housing in the last five years.**
- \* **If any Authority has ever terminated assistance under the program for any member of the family.**
- \* **If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.**
- \* **If any member of the family engages in the abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises.**
- \* **The family currently owes rent or other amounts to the Authority or to another Authority in connection with Section 8 or public housing assistance under the 1937 Act.**
- \* **The family has not reimbursed any Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.**
- \* **The family breaches an agreement with an Authority to pay amounts owed to an Authority, or amounts paid to an owner by an Authority.**
- \* **The family participating in an FSS program fails to comply, without good cause, with the family's FSS contract of participation.**

- \* **If the family fails to fulfill its obligation under the Section 8 welfare-to-work voucher program.**
- \* **The family has engaged in or threatened abusive or violent behavior toward Authority personnel.**
  - \* **"Abusive or violent behavior towards Authority personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.**
  - \* **"Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.**

Actual physical abuse or violence will always be cause for termination.

Refer to "Eligibility for Admission" chapter, "Other Criteria for Admission" section for further information.

## **B. SCREENING AND TERMINATION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY**

INSTRUCTION: *HUD no longer uses the term "One-Strike" so this section, formerly known as "One-Strike" Policy, has been re-titled.*

### **Purpose**

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of [Dauphin County Housing Authority] to fully endorse and implement a policy designed to:

- \* Help create and maintain a safe and drug-free community
- \* Keep our program participants free from threats to their personal and family safety
- \* **Support parental efforts to instill values of personal responsibility and hard work**
- \* **Help maintain an environment where children can live safely, learn and grow up to be productive citizens**
- \* **Assist families in their vocational/educational goals in the pursuit of self-sufficiency**

### **Administration**



All screening and termination of assistance procedures shall be administered fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability, [sex] or other legally protected groups.

- \* **To the maximum extent possible, the Authority will involve other community and governmental entities in the promotion and enforcement of this policy.**
- \* **This policy will be posted on the Authority's bulletin board and copies made readily available to applicants and participants upon request.**

### **Screening of Applicants**

In an effort to prevent future drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by 24 CFR 982, Subpart L and CFR Part 5, Subpart J, the Authority will endeavor to screen applicants as thoroughly and fairly as possible **for drug-related and violent criminal behavior and other felonious criminal activity.**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

Such screening will apply to any member of the household who is 18 years of age or older.

### **HUD Definitions**

*Covered person*, for purposes of 24 CFR Part 982 and this chapter, means a tenant, any member of the tenant's household, a guest or another person under the tenant's control.

*Drug* means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

*Drug-related criminal activity* means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

*Guest*, for purposes of this chapter and 24 CFR part 5, subpart A and 24 CFR Part 982, means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. The requirements of part 982 apply to a guest as so defined.

*Household*, for the purposes of 24 CFR Part 982 and this chapter, means the family and Authority-approved live-in aide.

*Other person under the tenant's control*, for the purposes of the definition of *covered person* and for 24 CFR Parts 5 and 982 and for this chapter, means that the person, although not staying as a guest (as defined in this chapter) in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not *under the tenant's control*.

*Violent criminal activity* means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

### **Standard for Violation**

The Authority will deny participation in the program to applicants and terminate assistance to participants in cases where the Authority determines there is reasonable cause to believe that a household member is illegally using a drug or if the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents, including cases where the Authority determines that there is a pattern of illegal use of a drug or a pattern of alcohol abuse.

**\* The Authority will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous [36] months.**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse termination, or eviction decision. Before the Housing Authority of the County of Dauphin evicts an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such

as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

"Engaged in or engaging in" violent criminal activity means any act within the past [five] years by an applicant or participant or household member which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage, which [resulted in] [did or did not result in] the conviction of the applicant, participant, or household member.

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse termination, or eviction decision. Before the Housing Authority of the County of Dauphin evicts an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

**\* The activity is being engaged in by any family member.**

**\* The existence of the above-referenced behavior by any household member, regardless of the applicant or participant's knowledge of the behavior, shall be grounds for denial or termination of assistance.**

**\* In evaluating evidence of negative past behavior, the Authority will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.**

## **Drug Related and Violent Criminal Activity**

Ineligibility for admission if Evicted for Drug-Related Activity: Persons evicted from federally assisted housing because of drug-related criminal activity are ineligible for admission to the Section 8 program for a [five]-year period beginning on the date of such eviction.

*Instruction: HUD regulations at 982.553(a)(1)(i) allow the Authority to admit a household in less than 3 years following eviction for drug-related criminal activity under the conditions below. The Authority is not required to adopt the exceptions below, but may choose to do so. If the Authority does adopt a policy containing all or part of the provisions below, the Authority will still have discretion in determining whether to waive denial in individual cases.*

**\*However, the household may be admitted if, after considering the individual circumstances of the household, the Authority determines that:**

- \* The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the Authority.**
- \* The circumstances leading to eviction no longer exist because:**
  - \* The criminal household member has died.**
  - \* The criminal household member is imprisoned (The criminal household member may NOT rejoin the household upon release without authorization from the Authority.)**

**\* Applicants will be denied assistance if they have been:**

**Evicted from Federally assisted housing or convicted for violent criminal activity within the last [five] years prior to the date of the certification interview. This activity includes, but is not necessarily limited to the following:**

**Burglary, Corruption of minors, Endangering the welfare of children, Harassment, Murder, Voluntary Manslaughter, Simple Assault, Discharging a Firearm with an Occupied Structure, Aggravated Assault, Terroristic Threats (If graded as a felony), Stalking (If graded as a felony), Kidnapping, Rape, Statutory Sexual Assault, Involuntary Deviate Sexual Intercourse, Aggravated Indecent Assault, Indecent Assault, Arson, Causing or Risking a Catastrophe, Robbery (If considered a felony), other Felonious Activity and a Pattern of Criminal Behavior**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity

by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

### **Denial of Assistance for Sex Offenders**

The Authority will deny admission if any member of the household is subject to a registration requirement under a Federal or Pennsylvania State sex offender registration program. In screening applicants, the Authority will perform criminal history background checks to determine whether any household member is subject to a Federal or Pennsylvania State sex offender registration requirement.

### **Termination of Assistance for Participants**

#### **Termination of Assistance for Drug-related Criminal Activity or Violent Criminal Activity:**

Under the family obligations listed at 24 CFR 982.551, the members of the household must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. HUD regulations at 24 CFR 982.553(b) require the Authority to establish standards for termination of assistance when this family obligation is violated. The [Dauphin County Housing Authority] has established the following standards for termination of assistance for the family when a household member has violated the family obligation to refrain from participating in drug-related or violent criminal activity.

Assistance will be terminated for participants who have been:

**[convicted/evicted from a unit assisted under any Federally assisted housing program]** for drug-related or violent criminal activity during participation in the program, and within the last [five] years prior to the date of the notice to terminate assistance.

**Violent criminal activity includes, but is not necessarily limited to the following:**

**Burglary, Corruption of minors, Endangering the welfare of children, Harassment, Murder, Voluntary Manslaughter, Simple Assault, Discharging a Firearm with an Occupied Structure, Aggravated Assault, Terroristic Threats (If graded as a felony),**

**Stalking (If graded as a felony), Kidnapping, Rape, Statutory Sexual Assault, Involuntary Deviate Sexual Intercourse, Aggravated Indecent Assault, Indecent Assault, Arson, Causing or Risking a Catastrophe, Robbery (If considered a felony), other Felonious Activity and a Pattern of Criminal Behavior**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse termination, or eviction decision. Before the Housing Authority of the County of Dauphin evicts an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

- \* **If any member of the household violates the family obligations by engaging in drug-related or violent criminal activity, the Authority will terminate assistance.**
- \* **In appropriate cases, the Authority may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the Authority may consider individual circumstances with the advice of Juvenile Court officials.**
- \* **The Authority will waive the requirement regarding drug-related criminal activity if:**
  - \* **The person demonstrates successful completion of a credible rehabilitation program approved by the Authority, or**
  - \* **The circumstances leading to the violation no longer exist because the person who engaged in drug-related criminal activity or violent criminal activity is no longer in the household due to death or incarceration.**

## **Terminating Assistance for Alcohol Abuse by Household Members**

Under the family obligations listed at 24 CFR 982.551, the members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. Assistance will be terminated due to violation of a family obligation if the Authority determines that a member of the household has demonstrated a pattern of alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

- \* **Assistance will also be terminated if a household member is [convicted/incarcerated] for any alcohol-related criminal activity on or near the premises within any [6 month] period.**
- \* **In appropriate cases, the Authority [may] permit the family to continue receiving assistance provided that household members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the Authority may consider individual circumstances with the advice of Juvenile Court officials.**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse termination, or eviction decision. Before the Housing Authority of the County of Dauphin evicts an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

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### **Notice of Termination of Assistance**

In any case where the Authority decides to terminate assistance to the family, the Authority must give the family written notice which states:

- \* The reason(s) for the proposed termination,
- \* The effective date of the proposed termination,
- \* The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.

- \* The date by which a request for an informal hearing must be received by the Authority.

If the Authority proposes to terminate assistance for criminal activity as shown by a criminal record, the Authority will provide the subject of the record and the tenant with a copy of the criminal record.

The Authority will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reason for termination of assistance.



## **Required Evidence**

*Preponderance of evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

*Credible evidence* may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

- \* **The Authority will terminate assistance for criminal activity by a household member, as described in this chapter, if the Authority determines, based on a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.**
- \* **The Authority will pursue fact-finding efforts as needed to obtain credible evidence.**
- \* **The Authority may terminate assistance for criminal activity by a household member under this section if the Authority has determined that the household member has engaged in the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

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## **Confidentiality of Criminal Records**

The Authority will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

- \* **All criminal reports, while needed, will be secured with access limited to individuals responsible for screening and determining eligibility for initial and continued assistance [and to upper level Section 8 management.]**
- \* **Misuse of the above information by any employee will be grounds for termination of employment. Legal penalties may also be imposed by the appropriate governmental entities.**
- \* **If the family is determined eligible for initial or continued assistance, the criminal report shall be shredded as soon as the information is no longer needed for eligibility or continued assistance determination.**
- \* **If the family's assistance is denied or terminated, the criminal record information shall be shredded immediately upon completion of the review or hearing procedures and a final decision has been made.**
- \* **The Authority will document in the family's file the circumstances of the criminal report and the date the report was destroyed.**

### **C. FAMILY OBLIGATIONS** [24 CFR 982.551]

The family must supply any information that the Authority or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR 982.551). "Information" includes any requested certification, release or other documentation.

The family must supply any information requested by the Authority or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

The family must disclose and verify Social Security Numbers (as provided by 24 CFR 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.

All information supplied by the family must be true and complete.

The family is responsible for an HQS breach caused by the family as described in 982.404(b).

The family must allow the Authority to inspect the unit at reasonable times and after reasonable notice.

The family may not commit any serious or repeated violations of the lease.

The family must notify the owner and, at the same time, notify the Authority before the family moves out of the unit or terminates the lease upon notice to the owner.

The family must promptly give the Authority a copy of any owner eviction notice.

The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

The composition of the assisted family residing in the unit must be approved by the Authority. The family must promptly inform the Authority of the birth, adoption or court-awarded custody of a child. The family must request Authority approval to add any other family member as an occupant of the unit **prior to that person's moving into the unit.**

The family must promptly notify the Authority if any family member no longer resides in the unit.

If the Authority has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or Authority 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 the lease or transfer the unit.

The family must supply any information or certification requested by the Authority to verify that the family is living in the unit, or relating to family absence from the unit, including any Authority-requested information or certification on the purposes of family absences. The family must cooperate with the Authority for this purpose. The family must promptly notify the Authority of absence from the unit.

The family must not own or have any interest in the unit.

The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.

The household members may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. 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 not disconnect a smoke detector in any manner, removing any batteries from a smoke detector or otherwise render the smoke detectors inoperable or fail to notify the Housing Authority if the smoke detector is inoperable for any reason.

**Housing Authority Discretion** [24 CFR 982.552(c)]

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the Authority has discretion to consider all of the circumstances in each case, including the seriousness of the case. The Authority will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. The Authority may also review the family's more recent history and record of compliance, and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.

In deciding whether to exercise their discretion to deny or terminate an individual or household that has engaged in criminal activity, the Housing Authority of the County of Dauphin will consider all of the circumstances relevant to the particular admission or eviction decision, including but not limited to: the seriousness of the offending action; the effect that eviction of the entire household would have on family members not involved in the criminal activity; and the extent to which the leaseholder has taken all reasonable steps to prevent or mitigate the criminal activity.

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse termination, or eviction decision. Before the Housing Authority of the County of Dauphin evicts an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

**\* The Authority may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in, or were culpable for the**

**action or failure to act, will not reside in the unit. The Authority may permit the other members of a family to continue in the program.**

### **Enforcing Family Obligations**

#### Explanations and Terms

The term "promptly" when used with the family obligations always means "within **[14 FOURTEEN]** days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

#### HQS Breach

The **[inspector/mediator/supervisor]** will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by **[Sec 8 Supervisor]**.

#### Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

- \* **If the owner terminates tenancy through court action for serious or repeated violation of the lease.**
- \* **If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the Authority determines that the cause is a serious or repeated violation of the lease based on available evidence.**
- \* **If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and**
- \* **If there are police reports, neighborhood complaints or other third party information, that has been verified by the Authority.**
- \* **Nonpayment of rent is considered a serious violation of the lease.**

#### Notification of Eviction

If the family requests assistance to move and they did not notify the Authority of an eviction within **[30 thirty]** days of receiving the Notice of Lease Termination, the move will be denied.

#### Proposed Additions to the Family

The Authority will deny a family's request to add additional family members who are:

- \* **Persons who have been evicted from public housing.**
- \* **Persons who have previously violated a family obligation listed in 24 CFR 982.51 of the HUD regulations.**
- \* **Persons who have been part of a family whose assistance has been terminated under the Certificate or Voucher program.**
- \* **Persons who commit drug-related criminal activity, violent criminal activity or other felonious criminal activity.**
- \* **Persons who do not meet the Authority's definition of family.**
- \* **Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.**
- \* **Persons who currently owe rent or other amounts to the Authority or to another Authority in connection with Section 8 or public housing assistance under the 1937 Act.**
- \* **Persons who have engaged in or threatened abusive or violent behavior toward Authority personnel.**

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support an adverse admission decision. Before the Housing Authority of the County of Dauphin denies admission to an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Housing Authority of the County of Dauphin can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred.

### Family Member Moves Out

Families are required to notify the Authority if any family member leaves the assisted household. When the family notifies the Authority, they must furnish the following information:

- \* **The date the family member moved out.**

**\* The new address, if known, of the family member.**

**\* A statement as to whether the family member is temporarily or permanently absent.**

#### Limitation on Profit-Making Activity in Unit

**\* If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business which is not available for sleeping, it will be considered a violation.**

If the Authority determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a program violation.

If the Authority determines the business is not legal, it will be considered a program violation.

#### Interest in Unit

The owner may not reside in the assisted unit regardless of whether (s)he is a member of the assisted family, unless the family owns the mobile home and rents the pad.

#### Fraud

In each case, the Authority will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent members.

**\* In the event of false citizenship claims:** (See section below)

### **D. PROCEDURES FOR NON-CITIZENS** [24 CFR 5.514, 5.516, 5.518]

#### **Denial or Termination due to Ineligible Immigrant Status**

Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The Authority must offer the family an opportunity for a hearing. (See "Eligibility for Admission" chapter, section on Citizenship/Eligible Immigration Status.)

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

#### **False or Incomplete Information**

**\* When the Authority has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be**

**conducted and the individual will be given an opportunity to present relevant information.**

- \* **If the individual is unable to verify their citizenship, the Authority [will/will not] give him/her an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend their status.**
- \* **The Authority will then verify eligible status, deny, terminate, or prorate as applicable.**
- \* **The Authority will deny or terminate assistance based on the submission of false information or misrepresentation.**

### **Procedure for Denial or Termination**

If the family (or any member) claimed eligible immigrant status and the USCIS primary and secondary verifications failed to document the status, the family may make an appeal to the USCIS and request a hearing with the Authority either after the USCIS appeal or in lieu of the USCIS appeal.

After the Authority has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).

### **E. ZERO (\$0) ASSISTANCE TENANCIES**

#### **HAP Contracts Prior to 10/2/95**

For contracts which were effective prior to 10/2/95, the Authority is liable for unpaid rent and damages if the family vacates during the allowable 12 months after the last HAP payment. The Authority must perform all of the functions normally required, such as reexaminations and inspections.

The participant will be notified of the right to remain on the program at \$0 assistance for 12 months. If the family is still in the unit after 12 months, the assistance will be terminated.

In order for a family to move to another unit during the 12-month period, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

#### **HAP Contracts On or After 10/2/95** [24 CFR 982.455 (a)]

For contracts effective on or after 10/2/95, the Authority has no liability for unpaid rent or damages, and the family may remain in the unit at \$0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If, within the 180 day time frame, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, the Authority will resume assistance payments for the family.



In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

**F. OPTION NOT TO TERMINATE FOR MISREPRESENTATION**

[24 CFR 982.551, 982.552(c)]

If the family has misrepresented any facts that caused the Authority to overpay assistance, the Authority may choose not to terminate and may offer to continue assistance provided that the family **[executes a Repayment Agreement and makes payments in accordance with the agreement][or reimburses the Authority in full within {60} calendar days].**

**G. MISREPRESENTATION IN COLLUSION WITH OWNER**

[24 CFR 982.551, 982.552 (c)]

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, the Authority will deny or terminate assistance.

**\* In making this determination, the Authority will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.**

**H. MISSED APPOINTMENTS AND DEADLINES** [24 CFR 982.551, 982.552 (c)]

It is a Family Obligation to supply information, documentation, and certification as needed for the Authority to fulfill its responsibilities. The Authority schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the Authority to inspect the unit, and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the Authority, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the Authority to inspect the unit.

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- \* Eligibility for Admissions
- \* Verification Procedures
- \* Certificate/Voucher Issuance and Briefings
- \* Housing Quality Standards and Inspections

- \* Recertifications

- \* Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- \* **Medical emergency**

- \* **Incarceration**

- \* **Family emergency**

### **Procedure when Appointments are Missed or Information not Provided**

For most purposes in this Plan, the family will be given [2] opportunities before being issued a notice of termination or denial for breach of a family obligation.

After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing:

- \* **The termination will be rescinded after the family cures the breach.\* The notice will be rescinded if the family offers to cure and the family does not have a history of non-compliance.**

Reserved

## Chapter 16

### OWNER DISAPPROVAL AND RESTRICTION

[24 CFR 982.54, 982.306, 982.453]

#### INTRODUCTION

It is the policy of the Authority to recruit owners to participate in the Voucher program. The Authority will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of the Authority. The regulations define when the Authority must disallow an owner participation in the program, and they provide the Authority discretion to disapprove or otherwise restrict the participation of owners in certain categories. This Chapter describes the criteria for owner disapproval, and the various penalties for owner violations.

#### A. DISAPPROVAL OF OWNER [24 CFR 982.306, 982.54(d)(8)]

The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

The Authority will disapprove the owner for the following reasons:

- \* HUD [**or other agency directly related**] has informed the Authority that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.
- \* HUD has informed the Authority that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.
- \* HUD has informed the Authority that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other federal equal opportunity requirements.
- \* Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The Authority will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.
- \* **In cases where the owner and tenant bear the same last name, the Authority may, at its discretion, require the family and or owner to certify whether they are related to each other in any way.**
- \* **The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).**

- \* **The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.**
- \* **The owner has engaged in drug-related criminal activity or any violent criminal activity.**
- \* **The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.**
- \* **The owner has a history or practice of renting units that fail to meet State or local housing codes.**
- \* **The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:**
  - Threatens the right to peaceful enjoyment of the premises by other residents;**
  - Threatens the health or safety of other residents, of employees of the Authority, or of owner employees or other persons engaged in management of the housing.**
  - Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or**
  - Is drug-related criminal activity or violent criminal activity;**
- \* **The owner has not paid State or local real estate taxes, fines or assessments.**
- \* **The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.**

## **B. OWNER RESTRICTIONS AND PENALTIES** [ 24 CFR 982.453]

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, the Authority will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The Authority may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner the Authority will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

See Program Integrity Addendum for guidance as to how owner fraud will be handled.

## **C. CHANGE IN OWNERSHIP**

A change in ownership [**does not**] require execution of a new contract [**and lease**].

- \* **The Authority may approve the assignment of the HAP contract at the old owner's request. The Authority may approve the assignment, since they are a party to the contract. The Authority may deny approval of assignment of the contract, for any of the reasons listed in Section A. of this chapter.**
- \* **The Authority must receive a written request by the old owner in order to change the HAP payee and/or the address to which payment is to be sent.**
- \* **If the new owner does not want an assignment of the contract, the Authority will terminate the HAP contract with the old owner, since they are no longer the owner. The new owner may offer the family a new assisted lease. The family may elect to enter into the new lease or move to another unit.**

Reserved

## Chapter 17

### CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS (For HAP Contracts Effective Before October 2, 1995)

#### INFORMATION

*This chapter has been removed.*

*The Quality Housing and Work Responsibility Act of 1998 provided that families assisted under the pre-merger certificate program would be transferred to the Housing Choice Voucher Program no later than the second annual reexamination on or after the merger date (October 1, 1999). Families assisted under the pre-merger voucher program were transferred to the Housing Choice Voucher Program as of October 1, 1999. Under pre-merger voucher contracts, owner claims against the PHA were limited to the amount the owner was allowed to collect as the family's security deposit. This meant that the amount the owner could collect from the PHA was zero.*

*Under the Housing Choice Voucher Program, the PHA is not responsible for owner claims against the family. If the security deposit is not sufficient to cover amounts the family owes under the lease, the owner may collect the balance from the family.*



Reserved

## Chapter 18

### OWNER OR FAMILY DEBTS TO THE PHA

[24 CFR 982.552]

#### INTRODUCTION

This chapter describes the Authority's policies for the recovery of monies, which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the Authority's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support the Authority's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner; the family or other interested parties.

When families or owners owe money to the Authority, the Authority will make every effort to collect it. The Authority will use a variety of collection tools to recover debts including, but not limited to:

- \* **Requests for lump sum payments**
- \* **Payment agreements**
- \* **Abatements**
- \* **Reductions in HAP to owner**
- \* **Collection agencies**
- \* **Credit bureaus**

#### A. PAYMENT AGREEMENT FOR FAMILIES [24 CFR 982.552 (c)(v-vii)]

*INSTRUCTION: The use of payment agreements for Authorities is optional.*

A Payment Agreement as used in this Plan is a document entered into between the Authority and a person who owes a debt to the Authority. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the Authority upon default of the agreement.

- \* **The Authority will prescribe the terms of the payment agreement, including determining whether to enter into a payment agreement with the family based on the circumstances surrounding the debt to the Authority.**
- \* **There are some circumstances in which the Authority will not enter into a payment agreement. They are:**
  - \* **If the family already has a Payment Agreement in place.**
  - \* **If the Authority determines that the debt amount is larger than can be paid back by the family within 24 months.** (And, if applicable, the family cannot repay the amount in excess of \$ 2,500.00 with a thirty day period.).
- \* **The maximum amount for which the Authority will enter into a payment agreement with a family is [\$2,500.00]**
- \* **The maximum length of time the Authority will enter into a payment agreement with a family is [24 months].**
- \* **The minimum monthly amount of monthly payment for any payment agreement is [\$25.00].**

**Note: If the amount owed by the tenant exceeds \$ 2,500.00, the Authority has the option of accepting the amount owed in excess of \$ 2,500.00 within a thirty day period (the starting and ending date of which will be determined by the Authority) and then agreeing to enter into a repayment agreement for the \$ 2,500.00 balance of the amount owed.**

**Payment Schedule for Monies Owed to the Authority**

<u>(Downpayment</u>	<u>Amount Owed</u>	<u>Maximum Term</u>
10%	0 - \$500	6 months
10%	\$ 501 - \$ 1,000	12 months
10%	\$ 1,001 - \$ 2,500	24 months

**B. DEBTS OWED FOR CLAIMS** [24 CFR 792.103, 982.552 (c)(v-vii)]

If a family owes money to the Authority for claims paid to an owner:

- \* **The Authority will require the family to pay the amount in full.**
- \* **The Authority will review the circumstances resulting in the overpayment and decide whether the family must pay the full amount.**

- \* **The Authority [may] enter into a Payment Agreement.**

### **Late Payments**

A payment will be considered to be in arrears if:

- \* **The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.**

If the family's payment agreement is in arrears, and the family has not contacted or made arrangements with the Authority, the Authority will:

- \* See Section H, Repayment Agreement Procedures, of this Chapter.

If the family requests a move to another unit and has a payment agreement in place for the payment of an owner claim, and the payment agreement is not in arrears:

- \* **The family will be permitted to move.**

If the family requests a move to another unit and is in arrears on a payment agreement for the payment of an owner claim:

- \* **If the family pays the past due amount, they will be permitted to move.**

### **C. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION** [24 CFR 982.163]

*INSTRUCTION: There are many ways in which Authorities differ in the treatment of the collection of monies due to misrepresentations and program fraud versus the collection of monies due to owner claims and the untimely reporting of increases in income. We are offering the option here of either treating all monies owed in the same manner, or treating them differently depending on the reason the money is owed.*

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.

### **Family Error/Late Reporting**

- \* Families who owe money to the Authority due to the family's failure to report increases in income will be required to repay in accordance with the payment procedures below.

### **Program Fraud**

If a family owes an amount that exceeds \$2,500.00 as a result of program fraud, the case may be referred to the Inspector General or, where appropriate, the Authority may refer the case for criminal prosecution.

### **Payment Procedures for Untimely Reporting of Increases in Income**

- \* Families who untimely report increases in income will be subject to the following procedures:
- \* The family will be required to pre-pay 10% of the amount owed prior to or upon execution of the Payment Agreement.
- \* The amount of the monthly payment will be determined in accordance with the family's current income and the maximum terms as stipulated above.
- \* The maximum amount for which the Authority will enter into a payment agreement with a family is [\$2,500.00]
- \* The maximum length of time the Authority will enter into a payment agreement with a family is [24 months].
- \* The minimum monthly amount of monthly payment for any payment agreement is [\$25.00].

**Note:** If the amount owed by the tenant exceeds \$ 2,500.00, the Authority has the option of accepting the amount owed in excess of \$ 2,500.00 within a thirty day period and then agreeing to enter into a repayment agreement for the \$ 2,500.00 balance of the amount owed. If the excess above \$ 2,500.00 is greater than \$ 250.00, the family will be not required to pay an additional downpayment. If the family cannot repay the amount of the debt exceeding \$ 2,500.00 within this thirty day period, the family will be terminated and the Authority may still pursue legal means to collect the amount owed.

## **D. DEBTS DUE TO MINIMUM RENT TEMPORARY HARDSHIP**

- \* **Minimum rent arrears that are less than [\$200.00] will be required to be paid in full the first month following the end of the minimum rent period.**
- \* **If the family goes into default on the payment agreement for back rent incurred during a minimum rent period, the Authority will reevaluate the family's financial situation and determine whether the family has the ability to pay the increased rent amount and if not, restructure the existing payment agreement.**

**E. GUIDELINES FOR PAYMENT AGREEMENTS** [24 CFR 982.552(c)(v-vii)]

- \* **Payment agreements will be executed between the Authority and the [head of household and spouse].**
- \* **The payment agreement must be executed by the Executive Director or his/her designee**
- \* **Payments may be made by **cash, personal check,** money order or cashier's check.**
- \* **Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family, verification of the hardship, and the approval of the [Section 8 Supervisor].**
- \* **No move will be approved until the debt is paid in full unless the move is the result of the following causes, and the payment agreement is current:**
  - \* **Family size exceeds the HQS maximum occupancy standards**
  - \* **The HAP contract is terminated due to owner non-compliance or opt-out**
  - \* **A natural disaster**

Additional Monies Owed: If the family already has a payment agreement in place and incurs an additional debt to the Authority:

- \* **The Authority [will not] enter into more than one payment agreement with the family.**
- \* **After entering one payment agreement for unreported income, if at a future date the family is found to owe money to the Authority for **additional** unreported income, the family will be terminated and the Authority may still take measures to recover the amounts owed.**

**F. OWNER DEBTS TO THE AUTHORITY** [24 CFR 982.453(b)]

If the Authority determines that **an** owner has retained housing assistance or claim payments the owner is not entitled to, the Authority may reclaim the amounts from future housing assistance or claim payments owed the owner for any units under contract.

If future housing assistance or claim payments are insufficient to reclaim the amounts owed, the Authority will:

- \* **Require the owner to pay the amount in full within [14] days.**
- \* **Enter into a payment agreement with the owner for the amount owed.**
- \* **Pursue collections through the local court system.**
- \* **Restrict the owner from future participation.**

#### **G. WRITING OFF DEBTS**

Debts will be written off if:

- \* **A determination is made that the debtor is judgment proof.**
- \* **The debtor is deceased.**
- \* **The debtor is confined to an institution indefinitely or for more than [10] years.**
- \* **The amount is less than [\$200.00] and the debtor cannot be located.**

#### **H. REPAYMENT AGREEMENT PROCEDURE**

If a tenant owes an amount (back rent), the tenant must either pay the amount owed promptly (within ten calendar days) or enter into a Repayment Agreement satisfactory to the Housing Authority. (See policy for debts in excess of \$ 2,500.00.) In all cases, the amount owed to the Authority should be paid back in **as short a term as possible**. Whenever possible, the term should not exceed one year, **although for amounts exceeding \$ 1,000.00,** it may be necessary to extend the repayment period beyond a year depending upon the tenant family's fiscal circumstances. When the amount owed exceeds \$2,000.00, the situation must be discussed with the Executive Director or the Deputy Executive Director to determine the exact course of action.

The Repayment Agreement will contain, at a minimum, the name and address of the tenant family, the total amount owed, the date and amount of the first payment (**downpayment**), the monthly payment amount, the term or number of monthly payments to be made and the amount of the last payment. The Repayment Agreement must be signed by the Head of Household and co-Head of Household, whose signatures must be witnessed. Other adult members of the family with significant incomes should sign as well. A model repayment agreement is available to all staff members.

The Repayment Agreement is to be prepared by the Section 8 caseworkers for Section 8 tenants. Once the terms of the Repayment Agreement are determined, the adult family members sign the agreement form and it is then given to the Executive Director for his review and, if approvable, signature. A copy is then given to the family. The original is retained by the Authority for its records and should be kept in the family's file.

The Section 8 caseworker will take a copy of the executed Repayment Agreement to the Clerk-Bookkeeper in the Fiscal Department. The Clerk-Bookkeeper will log the Agreement in and set up a sub-account to record payments and current balances. Section 8 tenants with Repayment Agreements will have to come to the main office to pay on their accounts, or mail in a payment. When a Section 8 tenant makes a payment, the Clerk-Bookkeeper will make the appropriate receipt, give it to the tenant, and record the payment and new balance. If there is a missed payment, the Clerk-Bookkeeper will notify the respective caseworker, who will then remind the tenant family of the consequences of a missed payment (and penalty amount). The Clerk-Bookkeeper will notify the caseworker when the amount owed is paid in full. Each caseworker will keep a list of their tenants with Repayment Agreements who have balances owed.

If a tenant (or participant) misses a monthly payment, the tenant will be in default; however, the tenant will be able to be reinstated in a current standing by paying the missed payment plus a 10% penalty (10% of missed payment) before the next payment comes due. If the missed payment and the 10% penalty amount is not paid within the thirty-day period before the next payment comes due, the full amount of the debt will be due and payable within thirty days of the second missed payment. It is understood that if full payment is not made within this thirty (30) day period, rental assistance may be terminated.



Reserved

## Chapter 19

# COMPLAINTS AND APPEALS

### INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the Authority. This chapter describes the policies, procedures and standards to be used when families disagree with a Authority decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the Authority to ensure that all families have the benefit of all protections due to them under the law.

***INSTRUCTION:** In addition to complaints from families, Authoritys also receive complaints from owners, employees, and the public. It is suggested that Authoritys develop specific procedures for how such complaints will be processed.*

### A. COMPLAINTS TO THE Authority

The Authority will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The Authority [**does**] require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone.

A summary of the Authority hearing procedures will be provided to families in the briefing packet.

### Categories of Complaints

Complaints from families: If a family disagrees with an action or inaction of the Authority or owner.

- \* **Complaints from families will be referred to the [caseworker]. \*If a complaint is not resolved, it will be referred to [Section 8 Supervisor].**

Complaints from owners: If an owner disagrees with an action or inaction of the Authority or a family.

- \* **Complaints from owners will be referred to [caseworker]**

Complaints from staff: If a staff person reports an owner or family either violating or not complying with program rules, the complaint will be referred to the [**Section 8 Supervisor**]

Complaints from the general public: Complaints or referrals from persons in the community in regard to the Authority, a family or an owner.

- \* **Complaints from the general public will be referred to the [caseworker] \*If a complaint is not resolved, it will be referred to [Section 8 Supervisor].**

### B. PREFERENCE DENIALS

***INSTRUCTION:*** *The requirement to provide federal preferences has been removed from the CFR, but if the Authority denies a preference to an applicant, and the applicant disagrees with the decision, the Authority may want to offer the applicant an informal meeting. This is different from an informal review or hearing. The person who made the decision to deny the preference, or any other Authority representative, may conduct the meeting. The meeting is limited only to the circumstances pertaining to the preference denial.*

- \* **When the Authority denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with Authority staff to discuss the reasons for the denial and to dispute the Authority's decision.**
- \* **The person who conducts the meeting will be:**
  - \* **Any officer or employee of the Authority except the person who made or approved the decision or a subordinate of those persons.**

### **C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS**

[24 CFR 982.54(d)(12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

When the Authority determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

- \* The reason(s) they are ineligible,
- \* The procedure for requesting a review if the applicant does not agree with the decision and
- \* The time limit for requesting a review.

When denying admission for criminal activity as shown by a criminal record, the Authority will provide the subject of the record and the applicant with a copy of the criminal record upon which the decision to deny was based.

The Authority must provide applicants with the opportunity for an informal review of decisions denying:

- \* **Qualification for preference**
- \* Listing on the Authority's waiting list
- \* Issuance of a voucher

- \* Participation in the program
- \* Assistance under portability procedures

Informal reviews are not required for established policies and procedures and Authority determinations such as:

- \* Discretionary administrative determinations by the Authority
- \* General policy issues or class grievances
- \* A determination of the family unit size under the Authority subsidy standards
- \* A determination not to approve an extension of the voucher term.\*      An Authority determination not to grant approval of the tenancy
- \* Determination that unit is not in compliance with HQS
- \* Determination that unit is not in accordance with HQS due to family size or composition

### **Procedure for Review**

A request for an informal review must be received **[in writing]** by the close of the business day, no later than **[10] calendar** days from the date of the Authority's notification of denial of assistance. The Authority will endeavor to schedule the informal review within **[14] calendar** days from the date the request is received.

The informal review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person.

The review may be conducted by:

- \* **A staff person**
- \* **A commissioner**
- \* **An individual from outside the Authority**

The applicant will be given the option of presenting oral or written objections to the decision. Both the Authority and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

A notice of the review findings will be provided in writing to the applicant within **[14 calendar]** days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision. In some cases, additional time may be needed to render a decision if the review officer needs to request additional information from a third party. In such a case, the review officer will endeavor to render a decision as soon as possible after the additional information is obtained. The

Hearing Officer may also ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

**D. INFORMAL HEARING PROCEDURES** [24 CFR 982.555(a-f), 982.54(d)(13)]

When the Authority makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The Authority will give the family prompt notice of such determinations which will include:

- \* The proposed action or decision of the Authority;
- \* The date the proposed action or decision will take place;
- \* The family's right to an explanation of the basis for the Authority's decision.
- \* The procedures for requesting a hearing if the family disputes the action or decision;
- \* The time limit for requesting the hearing.
- \* **To whom the hearing request should be addressed**
- \* **A copy of the Authority's hearing procedures**

When terminating assistance for criminal activity as shown by a criminal record, the Authority will provide the subject of the record and the tenant/participant with a copy of the criminal record upon which the decision to terminate was based.

The Authority must provide participants with the opportunity for an informal hearing for decisions related to any of the following Authority determinations:

- \* Determination of the family's annual or adjusted income and the computation of the housing assistance payment
- \* Appropriate utility allowance used from the utility allowance schedule
- \* Family unit size determination under Authority subsidy standards
- \* Determination to terminate assistance for any reason.
- \* Determination to terminate a family's FSS contract, withhold supportive services, or propose forfeiture of the family's escrow account

The Authority must always provide the opportunity for an informal hearing before termination of assistance.

Informal hearings are not required for established policies and procedures and Authority determinations such as:

- \* Discretionary administrative determinations by the Authority
- \* General policy issues or class grievances
- \* Establishment of the Authority schedule of utility allowances for families in the program
- \* An Authority determination not to approve an extension of the voucher term.
- \* An Authority determination not to approve a unit or lease
- \* An Authority determination that an assisted unit is not in compliance with HQS (Authority must provide hearing for family breach of HQS because that is a family obligation determination)
- \* An Authority determination that the unit is not in accordance with HQS because of the family size
- \* A Authority determination to exercise or not exercise any right or remedy against the owner under a HAP contract

### **Notification of Hearing**

It is the Authority's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the Authority will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When the Authority receives a request for an informal hearing, a hearing will ordinarily be scheduled within [14] days. The notification of hearing will contain:

- \* The date and time of the hearing
- \* The location where the hearing will be held
- \* The family's right to bring evidence, witnesses, legal or other representation at the family's expense
- \* The right to view any documents or evidence in the possession of the Authority upon which the Authority based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing.
- \* A notice to the family that the Authority will request a copy of any documents or evidence the family will use at the hearing.

### **\* The Authority's Hearing Procedures**

- \* **After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.**
- \* **If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the Authority within [24] hours, excluding weekends and holidays. The Authority will reschedule the hearing only if the family can show good cause for the failure to appear.**

Families have the right to:

- \* Present written or oral objections to the Authority's determination.
  - \* Examine the documents in the file which are the basis for the Authority's action, and all documents submitted to the Hearing Officer;
  - \* Copy any relevant documents at their expense;
  - \* Present any information or witnesses pertinent to the issue of the hearing;
  - \* Request that Authority staff be available or present at the hearing to answer questions pertinent to the case; and
  - \* Be represented by legal counsel, advocate, or other designated representative at their own expense.
- \* **If the family requests copies of documents relevant to the hearing, the Authority will make the copies for the family and assess a charge of [\$ .50] per copy. In no case will the family be allowed to remove the Authority's file or any document within the file from the Authority's office.**

In addition to other rights contained in this Chapter, the Authority has a right to:

- \* Present evidence and any information pertinent to the issue of the hearing;
- \* Be notified if the family intends to be represented by legal counsel, advocate, or another party;
- \* Examine and copy any documents to be used by the family prior to the hearing;
- \* Have its attorney present; and
- \* Have staff persons and other witnesses familiar with the case present.

The informal hearing shall be conducted by the Hearing Officer appointed by the Authority who is neither the person who made or approved the decision, nor a subordinate of that person. The Authority appoints hearing officers who:

- \* **Are Authority commissioners/Are Authority management or staff members**
- \* **Are managers from other departments in the government of the jurisdiction**
- \* **Are managers or staff members from other Authorities**
- \* **Are professional mediators or arbitrators** [employed by the county Bar Association/a mediation, dispute resolution, or arbitration service/other].

The hearing shall concern only the issues, including related issues, for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

- \* **The family must request an audio recording of the hearing, if desired, [two] days prior to the hearing date.**

The Hearing Officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision.

- \* **If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the Authority shall take effect and another hearing will not be granted.**

The Hearing Officer will determine whether the action, inaction or decision of the Authority is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.



A notice of the hearing findings shall be provided in writing to the Authority and the family within [14] days and shall include:

- \* A clear summary of the decision and reasons for the decision;
- \* If the decision involves money owed, the amount owed [**and documentation of the calculation of monies owed**];
- \* The date the decision goes into effect.

The Authority is not bound by hearing decisions:

- \* Which concern matters in which the Authority is not required to provide an opportunity for a hearing
- \* Which conflict with or contradict to HUD regulations or requirements;
- \* Which conflict with or contradict Federal, State or local laws; or
- \* Which exceed the authority of the person conducting the hearing.

The Authority shall send a letter to the participant if it determines the Authority is not bound by the Hearing Officer's determination within [14] days. The letter shall include the Authority's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

**E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS"** [24 CFR Part 5, Subpart E]

***INSTRUCTION:** In accordance with the Quality Housing and Work Responsibility Act of 1998, Authoritys may no longer elect not to comply with ("opt-out" of) the noncitizen requirements (Part 5, Subpart E).*

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the USCIS appeal.

Assistance to a family may not be terminated or denied while the Authority hearing is pending but assistance to an applicant may be delayed pending the Authority hearing.

**INS Determination of Ineligibility**

If a family member claims to be an eligible immigrant and the USCIS SAVE system and manual search do not verify the claim, the Authority notifies the applicant or participant within ten days of their right to appeal to the USCIS within thirty days or to request an informal hearing with the Authority either in lieu of or subsequent to the USCIS appeal.

If the family appeals to the USCIS, they must give the Authority a copy of the appeal and proof of mailing or the Authority may proceed to deny or terminate. The time period to request an appeal may be extended by the Authority for good cause.

The request for a Authority hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the USCIS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the Authority will:

- \* Deny the applicant family
- \* Defer termination if the family is a participant and qualifies for deferral
- \* Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, the Authority will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

- \* If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide **such documentation**, the family will be denied or terminated for failure to provide.
- \* Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.
- \* Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.
- \* Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

## **F. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES** [24 CFR 982.204, 982.552(c)]

When applicants are denied placement on the waiting list, or the Authority is terminating assistance, the family will be informed that the presence of a disability may be considered as a mitigating circumstance during the informal review process.

***INSTRUCTION:*** *Examples of mitigating circumstances are: a) A person with a cognitive disorder may not have understood the requirement to report increases in income, b) A person may not understand the need to make regular repayments on a promissory note, c) Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.*

Reserved

## Chapter 20

# SPECIAL HOUSING TYPES

[24 CFR 982.601]

### **INTRODUCTION**

**\* The Authority will permit the use of [SRO, Group Housing, Congregate Housing, and Shared Housing] in its program only if the applicant/participant can demonstrate that it is needed as a reasonable accommodation for a person with a disability. Acceptable demonstration will include documentation from one or more knowledgeable professionals who are familiar with the applicant/participant and or the type of special housing requested as accommodation.**

The Authority will not set aside any program funding for special housing types, or for a special housing type. **\* A family may choose whether to rent housing that qualifies as a special housing type or to rent other eligible housing in accordance with requirements of the program.**

### **\* Verification of Need for Reasonable Accommodation**

**\* Acceptable documentation as verification of the need for reasonable accommodation would be a letter to the Authority describing how the special housing type requested provides the accommodation of which the person is in need. The request and documentation will be reviewed by [Section 8 Supervisor] and a written response stating approval or disapproval will be sent to the applicant/participant within [15] days of receipt of the request.**

**\* A copy of the Authority's response with supporting documentation will be maintained in the applicant/participant's file. The requested housing type must be approvable by all other HUD standards and HQS requirements in accordance with 24 CFR 982 Section M - Special Housing Types.**

### **A. SINGLE ROOM OCCUPANCY** [24 CFR 982.602]

The Authority will use a separate lease and housing assistance payments contract for each assisted person residing in a SRO. [24 CFR 982.603]

### **SRO Rent and Housing Assistance Payment** [24 CFR 982.604]

The Authority SRO payment standard is 75 percent of the zero bedroom payment standard schedule. For a person residing in an exception area the payment standard is 75 percent of the HUD-approved zero bedroom exception payment standard amount. While an assisted person resides in SRO housing, the SRO payment standard must be used to calculate the housing

assistance payment.

### Utility Allowance

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

### **Housing Quality Standards**

The Authority will ensure that all SRO units approved for the program are in compliance with all of the Housing Quality Standards for SROs as regulated in 24 CFR 982.605.

### **B. CONGREGATE HOUSING** [24 CFR 982.606]

An elderly person or a person with disabilities may reside in a congregate housing unit.

The Authority may approve a family member or live-in aide to reside with the elderly person or person with disabilities.

The Authority will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

### **Congregate Housing Lease and HAP Contract** [24 CFR 982.607]

For congregate housing there will be a separate lease and HAP contract for each assisted family.

Unless there is a live-in aide, the payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard on the Authority payment standard schedule.

However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family that resides in a congregate housing unit is the one bedroom payment standard amount.

If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

### **Housing Quality Standards**

The Authority will ensure that all congregate housing units approved for the program are in compliance with all of the Housing Quality Standards for congregate housing as regulated in 24 CFR 982.609.

**C. GROUP HOMES** [24 CFR 982.610, 982.612]

A group home must be licensed, certified, or otherwise approved in writing by the State, or the State's licensing department.

An elderly person or a person with disabilities may reside in a State-approved group home. If approved by the Authority, a live-in aide may reside with a person with disabilities.

The Authority must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Except for a live-in aide, all residents of a group home must be elderly persons or persons with disabilities.

The Authority will not approve assistance for a person to live in a group home if file documentation indicates that the person is in need of continual medical or nursing care.

No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

**Group Home Lease and HAP Contract** [24 CFR 982.611]

There will be a separate HAP contract and lease for each assisted person living in a group home. For a group home the term "pro-rata portion" means that which is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any Authority-approved live-in Aide.

**Group Home Rent and HAP Contract** [24 CFR 982.613]

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with 982.503. In determining reasonable rent the Authority will consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private.

**Maximum Subsidy**

Unless there is a live-in aide, the family unit size is **[zero]**. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard amount on the Authority payment standard schedule for the group home size.

### **Utility Allowance**

The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

### **Housing Quality Standards**

The Authority will ensure that all group home units approved for the program are in compliance with all of the Housing Quality Standards for group homes as regulated in 24 CFR 982.614.

### **D. SHARED HOUSING** [24 CFR 982.615]

#### **Occupancy**

An assisted family may reside in shared housing. In shared housing, an assisted family may share a unit with another resident or residents of a unit. The unit may be a house or an apartment.

The Authority may approve a live-in aide to reside with a family in order to care for a person with a disability. The Authority must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Other persons who are assisted or not assisted under the tenant-based program may reside in a shared housing unit. The owner of a shared housing unit may reside in the unit.

A resident owner may enter into a HAP contract with the Authority. However, housing assistance may not be paid on behalf of an owner. The Authority will not approve assistance for a person or family that is related by blood or marriage to a resident owner.

There will be a separate housing assistance payment contract and lease for each assisted family residing in a shared housing unit.

#### **Rent and HAP Contract**

For shared housing, the term "pro-rata portion" means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five bedroom unit, the ratio would be 3/5.

The rent to owner to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit. The reasonable rent must be in accordance with the guidelines set in the "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.



## **Maximum Subsidy**

For a family that resides in a shared housing unit the payment standard is the lower of the payment standard amount on the Authority payment standard schedule for the family unit size or the pro-rata portion of the payment standard amount on the Authority payment standard for the shared housing unit size.

If the Authority approves a live-in aide, the live-in aide will be counted in determining the family unit size.

## **Utility Allowance**

The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

## **Housing Quality Standards**

The Authority will ensure that all shared housing units approved for the program are in compliance with all of the Housing Quality Standards for shared housing as regulated in 24 CFR 982.618.

## **E. COOPERATIVE HOUSING** [24 CFR 982.619]

The Authority will approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families. The Authority will not approve assistance for a family in cooperative housing until the Authority has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

The reasonable rent in cooperative housing is determined in accordance with "Owner Rents, Rent Reasonableness, and Payment Standards" chapter. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperatives debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down-payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility.

For a cooperative, rent adjustments are applied to the carrying charge as determined in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Section 8 limitations on rent to owner. The housing assistance payment will be

determined in accordance with the guidelines in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The Authority may approve a live-in aide to reside with the family to care for a person with disabilities. The Authority will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. If the Authority approves a live-in aide, the live-in aide will be counted when determining the family unit size.

### **Housing Quality Standards**

The Authority will ensure that all cooperative housing units approved for the program are in compliance with all of the Housing Quality Standards outlined in the "Housing Quality Standards and Inspections" chapter, and regulated by 24 CFR 982.401.

### **F. MANUFACTURED HOMES** [24 CFR 982.620]

The Authority will permit a family to lease a manufactured home and space with assistance under the program. The Authority **[will not]** provide assistance for a family that owns the manufactured home and leases only the space.

The Authority may approve a live-in aide to reside with a family to care for a person with disabilities. The Authority will approve a live-in aide if needed as a reasonable accommodation so that the program is accessible to and usable by persons with disabilities. If the Authority approves a live-in aide, the live-in aide must be counted when determining the family unit size.

### **Housing Quality Standards** [24 CFR 982.621]

A manufactured home must meet all the HQS requirements outlined in the "Housing Quality Standards and Inspections" chapter and regulated by 24 CFR 982.401. In addition the manufactured home also must meet the following requirements:

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.

A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

*[INSTRUCTION: The rest of this section only applies when the Authority agrees to provide assistance to families who own the manufactured home but need to lease space.]*

### **Manufactured Home Space Rental** [24 CFR 982.622]

Rent to owner for a manufactured home space will include payment for maintenance services that the owner must provide to the tenant under the lease for the space.

Rent to owner does not include the cost of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

### **Reasonable Rent**

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined by the Authority.

The Authority will not approve a lease for a manufactured home space until the Authority has determined that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the Authority will redetermine that the rent is reasonable.

The Authority will determine whether the rent to owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. The Authority will consider the size and location of the space and any services and maintenance provided by the owner in accordance with the lease.

By accepting each monthly housing assistance payment from the Authority, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. If requested by the Authority, the owner must provide the Authority information on rents for other manufactured home space.

### **Housing Assistance Payments for Manufactured Home Space** [24 CFR 982.623]

The FMR for a manufactured home space will be determined by HUD.

#### **HAP for the Regular Tenancy Program**

For the Regular Tenancy Program the initial rent to owner for leasing a manufactured home space may not exceed the published FMR for a manufactured home space.

During the term of a certificate tenancy, entered prior to the merger date, the amount of the monthly housing assistance payment equals the lesser of:

The manufactured home space cost minus the:

The Total Tenant Payment; OR

The rent to owner for the manufactured home space.

"Manufactured home space cost" means the sum of: the amortization cost, the utility allowance,

and the rent to owner for the manufactured home space.

The amortization cost may include debt service to amortize costs (other than furniture costs) included in the purchase price of the manufactured home. The debt service includes the payment for principal and interest on the loan. The debt service amount will be reduced by 15 percent to exclude debt service to amortize the cost of furniture, unless the Authority determines that furniture was not included in the purchase price.

Any debt service due to refinancing the manufactured home after purchase of the home is not included in the amortization costs.

The Authority **[will not]** approve as part of the monthly amortization payment, set-up charges to be included in the debt service incurred by a family that relocates its home.

The Authority **[will not]** include as part of the monthly amortization payment, set-up charges incurred before the family became an assisted family, if monthly payments are still being made to amortize such charges.

### **HAP for the Voucher Tenancy**

The payment standard for a participant renting a manufactured home space is the published FMR.

### **Subsidy Calculation for the Voucher Program**

During the term of a voucher tenancy, the amount of the monthly housing assistance payment for a family will equal the lesser of:

The payment standard minus the total tenant payment; or

The rent paid for rental of the real property on which the manufactured home owned by the family is located (the space rent) minus the total tenant payment.

The space rent is the sum of the following as determined by the Authority:

- \* Rent to owner for the manufactured home space;
- \* Owner maintenance and management charges for the space;
- \* Payments made to amortized the cost of purchasing the manufactured home, including taxes and insurance (any increase due to refinancing after purchase is not included); and
- \* The utility allowance for tenant paid utilities.

**Utility Allowance Schedule for Manufactured Home Space Rental** [24 CFR 982.624]

The Authority will establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move.

Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place.

Utility allowances for manufactured home space will not be applied to cover the costs of digging a well or installation of a septic system.

**G. HOMEOWNERSHIP** [24 CFR 982.625]

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

The Authority must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

The Authority may make homeownership available to all who qualify, or restrict homeownership to families or purposes defined by the Authority. The Authority may also limit the number of families assisted with homeownership.

**\*The Authority will offer the homeownership option only to participating families who:**

\*[Have a minimum income of \$10,300.00

\* Have not owned a home in the last three (3) years.]

**\* Even though it is not a requirement, the Authority encourages enrollment in the FSS Program**

**\* The Authority will limit homeownership to a maximum of [50] families at any given time.**

**Eligibility Requirements** [24 CFR 982.627]

**The family must meet all of the requirements listed below before the commencement of homeownership assistance.**

**The family must be eligible for the Housing Choice Voucher program, and have been a participant in the Housing Choice Voucher Program for a minimum of one year.**

**The family must qualify as a first-time homeowner, may be a co-operative member, or 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, in accordance with part 8 of CFR Title 24: Housing and Urban Development.

The family must meet the Federal minimum income requirement. Based on the income of adult family members who will own the home, the family must have a gross annual income of not less than the Federal minimum wage multiplied by 2000, or in the case of a disabled family not less than the monthly Federal Supplemental Security Income (SSI) benefit for an individual living alone (or paying his or her share of food and housing costs) multiplied by twelve. Unless the family is elderly or disabled, income from welfare assistance will not be counted toward this requirement.

The family must meet the Federal minimum employment requirement.

At least one adult family member who will own the home must be currently employed full time and must have been continuously employed for one year prior to homeownership assistance.

HUD regulations define “full time employment” as not less than an average of 30 hours per week.

\*A family member will be considered to have been continuously employed even if that family member has experienced a break in employment, provided that the break in employment:

- \* did not exceed [ 30 calendar days]; and
- \* did not occur within the [3 month] period immediately prior to the family’s request to utilize the homeownership option; and
- \* has been the only break in employment within the past 12 calendar months.

The Federal minimum employment requirement does not apply to elderly or disabled families.

Any family member who has previously defaulted on a mortgage obtained through the homeownership option is barred from receiving future homeownership assistance.

\*The Authority will impose the following additional initial requirements:

\*The family has had no family-caused violations of HUD’s Housing Quality standards within the last [1 year].

\*The family does not owe money to the Authority.

**\*The family has not committed any serious or repeated violations of a Authority-assisted lease within the past [1 year].**

**Homeownership Counseling Requirements [24 CFR 982.630]**

**When the family has been determined eligible, they must attend and complete homeownership counseling sessions. These counseling sessions will be conducted by [Harrisburg Fair Housing Council]. Such counseling shall be consistent with HUD-approved housing counseling.**

**The following topics will be included in the homeownership counseling sessions:**

- \*Home maintenance (including care of the grounds);**
- \*Budgeting and money management;**
- \*Credit counseling;**
- \*How to negotiate the purchase price of a home;**
- \*How to obtain homeownership financing and loan preapprovals, including a description of types of financing that may be available, and the pros and cons of different types of financing;**
- \*How to find a home, including information about homeownership opportunities, schools, and transportation in the Authority jurisdiction;**
- \*Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;**
- \*Information about RESPA, state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions;**
- \*[List other topics]**

**Eligible Units [24 CFR 982.628]**

**The unit must meet all of the following requirements:**

**The unit must meet HUD's "Eligible Housing" requirements. The unit may not be any of the following:**

- A public housing or Indian housing unit;**
- A unit receiving Section 8 project-based assistance;**
- A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;**

**A college or other school dormitory;**

**On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.**

**The unit is a one-unit property (including a manufactured home) or a single dwelling unit in a cooperative or condominium.**

**The unit has been inspected by the Authority and by a qualified independent inspector designated by the family.**

**The unit meets HUD Housing Quality Standards.**

**Homeownership assistance may be provided for the purchase of a home where the family will not own fee title to the real property on which the home is located, but only if:**

**The home is located on a permanent foundation; and**

**The family has the right to occupy the home site for at least forty years.**

**The Authority may not commence homeownership assistance for occupancy of a home if the Authority has been informed (by HUD or otherwise) that the seller of the home is debarred, suspended, or subject to a limited denial of participation.**

**The family may enter into a contract of sale for a unit not yet under construction at the time the family enters into the contract for sale. However, the Authority will not commence homeownership assistance for the family for that unit, unless and until:**

**Either: (i) a responsible entity has completed the environmental review procedures as required by HUD regulations, and HUD approved the environmental certification and request for release of funds prior to commencement of construction; or (ii) HUD performed an environmental review as required by HUD regulations and notified the Authority in writing of environmental approval of the site prior to commencement of construction;**

**Construction of the unit has been completed; and**

**The unit has passed the required HQS inspection and independent inspect.**

### **Authority Search and Purchase Requirements [24 CFR 982.629]**

**The Authority has established the maximum time that will be allowed for a family to locate and purchase a home.**

**The family's deadline date for locating a home to purchase will be [nine months] from the**



**date the family's eligibility for the homeownership option is determined.**

**The family must obtain financing for the home within [six months] of [ locating a home to purchase].**

**The family must purchase the home within [nine months] of [locating a home to purchase].**

**The Authority [will] require periodic reports on the family's progress in finding and purchasing a home. \*Such reports will be provided by the family at intervals of [30 days].**

**If the family is unable to purchase a home within the maximum time limit, the Authority [will issue the family a voucher to lease a unit].**

**Home Inspections, Contract of Sale, and Authority disapproval of Seller [24 CFR 982.631]**

**The unit must meet Housing Quality Standards, and must also be inspected by an independent professional inspector selected and paid by the family.**

**The independent inspection must cover major building systems and components. The inspector must be qualified to identify physical defects and report on property conditions, including major building systems and components. These systems and components include, but are not limited to:**

**Foundation and structure;**

**Housing interior and exterior;**

**Roofing;**

**Plumbing, electrical and heating systems.**

**The independent inspector must not be a Authority employee or contractor. The Authority will not require the family to use an independent inspector selected by the Authority, but the Authority has established the following standards for qualification of inspectors selected by the family.**

**Copies of the independent inspection report will be provided to the family and the Authority. Based on the information in this report, the family and the Authority will determine whether any pre-purchase repairs are necessary.**

**The Authority may disapprove the unit for homeownership assistance because of information in the report.**

**The family must enter into a contract of sale with the seller of the unit. A copy of the contract must be given to the Authority. The contract of sale must specify the price and**

**terms of sale, and provide that the purchaser will arrange for a pre-purchase independent inspection of the home. The contract must also:**

**Provide that the purchaser is not obligated to buy the unit unless the inspection is satisfactory;**

**Provide that the purchaser is not obligated to pay for necessary repairs; and**

**Contain the seller's certification that he or she has not been debarred, suspended or subject to a limited denial of participation.**

**In addition to the above provisions contained in this section, a contract for the sale of units not yet under construction at the time the family is to enter into the contract for sale must also provide that:**

- (I) The purchaser is not obligated to purchase the unit unless an environmental review has been performed and the site has received environmental approval prior to commencement of construction in accordance with HUD regulations.**
- (ii) The construction will not commence until the environmental review has been completed and the seller has received written notice from the Authority that environmental approval has been obtained. Conduct of the environmental review may not necessarily result in environmental approval, and environmental approval may be conditioned on the contracting parties' agreement to modifications to the unit design or to mitigation actions.**
- (iii) Commencement of construction in violation of provision (ii) of this section voids the purchase contract and renders homeownership assistance unavailable for purchase of the unit.**

**The Authority may deny approval of the seller for any of the following reasons:**

**The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act;**

**The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;**

**The owner has engaged in any drug-related criminal activity or any violent criminal activity;**

**The owner has a history or practice of non-compliance with the HQS for**

**units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;**

**The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:**

**Threatens the right to peaceful enjoyment of the premises by other residents;**

**Threatens the health or safety of other residents, of employees of the Authority, or of owner employees or other persons engaged in management of the housing;**

**Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or**

**Is drug-related criminal activity or violent criminal activity; or**

**The owner has a history or practice of renting units that fail to meet State or local housing codes; or**

**The owner has not paid State or local real estate taxes, fines or assessments.**

### **Financing [24 CFR 982.632]**

**The family is responsible for securing financing. The Authority has established financing requirements, listed below, and may disapprove proposed financing if the Authority determines that the debt is unaffordable.**

- \* The Authority will prohibit the following forms of financing:**
  - \* balloon payment mortgages**
  - \* variable interest rate loans**
  - \* seller financing on a case-by-case basis**
  
- \* The Authority will require a minimum cash down payment of 3 percent of the purchase price of the house of which a minimum one percent of the purchase price must be paid from the family's own resources.**

**The Total Tenant Payment may not exceed 50% of the family's Monthly Adjusted Gross Income.**

**Continued Assistance [24 CFR 982.633]**

**Homeownership assistance may only be paid while the family is residing in the home. The family or lender is not required to refund homeownership assistance for the month when the family moves out.**

**The family must comply with the following obligations:**

- \* The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.**
- \* The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to CFR 982.551 (h) and (I).**
- \* The family must supply information to the Authority or HUD as specified in CFR 982.551(b). The family must further supply any information required by the Authority or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.**
- \* The family must notify the Authority before moving out of the home.**
- \* The family must notify the Authority if the family may be in danger of defaulting on the mortgage used to purchase the home. In such a case of possible default, the Authority may require the family to attend budgeting and money management counseling sessions.**
- \* No family member may have any ownership interest in any other residential property.**
- \* The family must attend and complete ongoing homeownership counseling, if required by the lender or the Authority.**
- \* The home must pass an initial HUD Housing Quality Standards inspection.**

**Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership**

option.

**Maximum Term of Homeownership Assistance [24 CFR 982.634]**

Except in the case of elderly or disabled families, the maximum term of homeownership assistance is:

**15 years, if the initial mortgage term is 20 years or longer, or  
10 years in all other cases (if initial mortgage term is less than twenty years).**

**The elderly exception only applies if the family qualified as elderly at the start of homeownership assistance. The disabled exception applies if, at any time during receipt of homeownership assistance, the family qualifies as disabled.**

**If the family ceases to qualify as elderly or disabled during the course of homeownership assistance, the maximum term becomes applicable from the date assistance commenced. However, such a family must be afforded at least 6 months of homeownership assistance after the maximum term becomes applicable.**

**If the family receives homeownership assistance for different homes, or from different Authoritys, the total is subject to the maximum term limitations.**

**Homeownership Assistance Payments and Homeownership Expenses [24 CFR 982.635]**

**The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.**

**In determining the amount of the homeownership assistance payment, the Authority will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described in this plan for the Housing Choice Voucher program.**

**The Authority will pay the homeownership assistance payment directly to the family.**

**Some homeownership expenses are allowances or standards determined by the Authority in accordance with HUD regulations. These allowances are used in determining expenses for all homeownership families and are not based on the condition of the home.**

**Homeownership expenses include:**

- \* Principal and interest on mortgage debt.**
- \* Mortgage insurance premium.**
- \* Taxes and insurance.**

- \* **The Authority utility allowance used for the voucher program.**
  - \* **The Authority allowance for routine maintenance costs [\$25.00].**
  - \* **The Authority allowance for major repairs and replacements [\$50.00].**
  - \* **Principal and interest on debt for improvements.**
  - \* **Land lease payments (where a family does not own fee title to the real estate on which the home is located).**
- \* **If the home is a cooperative or condominium, expenses also include operating expenses or maintenance fees assessed by the homeowner association.**

**Portability [24 CFR 982.636, 982.353(b) and ©, 982.552, 982.553]**

**Subject to the restrictions on portability included in HUD regulations and in Chapter 13 of this plan, the family may exercise portability if the receiving Authority is administering a voucher homeownership program and accepting new homeownership families.**

**The receiving Authority may absorb the family into its voucher program, or bill the initial Authority. The receiving Authority arranges for housing counseling and the receiving Authority's homeownership policies apply.**

**Moving With Continued Assistance [24 CFR 982.637]**

**A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.**

- \* **The Authority prohibits more than one move by the family during any one year period.**
- \* **The Authority will deny permission to move with continued rental or homeownership assistance if the Authority determines that it does not have sufficient funding to provide continued assistance. The Authority will provide written notification to the local HUD Office within 10 business days of determining it is necessary to deny moves based on insufficient funding.**
- \* **The following requirements must have been satisfied (including the environmental requirements with respect to a unit not yet under construction) if a family that has received homeownership assistance wants to move to such a unit with continued homeownership assistance:**

**(1) The family is qualified to receive homeownership assistance. However, the following requirements do not apply:**

**(a) The requirement that a family must qualify as a first-time homeowner, may be a co-operative member, or 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, in accordance with part 8 of CFR Title 24: Housing and Urban Development is not applicable, and**

**(b) The Homeownership Counseling Requirement is not applicable. However, the Housing Authority may require that the family complete additional counseling (before or after moving to a new unit with continued assistance under the homeownership option); and**

**(2) The unit is eligible.**

### **Denial or Termination of Assistance [24 CFR 982.638]**

**Termination of homeownership assistance is governed by the policies for the Housing Choice Voucher program contained in chapter 15 of the Administrative Plan. However, the provisions of CFR 982.551 © through (j) are not applicable to homeownership.**

**The Authority will terminate homeownership assistance if the family is dispossessed from the home due to a judgment or order of foreclosure.**

- \* The Authority will permit such a family to move with continued voucher rental assistance. However, rental assistance will be denied if the family defaulted on an FHA-insured mortgage, and the family fails to demonstrate that:**
- \* The family has conveyed or will convey, title to the home as required by HUD, and**
- \* The family has moved or will move within the period required by HUD.**
- \* The Authority will not permit such a family to move with voucher rental assistance.**

**\*The Authority will terminate homeownership assistance if the family violates any of the family obligations contained in this section including the following family obligations:**

- \* Transfer or conveyance of ownership of the home;**
- \* Providing requested information to the Authority or HUD;**
- \* Notifying the Authority before moving out of the home.**

## H. SHELTER PLUS CARE

The Shelter Plus Care Program is not a Section I Program; however, it is administered in a similar way. The Authority's Shelter Plus Care Program is intended to assist homeless persons with serious mental disabilities. The Authority's Contract with HUD to administer the Shelter Plus Care Program, subsequent to the initial five year contract, is being renewed by HUD for a year at a time. There is concern for participants in the Shelter Plus Care Program if, for whatever reason, the Program would not be renewed.

It is the Authority's intention to request a renewal of the Shelter Plus Care Program every year so that rental assistance may be continued. Nevertheless, if the Shelter Plus Care Program should not receive continued funding, it is the Authority's intention to issue "regular" Housing Choice Vouchers, if available, to those participants in the Shelter Plus Care Program who might still need continued rental assistance.

There may also be other extraordinary circumstances in which a participant in the Shelter Plus Care Program may not be able to continue in that Program, but still need continued rental assistance in order to avoid the possibility of homelessness. These situations will be considered individually and, when conditions warrant, a "regular" Housing Choice Voucher may be issued to that person in order to continue rental assistance.

## I. EMERGENCY HOUSING VOUCHERS (EHVs)

EHVs are tenant-based vouchers under Section 8(o) of the United States Housing Act of 1937. Unless expressly indicated below, all statutory and regulatory requirements and Department of Housing and Urban Development (HUD) directives regarding the Housing Choice Voucher (HCV) program are applicable to EHVs, including the use of all HUD-required contracts and other forms. The administrative policies adopted in the Housing Authority's written administrative plan apply to the EHVs vouchers unless such local policy conflicts with the requirements of the American Rescue Plan Act of 2021 (ARP), the requirements of Notice PIH 2021-15 (HA), or the waivers and alternative requirements outlined below.

These waivers and alternative requirements have been determined by the Secretary to be necessary to expedite and facilitate the use of the EHV funding. These waivers or alternative requirements are exceptions to the normal HCV requirements, which otherwise apply to the administration of the EHVs.

HUD may waive and/or establish alternative requirements for additional statutory and regulatory provisions by subsequent notice. The Housing Authority may request additional good cause regulatory waivers in connection with the use of the EHVs, which HUD will consider and assess upon the request of the Housing Authority.



**a. COVID-19 waivers (waivers authorized for the regular HCV program under the CARES Act)**

The Coronavirus Aid, Relief and Economic Security (CARES) Act (Public Law 116-136) provides HUD with broad authority to waive or establish alternative requirements for numerous statutory and regulatory requirements for the HCV program. However, the CARES Act waiver authority does not cover EHV funding appropriated by the ARP.

HUD recognizes that the challenges the COVID-19 pandemic has created for the regular HCV program will likewise apply to the administration of the EHV. Consequently, HUD is exercising its waiver authority under the ARP to provide some of the same menu of HCV-applicable CARES Act waivers to housing authorities for administration of the EHV assistance. The use of these COVID-19-related EHV waivers is at the discretion of the individual housing authority. A housing authority may choose to apply all, some, or none of the waivers to the EHV assistance.

Unlike the other ARP waivers provided, these EHV COVID-19 waivers have limited periods of availability that currently match the same periods of availability for the CARES Act waivers. The period of availability for these EHV COVID-19 waivers/alternative requirements, collectively or individually, may be further extended by PIH notice should HUD determine that such similar extension is necessary for the CARES Act waivers, or if HUD otherwise determines it necessary to further extend these waivers for the EHV. Housing authorities that implement these waivers are not required to keep the waiver/alternative requirement in-place for the full period of availability (including any extension) but may at any time choose to revert to regular program requirements and operations.

Attachment 1 of **Notice PIH 2021-15 (HA)** provides the list of COVID-19 related waivers that the Housing Authority may apply to the EHV. The Housing Authority should refer to Notice PIH 2021-14 or successor notice(s) for detailed information on the individual waivers listed in Attachment 1.

**b. Required partnerships with the Continuum of Care (CoC) and other organizations for direct referrals and services**

EHVs are one of several resources that communities can use to house individuals and families who are experiencing homelessness or have unstable housing. To ensure that the EHV assist families who are most in need, the Housing Authority is required to work with community partners to determine the best use and targeting for the vouchers along with other resources available in the community.

HUD's CoC program is authorized by subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381-11389). The program is designed to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, States, and local governments to quickly rehouse homeless individuals (including unaccompanied youth) and families, while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effective utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.

The CoC is organized to carry out the responsibilities required under the program and is composed of representatives of organizations, including nonprofit homeless providers, victim service providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons to the extent these groups are represented within the geographic area and are available to participate.

Provisions in the CoC Program Interim Rule at 24 CFR § 578.7(a)(8) require that CoCs establish a Coordinated Entry (CE) System. The CE System is a centralized or coordinated process designed to coordinate program participant intake assessment and provision of referrals. A centralized or coordinated assessment system covers the geographic area of the CoC, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool.

HUD is establishing an alternative requirement under which the Housing Authority must enter into a Memorandum of Understanding (MOU) with the CoC to establish a partnership for the administration of the EHV. The primary responsibility of the CoC under the MOU is to make direct referrals of qualifying individuals and families to the Housing Authority (see section 9.c below). Partner CoCs are responsible for determining whether the family qualifies under one of the four eligibility categories for EHV. Additionally, CoCs are encouraged to offer or make connections to supportive services for families that are referred to the Housing Authority, including, but not limited to, short- or long-term case management, collecting necessary verifications to support referrals, housing counseling, housing search assistance and utility deposit assistance. (The Housing Authority may use services fee funding for housing search assistance and utility deposit services, but if such services are already available through the CoC, the services fee funding should be directed to other uses that are not available through the CoC. It is important that the Housing Authority collaborate with the CoC and any other partnering agencies in designing its menu of uses for the services fee funding.) HUD recommends CoCs and housing authorities seek a diverse range of supportive services by partnering with organizations trusted by people experiencing homelessness. The specific services that the CoCs will provide to individuals or families referred for the EHV program must be outlined in the MOU with the CoC.

Housing authorities that agree to accept an allocation must enter into an MOU with a partnering CoC within 30 days of the effective date of the ACC funding increment for the EHV.

The MOU is a complete statement of the responsibilities of the parties and evidence of a commitment of resources to the EHV program. The MOU may be subsequently amended to add or change the services that the CoC may provide but must always retain the direct referral responsibility of the CoC. A sample MOU template is included in Attachment 2 of **Notice PIH 2021-15 (HA)**.

The MOU must include at a minimum:

1. The Housing Authority's and CoC's commitment to administering the EHV in partnership.

2. The goals and standards of success in administering the EHV's.
3. The staff position for each organization that will serve as the lead EHV liaison.
4. A statement that all parties agree to cooperate with any program evaluation efforts undertaken by HUD, or a HUD-approved contractor, including compliance with HUD evaluation protocols and data sharing requests.
5. The specific population eligible for the EHV assistance that will be referred to the Housing Authority by the CoC or other partnering referral agency.
6. The services, including financial assistance, that will be provided to assist EHV applicants and participants and who will provide them.
7. The roles and responsibilities of the Housing Authority and CoC, including but not limited to the CoC making direct referrals of families to the Housing Authority through the CE system.

A housing authority that experiences difficulty in identifying a CoC partner, or where the CoC may be unwilling or reluctant to enter the MOU due to capacity issues or other concerns, or where the Housing Authority is worried about its ability to fulfill this requirement within the required deadline despite a good-faith effort, is encouraged to contact HUD as promptly as possible for assistance. HUD or its Technical Assistance (TA) provider will work with the Housing Authority to help facilitate a partnership, which may include using a partnering referral agency other than the CoC. In rare circumstances HUD may waive the partnership/direct referral requirement for the Housing Authority for an interim period if such a step is necessary while building capacity at the CoC or other potential partnering referral agency. Information on EHV technical assistance and how to request it will be provided by HUD during the EHV webinar to be conducted after issuance of this notice.

### **c. Admissions process - Direct referrals from the CoC and other partnering organizations**

The Housing Authority must accept referrals for EHV's directly from the CE System. Accepting direct referrals from the CE System will help ensure families are able to get assistance quickly and eliminate the administrative burden on the Housing Authority regarding the determination as to whether the family meets the definition of a qualifying individual or family for EHV assistance. CoC partners may also support applicants through the application process and attend meetings with applicants and the Housing Authority to aid individuals and families through the admissions process. Direct referrals for EHV's are not added to the Housing Authority's regular HCV Waiting list.

In general, EHV families are issued EHV's as the result of either:

- (1) The direct referral process from the CoC CE System and/or other partnering organizations, or
- (2) A situation where the Housing Authority makes an EHV available in order to facilitate an emergency transfer in accordance with the Violence Against Women Act (VAWA) as outlined in the Housing Authority's Emergency Transfer Plan. (Housing Authorities are strongly encouraged to utilize EHV's as a resource to effectuate emergency transfers for a victim of domestic violence, dating violence, sexual assault, or stalking, as part of their Violence Against Women Act (VAWA) Emergency Transfer Plan.)

The Housing Authority must also take direct referrals from outside the CoC CE system if:

- (1) the CE system does not have a sufficient number of eligible families to refer to the Housing Authority, or
- (2) the CE system does not identify families that may be eligible for EHV assistance because they are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking.

In those instances the Housing Authority must enter into a partnership to receive direct referrals from another entity (a Victim Services provider or anti-trafficking service provider, for example, if the CE system is not referring victims fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human tracking) or another homeless services provider (if there are not enough direct referrals coming through the CE system), assuming there are such additional organizations that can certify that an individual or family is homeless or at risk of homelessness, formerly homeless, is an individual or family is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking. (Applicants under the “Recently homeless” category must by definition (see **Notice PIH 2021-15 (HA)**) always be referred by the CoC or its designee.) The Housing Authority must enter an MOU with partnering referral agency as described above in **Notice PIH 2021-15 (HA)**. Alternatively, the partnering referral agency may be added to the MOU between the Housing Authority and CoC.

The referring agency must provide documentation to the Housing Authority of the referring agency’s verification that the family meets one of the four eligible categories for EHV assistance. The Housing Authority must retain this documentation as part of the family’s file. HUD has attached to **Notice PIH 2021-15 (HA)** two examples of certifications that could be used to document the referring agency’s verification. (See Attachments 3 and 4).

Other than cases where a family is requesting an emergency transfer in accordance with VAWA as outlined in the Housing Authority’s Emergency Transfer Plan, the Housing Authority must refer a family that is seeking EHV assistance directly from the Housing Authority to the CoC or other referring agency partner for initial intake, assessment, and possible referral for EHV assistance.

If at any time the Housing Authority is not receiving enough referrals or is not receiving referrals in a timely manner from the CoC CE system or other partner referral agencies (or the Housing Authority and CoC cannot identify any such alternative referral partner agencies), the Housing Authority should contact HUD for assistance. HUD may permit the Housing Authority on a temporary or permanent basis to take EHV applications directly from applicants and admit eligible families to the EHV program in lieu of or in addition to direct referrals in those circumstances.

The Housing Authority must inform families on the HCV waiting list of the availability of EHV by, at a minimum, either by posting the information to their website or providing public notice in their respective communities. The Housing Authority notice must describe the eligible populations to which the EHV are limited and clearly state that the availability of these EHV is managed through

a direct referral process. The Housing Authority notice must advise the family to contact the CoC (or any other Housing Authority referral partner, if applicable) if the family believes they may be eligible for EHV assistance. In providing this notice, the Housing Authority must ensure effective communication with persons with disabilities, including those with vision, hearing, and other communication-related disabilities. The Housing Authority must also take reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP). (See Section 11 of **Notice PIH 2021-15 (HA)** for more information.)

If the Housing Authority has a preference for victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking for the regular HCV program, the Housing Authority must refer any applicant on the waiting list that indicated they qualified for this preference to the CoC or the applicable partnering referral agency. The CoC or partnering referral agency will determine if the family is eligible (based on the qualifying definition for EHV assistance for those fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking or another eligible category as applicable) for an EHV.

If the Housing Authority has a homeless preference for the regular HCV program, the Housing Authority must refer any applicant on the waiting list that indicated they qualified for the homeless preference to the CoC. The CoC will determine whether the family is eligible for an EHV (based on the qualifying definition for EHV assistance for homelessness or another eligible category as applicable). The CoC will also determine if the family is eligible for other homeless assistance through the CE system.

With the exception of special admissions, (a special admission (24 CFR § 982.203) is a non-waiting list admission that is only applicable if HUD awards a housing authority program funding that is targeted for families living in specified units) the HCV regulations require that the Housing Authority admit an applicant as a waiting list admission. In order to implement the above alternative requirements, HUD is waiving § 982.204(a), which requires that except for special admissions, participants must be selected from the Housing Authority waiting list and that the Housing Authority must select participants from the waiting list in accordance with admission policies in the Housing Authority administrative plan.

#### **d. Required housing search assistance**

Housing search assistance can help EHV participants successfully move to areas of higher opportunity, as well as broaden the pool of landlords participating in the EHV program, including culturally or racially diverse landlords and landlords with smaller numbers of units. HUD has established as an alternative requirement that the Housing Authority must ensure housing search assistance is made available to EHV families during their initial housing search. The housing search assistance may be provided directly by the Housing Authority or through the CoC or another partnering agency or entity.

Housing search assistance will include (1) helping individual families identify potentially available units during their housing search, including physically accessible units with features for family members with disabilities, as well as units in low-poverty neighborhoods, (2) providing

transportation assistance and directions to potential units, (3) conducting owner outreach, (4) assisting with the completion of rental applications and Housing Authority forms, and (5) helping expedite the EHV leasing process for the family. Other housing search activities may include helping individual families identify barriers to leasing (e.g., low credit score, evictions history) and strategies to address these barriers, workshops on how to conduct an effective housing search, enhanced support for portability processing, regular proactive check-ins for families searching with a voucher, regular reminders to the family of their voucher expiration date and extension policies, and a dedicated landlord liaison for EHV voucher families. The Housing Authority may use any of the EHV administrative fees (including the services fees) described in section 6 of **Notice PIH 2021-15 (HA)** for EHV housing search assistance.

#### **e. Separate waiting list for EHV's**

The HCV program regulations at § 982.204(f) provide that a housing authority must use a single waiting list for admission to its HCV program.

It is possible that the number of applicants referred by partnering agencies at a given time may exceed the EHV's available for the Housing Authority to issue to families. HUD recognizes that requiring housing authorities to utilize its existing HCV waiting list to manage EHV referrals will create unnecessary administrative burden, complications, and delays.

HUD is therefore waiving § 982.204(f) to establish an alternative requirement under which the Housing Authority shall maintain a separate waiting list for EHV referrals/applicants to help expedite the leasing process, both at initial leasing and for any turnover vouchers that may be issued prior to the September 30, 2023 turnover voucher cut-off date.

Because the EHV waiting list is based on direct referrals or requests through the Housing Authority's VAWA emergency transfer plan and not applications from the general public, HUD is also waiving § 982.206, which requires the Housing Authority to give public notice when opening and closing the waiting list. Under this alternative requirement, the Housing Authority will work directly with its CoC and other referral agency partners to manage the number of referrals and the size of the EHV waiting list.

#### **f. Local Preferences**

Local preferences established by the Housing Authority for HCV admissions do not apply to EHV's.

#### **g. Restrictions on Housing Authority denial of assistance to an EHV applicant**

##### *Mandatory Prohibitions.*

(1) The Housing Authority will apply the standards it established under § 982.553(a)(1)(ii)(C) that prohibit admission if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing to EHV applicants.

(2) The Housing Authority will apply the standards it established under § 982.553(a)(2)(i) that prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program to EHV applicants.

*Permissive Prohibitions.*

The Housing Authority will prohibit admission of a family for the grounds stated below:

Determinations must be made based on an individualized assessment of relevant mitigating information. (See Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions (April 4, 2016), available at [https://www.hud.gov/sites/documents/HUD\\_OGCGUIDAPPFHASTANDCR.PDF](https://www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF) at 7 (“individualized assessment of relevant mitigating information beyond that contained in an individual’s criminal record is likely to have a less discriminatory effect than categorical exclusions that do not take such additional information into account. Relevant individualized evidence might include: the facts or circumstances surrounding the criminal conduct . . . evidence that the individual has maintained a good tenant history before and/or after the . . . conduct; and evidence of rehabilitation efforts.”)).

The permissive prohibitions are:

- (1) If the Housing Authority determines that any household member is currently engaged in, or has engaged in within the previous 12 months:
  - a. Violent criminal activity.
  - b. Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity. (Please see PIH Notice 2015-19. The purpose of PIH 2015-19 is to inform Housing Authorities and owners of other federally-assisted housing that arrest records may not be the basis for denying admission, terminating assistance or evicting tenants, to remind Housing Authorities and owners that HUD does not require their adoption of “One Strike” policies, and to remind them of their obligation to safeguard the due process rights of applicants and tenants. *See also* Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions (April 4, 2016), available at [https://www.hud.gov/sites/documents/ HUD\\_OGCGUIDAPPFHASTANDCR.PDF](https://www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF) (overviewing how applying criminal records screening too broadly may implicate fair housing liability for housing providers)).
- (2) If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program within the previous 12 months.
- (3) If the family engaged in or threatened abusive or violent behavior toward Housing Authority personnel within the previous 12 months.

The Housing Authority may not deny an EHV applicant admission regardless of whether:

- Any member of the family has been evicted from federally assisted housing in the last five years.
- Any housing authority has ever terminated assistance under the program for any member of the family.

- The family currently owes rent or other amounts to the Housing Authority or to another housing authority in connection with Section 8 or public housing assistance under the 1937 Act.
- The family has not reimbursed any Housing Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- The family breached an agreement with the Housing Authority to pay amounts owed to a housing authority, or amounts paid to an owner by a housing authority.
- The family would otherwise be prohibited admission under alcohol abuse standards established by the Housing Authority in accordance with §982.553(a)(3).
- The Housing Authority determines that any household member is currently engaged in or has engaged in during a reasonable time before the admission, drug-related criminal activity.

Similar to the HUD-Veterans Affairs Supportive Housing (HUD-VASH) program, HUD is eliminating the Housing Authority's permissive prohibitions for EHV admissions for drug-related criminal activity. The eligible populations of homeless and at-risk of homelessness individuals and families may include individuals struggling with drug addiction, and that addiction may be one of the root causes of their homelessness. As demonstrated by the "Housing First" model, providing the individual with safe housing may be a critical first step in helping the individual recover from addiction. Consequently, prohibitions based on criminal activity for the eligible EHV populations regarding drug possession should be considered apart from criminal activity against persons (i.e., violent criminal activity). Further, the Department remains concerned about the potential discriminatory effect that reliance on drug-related criminal activity history as grounds for denial of admission may pose for the EHV program. For further information on the use of criminal histories and the Fair Housing Act, please see HUD's Office of General Counsel Guidance on the Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions, issued on April 4, 2016. (*Available at [https://www.hud.gov/sites/documents/HUD\\_OGCGUIDAPPFHASTANDCR.PDF](https://www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF)*. This Guidance cautions against the screening of applicants for tenancy using criminal records where such screening may disproportionately impact protected classes, and where the housing provider cannot prove such a policy is necessary to achieve a substantial, legitimate, nondiscriminatory interest.)

The Housing Authority must still deny admission to the program if any member of the family fails to sign and submit consent forms for obtaining information in accordance with 24 CFR part 5 as required by § 982.552(b)(3), but should notify the family of the limited EHV grounds for denial of admission first.

When adding a family member after the family has been placed under a HAP contract with EHV assistance, the regulations at § 982.551(h)(2) apply. Other than the birth, adoption or court-awarded custody of a child, the Housing Authority must approve additional family members and will apply its regular screening criteria in doing so.

#### **h. Income Verification at Admissions**

The Housing Authorities may consider self-certification as the highest form of income verification at admission. Applicants must submit an affidavit attesting to reported income, assets, expenses and other factors which would affect an income eligibility determination. Additionally, applicants may provide third-party documentation which represents the applicant's income within the 60-day period



prior to admission or voucher issuance but is not dated within 60 days of the Housing Authority's request. For example, a Supplemental Security Income (SSI) benefit letter that was issued in November 2020 to represent the applicant's benefit amount for 2021 and was provided to the Housing Authority in September 2021 would be an acceptable form of income verification. The Housing Authority may also use the SSI benefit letter as proof of disability. Once HUD makes the EIV data available to the Housing Authority, the Housing Authority will review the EIV Income and Income Validation Tool (IVT) Reports to confirm/validate family-reported income within 90 days of the PIC-NG (see Section 15 of **Notice PIH 2021-15 (HA)**) submission date; print and maintain copies of the EIV Income and IVT Reports in the tenant file; and resolve any income discrepancy with the family within 60 days of the EIV Income or IVT Report dates.

Prior to admission, the Housing Authority will continue to use HUD's EIV system to search for all household members using the Existing Tenant Search. The Housing Authority may be required to deny assistance to household members already receiving assistance from another program.

The Housing Authority is responsible for addressing any material discrepancies (i.e., unreported income or a substantial difference in reported income) that may arise later and must take necessary enforcement actions if the tenant was never eligible due to their income, as well as initiate HUD-compliant payment plans for those whose unreported income was unintentional and do not make the tenant ineligible for the program accordingly.

The provisions described in this section does not authorize any ineligible family to receive assistance under these programs. If a Housing Authority later determines that an ineligible family received assistance, the Housing Authority must take steps to terminate that family from the program.

#### **i. Eligibility Determination: Social Security Number and Citizenship Verification**

This documentation may not be readily on hand and may be difficult to obtain for individuals and families experiencing homelessness. The Housing Authority may accept self-certifications and delay the receipt of documentation and/or third-party verification allowing the Housing Authority to assist EHV families more quickly and provide time for the family (with assistance from the CoC or other partnering agencies) to obtain the necessary documentation. Therefore, the Housing Authority will not be required to obtain and verify SSN documentation and documentation evidencing eligible noncitizen status before admitting the family to the EHV program.

EHV applicants who are unable to provide the required SSN or citizenship documentation during the initial eligibility determination must provide the required documentation within 180 days of admission to be eligible for continued assistance, pending verification, unless the Housing Authority provides an extension based on evidence from the family or confirmation from the CoC or other partnering agency that the family has made a good-faith effort to obtain the documentation. If a family member appeals secondary verification of immigration documents, assistance may not be delayed, denied, reduced or terminated on the basis of immigration status pending the completion of the appeal as described in § 5.514(e).

Additionally, the Housing Authority may accept self-certification of date of birth and disability status if a higher level of verification is not immediately available. If self-certification is used, the Housing Authority must obtain a higher level of verification within 90 days of admission or verify the information in EIV.

The Housing Authority is responsible for addressing any material discrepancies (i.e., erroneous SSNs) that may arise later and must take necessary enforcement actions accordingly.

The provisions described in this section does not authorize any ineligible family to receive assistance under these programs. If a Housing Authority determines that an ineligible family received assistance, the Housing Authority must take steps to terminate that family from the program.

#### **j. Inapplicability of Income Targeting Requirements**

The income targeting requirements of section 16(b) of the United States Housing Act of 1937 and § 982.201(b)(2) are waived and do not apply for EHV families so that the Housing Authority can effectively serve individuals and families in all the eligibility categories under the ARP who may be at a variety of income levels, including low-income families. In conformance with normal program rules, the Housing Authority may not deny admission to a family with zero income and must consider hardship circumstances before charging a minimum rent in accordance with § 5.630(b).

#### **k. Use of recently conducted initial income determinations and verifications at admission**

Some families who were recently homeless but are now currently residing in rapid rehousing or are receiving other time-limited housing assistance may have had their income recently verified under that housing assistance program. Furthermore, families who are eligible for EHV assistance as victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking may be currently assisted through other subsidized housing programs such as public housing. The Housing Authority may accept income calculations and verifications from third-party providers or from an examination that the Housing Authority conducted on behalf of the family for another subsidized housing program in lieu of conducting an initial examination of income as long as the income was (1) calculated in accordance with rules outlined at 24 CFR Part 5 and within the last six months and (2) the family certifies there has been no change in income or family composition in the interim. At the time of the family's annual reexamination the Housing Authority must conduct the annual reexamination of income as outlined at 24 CFR § 982.516.

For each new admission under this provision, the Housing Authority will: review the EIV Income and IVT Reports to confirm/validate family-reported income within 90 days of the PIC-NG (see Section 15 of this **Notice PIH 2021-15 (HA)**) submission date; print and maintain copies of the EIV Income and IVT Reports in the tenant file; and resolve any income discrepancy with the family within 60 days of the EIV Income or IVT Report dates.

#### **l. Pre-inspection of HQS units**

To expedite the leasing process, the Housing Authority may pre-inspect available units that EHV families may be interested in leasing in order to maintain a pool of eligible units. If an EHV family selects a unit that passed a HQS inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval (form HUD-52517), the unit may be approved as long as it meets all other conditions under § 982.305. However, the family must be free to select their unit and cannot be required to accept a pre-screened unit.

#### **m. Initial Search Term**

The initial search term for an EHV will be at least 120 days. Any extensions, suspensions, and progress reports will remain under the policies in the Housing Authority's administrative plan but will apply after the minimum 120-day initial search term.

The Housing Authority will grant reasonable accommodation requests to extend the housing search term that may be necessary for individuals with disabilities to find a unit that meets their disability-related needs. For example, it may be challenging to find a unit that includes specific accessibility features, is close to accessible transportation, or close to supportive services or medical facilities.

#### **n. Initial lease term**

The initial lease term for an EHV family may be less than 12 months regardless of whether the shorter term is a prevailing market practice.

#### **o. Portability**

The normal HCV portability procedures and requirements generally apply to EHV's with the following exceptions.

##### *i. No prohibition on portability for non-resident applicants*

All EHV families are allowed to immediately move under portability. The Housing Authority may not restrict an EHV family from exercising portability because they are a non-resident applicant.

##### *ii. Portability billing and absorption*

A receiving housing authority cannot refuse to assist an incoming EHV family, regardless of whether the housing authority does or does not currently administer EHV's under its own ACC.

If the EHV family moves under portability to another housing authority that administers EHV's under its own ACC:

- The receiving housing authority may only absorb the incoming EHV family with an EHV (assuming it has an EHV voucher available to do). If the housing authority does not have an EHV available to absorb the family, it must bill the initial housing authority. The receiving housing

authority must allow the family to lease the unit with EHV assistance and may not absorb the family with a regular HCV when the family leases the unit.

- Regardless of whether the receiving housing authority absorbs or bills the initial housing authority for the family's EHV assistance, the EHV administration of the voucher is in accordance with the receiving housing authority's EHV policies.

If the EHV family moves under portability to another housing authority that does not administer EHV under its own ACC, the receiving housing authority may absorb the family into its regular HCV program or may bill the initial housing authority.

*iii. Family briefing/initial housing authority and receiving housing authority coordination on services*

In addition to the applicable family briefing requirements at § 982.301(a)(2) as to how portability works and how portability may affect the family's assistance, the initial housing authority must inform the family how portability may impact the special EHV services and assistance that may be available to the family.

The initial housing authority is required to help facilitate the family's portability move to the receiving housing authority and inform the family of this requirement in writing taking reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP). If the portability move is in connection with the EHV family's initial lease-up, the receiving housing authority and the initial housing authority must consult and coordinate on the EHV services and assistance that will be made available to the family. The primary purpose of this communication is to ensure there is no duplication of EHV services and assistance provided to the family and that the receiving housing authority is aware of the maximum amount of services fee funding that the initial housing authority may provide to the receiving housing authority on behalf of the family. (Further information on this subject is provided in subsection iv below.)

*iv. EHV portability – HAP and EHV administrative fees*

A. HAP and ongoing fees

The requirements at 982.355(e) apply to portability billing arrangements on behalf of an EHV family:

- The initial housing authority must promptly reimburse the receiving housing authority for the full amount of the housing assistance payments made by the receiving housing authority for the family.
- The initial housing authority must promptly reimburse the receiving housing authority for the lesser of 80 percent of the initial housing authority's EHV ongoing administrative fee or 100 percent of the receiving housing authority's ongoing administrative fee (or the receiving housing authority's EHV ongoing administrative fee if the receiving housing authority administers the

EHV program). If both housing authorities agree, the housing authorities may negotiate a different amount of reimbursement.

#### B. Services Fee Funding:

If the receiving housing authority, in consultation and coordination with the initial housing authority, will provide eligible services or assistance to the incoming EHV family, the receiving housing authority may be compensated for those costs by the initial housing authority. This is the case regardless of whether the receiving housing authority bills the initial housing authority or absorbs the family into its own program at initial lease-up.

If the receiving housing authority administers EHV's under its CACC, the receiving housing authority may use its own services fee and may be reimbursed by the initial housing authority, or the initial housing authority may provide the services funding upfront to the receiving housing authority for those fees and assistance. If the receiving housing authority does not administer EHV's under its CACC, the initial housing authority must provide the services funding upfront to the receiving housing authority. Any amounts provided to the receiving housing authority that are not used for services or assistance on behalf of the EHV family must promptly be returned by the receiving housing authority to the initial housing authority.

The amount of the service fee provided by the initial housing authority may not exceed the lesser of the actual cost of the services and assistance provided to the family by the receiving housing authority or \$1750, unless the initial housing authority and receiving housing authority mutually agree to change the \$1750 cap.

#### C. Placement fee/issuance reporting fee:

If the portability lease-up qualifies for the placement fee/issuance reporting fee, the receiving housing authority receives the full amount of the placement component of the placement/issuance reporting fee. The receiving housing authority is eligible for the placement fee regardless of whether the receiving housing authority bills the initial housing authority or absorbs the family into its own program at initial lease-up. The initial housing authority qualifies for the issuance reporting component of the placement fee, as applicable.

Note that the entire preliminary fee is always paid to and retained by the initial housing authority and is not impacted by an EHV portability move.

#### **p. Payment standard amounts**

The Housing Authority is not establishing a separate EHV payment standard.

#### **q. Increase in Payment Standard During HAP Contract Term**

If the payment standard amount is increased during the term of the HAP contract, the increased payment standard amount shall be used to calculate the monthly housing assistance payment for the

family beginning at the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard amount.

## **HOUSING AUTHORITY OF THE COUNTY OF DAUPHIN**

### **ADDENDUM TO HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN**

#### **G. FAIR HOUSING POLICY [24 CFR 982.54(d)(6)]**

One of the primary strategic goals of the Housing Authority of the County of Dauphin (PHA) is to ensure equal housing opportunity and to affirmatively further fair housing rights and choice for all applicants and program participants by fully complying with and promoting all Federal, State, and Local nondiscrimination laws and the rules and regulations governing fair housing and equal opportunity in housing.

In doing so, the PHA will not deny any family or individual an equal opportunity to apply for or receive assistance under the Housing Choice Voucher and accompanying Family Self Sufficiency, Family Unification Programs, and Rental Assistance for Non-Elderly Persons with Disabilities Program on the basis of race, color, sex or sexual orientation, religion, creed, national origin, ethnic origin, age, marital or familial status, handicap or disability.

No inquiries shall be made about a person's sexual orientation or gender identity. However, the PHA may inquire about a person's sex in order to determine the number of bedrooms a household may be eligible for under the occupancy standards or to accurately complete HUD's 50058.

The PHA will keep records of all complaints, investigations, notices and corrective actions for five years.

The PHA will initiate the following steps toward achieving this goal:

1. The PHA staff will be required to attend fair housing training in an effort to stay informed on the importance of furthering fair housing and providing equal housing opportunity to all applicants, including providing reasonable accommodations to persons with disabilities, as part of the overall commitment to quality customer service.
2. The PHA will provide relevant Federal, State, and Local information to voucher holders regarding unlawful discrimination and advise individuals and families who believe they are victims of discrimination on the possible avenues of recourse, including referrals to appropriate fair housing agencies. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the voucher holder's briefing packet and will also be available upon request at the front desk.

3. The PHA will post available fair housing rights and nondiscrimination information on its web site for easy access by applicants, program participants and the general public, as well. In addition, fair housing posters will be displayed throughout the PHA offices, including lobbies and interview rooms, and the equal opportunity logo will be used on all outreach materials. It should be noted that the offices of the PHA are accessible to persons with disabilities and accessibility for the hearing impaired is provided by the TTD telephone service provider 1-800-545-1833, Extension 304.
4. Efforts shall also be made to reach persons with limited English proficiency by utilizing when possible, bilingual staff, or arranging for a translation service to ensure that such applicants or program participants are properly informed of their rights under the law. All applicants and program participants will also be provided with the toll-free number for the Housing Discrimination Hotline: 1-800-669-9777 and the Federal Information Relay Service at (800) 887-8339.
5. The PHA will continue its periodic outreach to landlords and service providers in an effort to partner with those that operate in areas that are receptive to promoting and expanding housing choice to its program applicants and participants.
6. The PHA will continue to review all of its programs, proposed programs and related policies to ensure that they serve to continually advance the cause of fair housing rights and choice for the people of Dauphin County in need of affordable housing.
7. The PHA will identify and ensure certification of Family Unification Program (FUP) eligible families and youth that may be on the PHA's waiting list and ensure that the family or youth maintain their original position on the waiting list after certification. Furthermore, the PHA will appropriately place all FUP eligible families and youth referred from the Dauphin County Social Services for Children and Youth on the HCV waiting list in order of first come, first served. This does not imply that all FUP eligible families and youth will be placed at the top of the HCV waiting list, but will ensure proper placement of FUP eligible families and youth within the HCV waiting list.
8. The PHA will, where requested by an individual, assist FUP applicants and participants gain access to supportive services available within the community, but not require eligible applicants or participants to accept supportive services as a condition of continued participation in the program.

These steps will be reinforced and monitored by the PHA management on a regular basis and applicable data covering but not limited to such items as race, ethnicity, family status, and disability will be accumulated, tracked and maintained in the PHA data base as a means of verifying the ongoing impact of this important goal on program applicants and participants.



## GLOSSARY

### A. ACRONYMS USED IN SUBSIDIZED HOUSING

<b>AAF</b>	Annual Adjustment Factor. A factor published by HUD in the Federal Register which is used to compute annual rent adjustment.
<b>ACC</b>	Annual Contributions Contract
<b>BR</b>	Bedroom
<b>CDBG</b>	Community Development Block Grant
<b>CFR</b>	Code of Federal Regulations. Commonly referred to as "the regulations". The CFR is the compilation of Federal rules which are first published in the Federal Register and define and implement a statute.
<b>CPI</b>	Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
<b>ELI</b>	Extremely low income
<b>FDIC</b>	Federal Deposit Insurance Corporation
<b>FHA</b>	Federal Housing Administration
<b>FICA</b>	Federal Insurance Contributions Act - Social Security taxes
<b>FmHA</b>	Farmers Home Administration
<b>FMR</b>	Fair Market Rent
<b>FSS</b>	Family Self-Sufficiency (program)
<b>FY</b>	Fiscal Year
<b>FYE</b>	Fiscal Year End
<b>GAO</b>	Government Accounting Office
<b>GFC</b>	Gross Family Contribution. Note: Has been replaced by the term Total Tenant Payment (TTP).
<b>GR</b>	Gross Rent
<b>HAP</b>	Housing Assistance Payment
<b>HAP Plan</b>	Housing Assistance Plan
<b>HCDA</b>	Housing and Community Development Act
<b>HQS</b>	Housing Quality Standards
<b>HUD</b>	The Department of Housing and Urban Development or its designee.
<b>HURRA</b>	Housing and Urban/Rural Recovery Act of 1983; resulted in most of the 1984 HUD regulation changes to definition of income, allowances, rent calculations
<b>IG</b>	Inspector General

<b>IGR</b>	Independent Group Residence
<b>IPA</b>	Independent Public Accountant
<b>IRA</b>	Individual Retirement Account
<b>MSA</b>	Metropolitan Statistical Area established by the U.S. Census Bureau
<b>NAHA</b>	(Cranston-Gonzalez) National Affordable Housing Act
<b>NOFA</b>	Notice of Funding Availability
<b>OMB</b>	(U.S.) Office of Management and Budget
<b>PHA</b>	Public Housing Agency
<b>PMSA</b>	A Primary Metropolitan Statistical Area established by the U.S. Census Bureau
<b>PS</b>	Payment Standard
<b>QC</b>	Quality Control
<b>QHWRA</b>	Quality Housing and Work Responsibility Act of 1998
<b>RFAT</b>	Request for Approval of Tenancy
<b>RFP</b>	Request for Proposals
<b>RRP</b>	Rental Rehabilitation Program
<b>SSA</b>	Social Security Administration
<b>SRO</b>	Single Room Occupancy
<b>SSMA</b>	Standard Statistical Metropolitan Area. Has been replaced by MSA, Metropolitan Statistical Area.
<b>TR</b>	Tenant Rent
<b>TTP</b>	Total Tenant Payment
<b>UA</b>	Utility Allowance
<b>URP</b>	Utility Reimbursement Payment
<b>USCIS</b>	United States Citizenship and Immigration Service

## **B. GLOSSARY OF TERMS IN SUBSIDIZED HOUSING**

**50058 Form:** The HUD form that housing authorities are required to complete and electronically submit to HUD for each assisted household in public housing to record information used in the certification and re-certification process and, at the option of the housing authority, for interim reexaminations. Housing Authorities must retain at a minimum the last three years of the form 50058, and supporting documentation, during the term of each assisted lease, and for a period of at least three years from the end of participation date. Electronic retention of form HUD 50058 and HUD 50058-FSS and supporting documentation fulfills the record retention requirement.

**1937 ACT.** The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.)

**ABSORPTION:** In portability, the point at which a receiving housing authority starts making assistance payments with funding under its consolidated ACC, rather than billing, the initial housing authority. [24 CFR 982.4(b)]

**ACC RESERVE ACCOUNT (FORMERLY "PROJECT RESERVE").** Account established by HUD from amounts by which the maximum payment to the PHA under the consolidated ACC (during a PHA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

**ACTUAL OR IMMINENT THREAT:** a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: The duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.

**ADA.** Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.)

**ADJUSTED ANNUAL INCOME.** The amount of household income, after deductions for specified allowances, on which tenant rent is based. (24 CFR 5.611)

**ADJUSTED INCOME.** Annual income, less allowable HUD deductions.

**ADMINISTRATIVE FEE.** Fee paid by HUD to the PHA for administration of the program.

**ADMINISTRATIVE FEE RESERVE (Formerly "Operating reserve").** Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

**ADMINISTRATIVE PLAN.** The HUD required written policy of the PHA governing its administration of the Section 8 tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA's board and a copy submitted to HUD as a supporting document to the PHA Plan.

**ADMISSION.** The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

**ADULT:** A household member who is 18 years or older or who is the head of the household, or spouse, or co-head. An emancipated minor is also considered an adult. An adult must have the

legal capacity to enter a lease under State and local law. In the anti-drug portions of this policy, it also refers to a minor who has been convicted of a crime as an adult under any Federal, State or tribal law.

**AFFILIATED INDIVIDUAL:** with respect to an individual, means: (1) A spouse, parent, brother, sister, or child of that individual, or a person to whom that individual stands in the place of a parent or guardian (for example, the affiliated individual is a person in the care, custody, or control of that individual); or (2) Any individual, tenant, or lawful occupant living in the household of that individual.

**ALLOWANCES:** Amounts deducted from the household's annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, medical expenses for elderly and disabled families, disability expenses, and child care expenses for children under 13 years of age. Other allowances can be given at the discretion of the housing authority.

**ANNUAL BUDGET AUTHORITY.** The maximum annual payment by HUD to a PHA for a funding increment.

**ANNUAL CONTRIBUTIONS CONTRACT (ACC).** A written contract between HUD and a PHA. Under the contract HUD agrees to provide funding for operation of the program, and the PHA agrees to comply with HUD requirements for the program.

**ANNUAL INCOME.** All amounts, monetary or not, that:

- A. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member; or
- B. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- C. Are not specifically excluded from annual income.

Annual Income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access. (1937 Housing Act; 24 CFR 5.609)

**ANNUAL INCOME AFTER ALLOWANCES.** The Annual Income (described above) less the HUD-approved allowances.

**APPLICANT.** (or applicant family). A person or family that has applied for admission to a program but is not yet a participant in the program. (24 CFR 5.403)

**"AS-PAID" STATES.** States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs. Currently, the four as-paid States are New Hampshire, New York, Oregon, and Vermont.

**ASSETS.** The value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles are not counted as assets. (Also see "net family assets.")

**ASSET INCOME:** Income received from assets held by family members. If assets total more than \$5,000, income from the assets is "imputed" and the greater of actual asset income and imputed asset income is counted in annual income.

**ASSISTED TENANT.** A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and 221 (d)(3) BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.

**BIFURCATE:** means to divide a lease as a matter of law, subject to the permissibility of such process under the requirements of the applicable HUD covered program and State or local law, such that certain tenants or lawful occupants can be evicted or removed and the remaining tenants or lawful occupants can continue to reside in the unit under the same lease requirements or as may be revised depending upon the eligibility for continued occupancy of the remaining tenants and lawful occupants.

**BUDGET AUTHORITY.** An amount authorized and appropriated by the Congress for payment to PHAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

**BUSINESS DAYS:** Days the housing authority is open for business.

**CERTIFICATE.** A Certificate issued by the PHA under the Section 8 pre-merger certificate program, declaring a family to be eligible for participation in this program and stating the terms and conditions for such participation. Will no longer be issued after October 1, 1999.

**CERTIFICATE PROGRAM.** Pre-merger rental certificate program.

**CERTIFICATION:** The examination of a household's income, expenses, and family composition to determine the family's eligibility for program participation and to calculate the family's share of rent.

**CHILD:** For purposes of citizenship regulations, a member of the family other than the family head or spouse who is under 18 years of age. (24 CFR 5.504(b))

**CHILD CARE EXPENSES.** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income. (24 CFR 5.603(d))

**CITIZEN:** A citizen or national of the United States. (24 CFR 5.504(b))

**CO-HEAD.** An individual in the household who is equally responsible for the lease with the Head of Household. (A family never has a Co-head and a Spouse and; a Co-head is never a Dependent).

**COMMON SPACE.** In shared housing: Space available for use by the assisted family and other occupants of the unit.

**CONGREGATE HOUSING.** Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing.

**CONSENT FORM:** Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs, return information from the Social Security Administration, and return information for unearned income from the Internal Revenue Service. The consent forms may authorize the collection of other information from assistance applicants or participant to determine eligibility or level of benefits. (24 CFR 5.214)

**COOPERATIVE.** A dwelling unit owned and or shared by a group of individuals who have individual sleeping quarters and share common facilities such as kitchen, living room and some bathrooms.

**CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT.** (Consolidated ACC). See 24 CFR 982.151.

**CONTIGUOUS MSA.** In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

**CONTINUOUSLY ASSISTED.** An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

**CONTRACT.** (See Housing Assistance Payments Contract.)

**COOPERATIVE.** (term includes mutual housing). Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type: See 24 CFR 982.619.

**COVERED FAMILIES.** Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

**COVERED PERSON:** For purposes of the anti-drug provisions of this policy, a covered person is a tenant, any member of the tenant's household, a guest or another person under the tenant's control.

**CURRENTLY ENGAGING IN.** With respect to behavior such as illegal use of a drug, other drug-related criminal activity, or other criminal activity, currently engaging in means that the individual has engaged in the behavior recently enough to justify a reasonable belief that the individual's behavior is current. Arrests alone are not sufficient evidence of criminal activity.

**DATING VIOLENCE.** Violence committed by a person: (A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship.

**DECENT, SAFE, AND SANITARY:** Housing is decent, safe, and sanitary if it satisfies the applicable housing quality standards.

**DEPARTMENT:** The Department of Housing and Urban Development. (24 CFR 5.100)

**DEPENDENT.** A member of the family (except foster children and foster adults), other than the family head or spouse, who is under 18 years of age or is a person with a disability or is a full-time student. (24 CFR 5.603(d))

**DEPENDENT ALLOWANCE:** An amount, equal to \$480 multiplied by the number of dependents, that is deducted from the household's annual income in determining adjusted annual income.

**DISABILITY ASSISTANCE EXPENSES.** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source. (24 CFR 5.603(d))

**DISABILITY ASSISTANCE EXPENSE ALLOWANCE:** In determining adjusted annual income, the amount of disability assistance expenses deducted from annual income for families with a disabled household member.

**DISABLED FAMILY.** A family whose head (including co-head), spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides. (24 CFR 5.403(b)) (Also see "person with disabilities.")

**DISABLED PERSON.** See Person with Disabilities.

**DISPLACED FAMILY:** A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws. (24 CFR 5.403(b))

**DISPLACED PERSON:** A person displaced by governmental action or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws. *[1937 Act]*

**DOMESTIC VIOLENCE.** Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim share a child in common, by a person who is cohabitated with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that persons acts under the domestic or family violence laws of the jurisdiction. The term “spouse or intimate partner of the victim” includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.

**DOMICILE.** The legal residence of the household head or spouse as determined in accordance with State and local law.

**DRUG:** means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

**DRUG-RELATED CRIMINAL ACTIVITY:** Drug trafficking or the illegal use, or possession for personal use, of a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

**ECONOMIC SELF-SUFFICIENCY PROGRAM.** Any program designed to encourage, assist, train or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include programs for job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program necessary to ready a participant for work (including a substance abuse or mental health treatment program), or other work activities.

**ELDERLY FAMILY.** A family whose head (including co-head), spouse, or sole member is a person who is at least 62 years of age; two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides. (24 CFR 5.403)

**ELDERLY/DISABLE FAMILY ALLOWANCE:** For elderly families, an allowance of \$400 is deducted from the household's annual income in determining adjusted annual income.

**ELDERLY PERSON.** A person who is at least 62 years of age. (1937 Housing Act)

**ELIGIBILITY INCOME.** May 10, 1984, regulations deleted Eligibility Income, per se, because Annual Income is now for eligibility determination to compare to income limits.

**ELIGIBLE FAMILY (Family).** A family is defined by the PHA in the administrative Plan, which is approved by HUD.

**EXCEPTIONAL MEDICAL OR OTHER EXPENSES.** Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889 which exceeded 25% of the Annual Income. It is no longer used.

**EXCEPTION RENT.** In the pre-merger certificate program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR. See FMR/Exception rent.

**EXCESS MEDICAL EXPENSES.** Any medical expenses incurred by elderly or disabled families only in excess of 3% of Annual Income which are not reimbursable from any other source.

**EXTREMELY LOW-INCOME FAMILY.**

A very low-income family whose income does not exceed the higher of 30% of the median income for the area (as determined by HUD with adjustments for smaller and larger families) or the Federal poverty level, except that HUD may establish income ceilings higher or lower than 30% of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.



**FAIR HOUSING ACT.** Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.) (24 CFR 5.100)

**FAIR MARKET RENT (FMR).** The rent including the cost of utilities (except telephone) that would be required to be paid in the housing market area to obtain privately owned existing decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms) and are published in the *Federal Register*.

**FAMILY.** "Family" includes but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);

An elderly family (including co-head);

A near-elderly family (including co-head);

A displaced family (including co-head)

The remaining member of a tenant family; and

A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

("Family" can be further defined by the PHA).

**FAMILY MEMBERS:** All members of the household other than live-in aides, foster children, and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the lease.

**FAMILY OF VETERAN OR SERVICE PERSON.** A family is a "family of veteran or service person" when:

The veteran or service person (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.

The veteran or service person, unless deceased, is living with the family or is only temporarily absent unless s/he was (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support s/he is legally responsible and the spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that s/he was a family member at the time of hospitalization and there remain in the family at least two related persons.

**FAMILY RENT TO OWNER.** In the voucher program, the portion of the rent to owner paid by the family.

**FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM).** The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

**FAMILY SHARE.** The amount calculated by subtracting the housing assistance payment from the gross rent.

**FAMILY UNIT SIZE.** The appropriate number of bedrooms for a family, as determined by the PHA under the PHA's subsidy standards.

**FMR/EXCEPTION RENT.** The fair market rent published by HUD headquarters. In the pre-merger certificate program the initial contract rent for a dwelling unit plus any utility allowance could not exceed the FMR/exception rent limit (for the dwelling unit or for the family unit size). In the voucher program the PHA adopts a payment standard schedule that is within 90% to 110% of the FMR for each bedroom size.

**FOSTER CHILD CARE PAYMENT.** Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

**FULL-TIME STUDENT.** A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended).

**FUNDING INCREMENT.** Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

**GENDER IDENTITY.** Actual or perceived gender-related characteristics.

**GROSS FAMILY CONTRIBUTION.** Changed to Total Tenant Payment.

**GROSS RENT.** The sum of the Rent to Owner and the utility allowance. If there is no utility allowance, Rent to Owner equals Gross Rent.

**GROUP HOME.** A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

**GUEST:** Means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

**HAP CONTRACT.** (See Housing Assistance Payments contract.)

**HEAD OF HOUSEHOLD.** The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

**HOMELESS (as defined for 50058 reporting purposes):** An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- a. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; or
- b. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by

federal, state, or local government programs for low-income individuals); or

- c. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

or

Any individual or family who:

- a. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; and
- b. Has no other residence; and
- c. Lacks the resources or support networks, e.g. family, friends, and faith-based or other social networks, to obtain other permanent housing.

**HOUSEHOLD MEMBERS:** All members of the household including members of the family, live-in aides, foster children, and foster adults. All household members are listed on the lease, and no one other than household members are listed on the lease.

**HOUSING AGENCY.** A state, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing. ("PHA" and "HA" mean the same thing.)

**HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.** Act in which the U.S. Housing Act of 1937 (sometimes referred to as the Act) was recodified, and which added the Section 8 Programs.

**HOUSING ASSISTANCE PAYMENT.** The monthly assistance payment by a PHA. The total assistance payment consists of:

A payment to the owner for rent to owner under the family's lease.

An additional payment to the family if the total assistance payment exceeds the rent to owner. The additional payment is called a "utility reimbursement" payment.

**HOUSING ASSISTANCE PAYMENTS CONTRACT.** (HAP contract). A written contract between a PHA and an owner in the form prescribed by HUD headquarters, in which the PHA agrees to make housing assistance payments to the owner on behalf of an eligible family.

**HOUSING ASSISTANCE PLAN.** A housing plan that is submitted by a unit of general local government and approved by HUD as being acceptable under the standards of 24 CFR 570.

**IMMEDIATE FAMILY MEMBER:** a spouse, parent, brother or sister, or child of the person, or an individual to whom that person stands in loco parentis (in place of a parent); or any other person living in the household of that person and related to that person by blood or marriage.

**IMPUTED INCOME:** For households with net family assets of more than \$5,000, the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is

more than actual income from assets, the imputed amount is used as income from assets in determining annual income.

**IMPUTED WELFARE INCOME:** The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction for welfare fraud or the failure to comply with economic self-sufficiency requirements, that is nonetheless included in the family's annual income for purposes of determining rent.

**IN-KIND PAYMENTS:** Contributions other than cash made to the family or to a family member in exchange for services provided or for the general support of the family (e.g., groceries provided on a weekly basis, baby sitting provided on a regular basis).

**INTERIM (examination):** A reexamination of a family income, expenses, and household composition conducted between the regular annual recertifications when a change in a household's circumstances warrants such a reexamination.

**LAW ENFORCEMENT AGENCY:** The National Crime Information Center (NCIC), police departments and other law enforcement agencies that hold criminal conviction records.

**LEASE:** A written agreement between an owner and participant for the leasing of a dwelling unit to the resident. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner and the housing authority.

**LIVE-IN AIDE:** A person who resides with one or more elderly persons, near-elderly persons, or persons with disabilities and who:

- A. Is determined to be essential to the care and well-being of the persons;
- B. Is not obligated for the support of the persons; and
- C. Would not be living in the unit except for the exclusive purpose of providing the necessary supportive services and such support service is determined to be a full time job. (24 CFR 5.403(b))

A live-in aide is not a party to the lease.

**LOW-INCOME FAMILIES:** Those families whose incomes do not exceed 80% of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80% of the median for the area on the basis of the HUD's findings that such variations are necessary because of unusually high or low family incomes. (1937Act)

**MEDICAL EXPENSES:** Medical expenses (of all family members of an elderly or disabled family), including medical insurance premiums, that are anticipated during the period for which annual income is computed and that are not covered by insurance. (24 CFR 5.603(d)). These expenses include, but are not limited to, prescription and non-prescription drugs, costs for doctors, dentists, therapists, medical facilities, care for a service animals, and transportation for medical purposes.

**MIXED FAMILY:** A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status. (24 CFR 5.504(b))

**MONTHLY ADJUSTED INCOME:** One twelfth of adjusted income. (24 CFR 5.603(d))

**MONTHLY INCOME:** One twelfth of annual income. (24 CFR 5.603(d))

**NATIONAL:** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession. (24 CFR 5.504(b))

**NEAR-ELDERLY FAMILY:** A family whose head (including co-head), spouse, or sole member is a person who is at least 50 years of age but below the age of 62; two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides. (24 CFR 5.403(b))

**NET FAMILY ASSETS:**

- A. Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
- B. In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.
- C. In determining net family assets, housing authorities or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms. (24 CFR 5.603(d))

**NON-CITIZEN:** A person who is neither a citizen nor national of the United States. (24 CFR 5.504(b))

**OCCUPANCY STANDARDS:** The standards that a housing authority establishes for determining the appropriate number of bedrooms needed to house families of different sizes or composition.

**OTHER PERSON UNDER TENANT'S CONTROL:** For the purposes of the definition of covered person it means the person, although not staying as a guest (as defined in this section) in the unit, is, or was at the time of the activity in question, on the premises (as premises is defined

in this section) because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not under the tenant's control.

**OWNER:** Any person or entity, including a cooperative, having the legal right to lease or sublease existing housing. In the anti-drug related Areas of this policy, it means the owner of federally assisted housing.

**PARTICIPANT (participant family):** A family that has been admitted to the housing authority's program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the housing authority for the family (first day of initial lease).

**PAYMENT STANDARD:** In a housing choice voucher tenancy, the maximum monthly assistance payment for a family (before deducting the total tenant payment by family contribution). For a housing choice voucher tenancy, the housing authority sets a payment standard in the range from 90% to 110% of the current FMR.

**PERMANENTLY ABSENT:** A person or persons not actually residing in the unit who once lived there and does not intend to return. One becomes permanently absent when one vacates the unit.

**PERSON WITH DISABILITIES:** A person who:

- A. Has a disability as defined in 42 U.S.C. 423
- B. Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
  - 1. Is expected to be of long-continued and indefinite duration;
  - 2. Substantially impedes his or her ability to live independently; and
  - 3. Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
- C. Has a developmental disability as defined in 42 U.S.C. 6001

This definition does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

For purposes of qualifying for low-income housing, it does not include a person whose disability is based solely on any drug or alcohol dependence

**PERSONALLY IDENTIFIABLE INFORMATION (PII).** Information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

**PREMISES:** for purposes of the anti-drug provisions of this policy it means the building or complex or development in which the public or assisted housing dwelling unit is located, including common areas and grounds.

**PREVIOUSLY UNEMPLOYED.** Includes a person with disabilities who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

**PROCESSING ENTITY:** The person or entity that is responsible for making eligibility and related determinations and an income reexamination. In the Section 8 and public housing programs, the processing entity is the responsibility entity.

**PRORATION OF ASSISTANCE:** The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family who are eligible for assistance. (24 CFR 5.520)

**PUBLIC HOUSING AGENCY (PHA):** Any State, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or assist in the development or operation of low-income housing under the 1937 Housing Act. (24 CFR 5.100)

**RECERTIFICATION:** The annual reexamination of a family's income, expenses, and composition to determine the family's rent.

**REASONABLE RENT:** A rent to owner that is not more than charged: (a) for comparable units in the private unassisted market; and (b) for a comparable unassisted unit in the premises. Reasonable rent is further defined by PIH Notice 2020-19, *Rent Reasonableness – Defining Assisted Units for the Housing Choice Voucher and Project-Based Voucher Program*.

**RESPONSIBLE ENTITY:**

A. For the public housing program, the Section 8 tenant-based assistance program (24 CFR 982), and the Section 8 project-based certificate or voucher program (24 CFR 983), and the Section 8 moderate rehabilitation program (24 CFR 882), responsible entity means the PHA administering the program under an ACC with HUD;

B. For all other Section 8 programs, responsible entity means the Section 8 project owner.

**SELF-DECLARATION.** A type of verification statement by the tenant as to the amount and source of income, expenses, or family composition. Self-declaration is acceptable verification only when third-party verification or documentation cannot be obtained.

**SENSITIVE PERSONALLY IDENTIFIABLE INFORMATION.** PII that when lost, compromised or disclosed without authorization could substantially harm an individual. Examples of sensitive PII include social security or driver's license numbers, medical records, and financial account numbers such as credit or debit card numbers.

**SEXUAL ASSAULT:** any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.

**SEXUAL ORIENTATION.** Homosexuality, heterosexuality, or bisexuality.

**SHELTER ALLOWANCE:** That portion of a welfare benefit (e.g., TANF) that the welfare agency designates to be used for rent and utilities.

**SINGLE PERSON:** Someone living alone or intending to live alone who does not qualify as an elderly family, a person with disabilities, a displaced person, or the remaining member of a tenant family. (Public Housing: Handbook 7465.1 REV-2, 3-5)

**SPECIFIED WELFARE BENEFIT REDUCTION:**

- A. A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.
- B. "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:
  - 1. at the expiration of a lifetime or other time limit on the payment of welfare benefits;
  - 2. because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or
  - 3. because a family member has not complied with other welfare agency requirements.

**STALKING:** engaging in a course of conduct directed at a specific person that would cause a reasonable person to: (1) Fear for the person's individual safety or the safety of others; or (2) Suffer substantial emotional distress

**STATE WAGE INFORMATION COLLECTION AGENCY (SWICA).** The State agency receiving quarterly wage reports from employers in the State or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information. (24 CFR 5.214)

**TEMPORARILY ABSENT:** A person or persons not actually residing in a unit for a period of time while still maintaining control of the unit. If the absence exceeds fourteen (14) calendar days, the Housing Authority must agree to the absence.

**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF):** The program that replaced the Assistance to Families with Dependent Children (AFDC) that provides financial assistance to needy families who meet program eligibility criteria. Benefits are limited to a specified time period.

**TENANT:** The person or family renting or occupying an assisted dwelling unit. (24 CFR 5.504(b))

**THIRD PARTY (verification):** Written or oral confirmation of a family's income, expenses, or household composition provided by a source outside the household.

**TUITION.** The amount of tuition and required fees covering a full academic year most frequently charged to students. These values represent what a typical student would be charged and may not be the same for all students at an institution. If tuition is charged on a per-credit-



hour basis, the average full-time credit hour load for an entire academic year is used to estimate average tuition. Required fees include all fixed sum charges that are required of a large proportion of all students. The student who does not pay the charges is an exception. Verification of tuition and fees can be obtained from the student's bill or annual statement, by contacting the bursar's office, or from the school's website.

Examples of required fees include, but are not limited to, writing and science lab fees and fees specific to the student's major or program (i.e., nursing program).

Expenses related to attending an institution of higher education must not be included as tuition. Examples of these expenses include, but are not limited to, room and board, books, supplies, meal plans, transportation and parking, student health insurance plans, and other non-fixed sum charges.

For section 8 programs only, PHAs must include amounts of financial assistance an individual receives in excess of tuition and other required fees and charges when determining annual income.

For the Public Housing program, the full amount of financial assistance a student receives while participating in the program continues to be excluded from the program participant's annual income.

**UNITS OWNED BY THE AUTHORITY:** only if the unit is in a project that is one of the following categories: (1) Owned by the housing authority. (2) Owned by an entity wholly controlled by the housing authority. (3) Owned by a limited liability company or limited partnership in which the housing authority (or an entity wholly controlled by the housing authority) holds a controlling interest in the managing member or general partner. A "controlling interest" is— (A) holding more than 50 percent of the stock of any corporation; (B) having the power to appoint more than 50 percent of the members of the board of directors of a non-stock corporation (such as a non-profit corporation); (C) where more than 50 percent of the members of the board of directors of any corporation also serve as directors, officers or employees of the housing authority; (D) holding more than 50 percent of all managing member interests in an LLC; (E) holding more than 50 percent of all general partner interests in a partnership; or (F) equivalent levels of control in other organizational structures. Units in which the housing authority has a different ownership interest are no longer considered to be owned by the housing authority. In order to be considered a "housing authority-owned" unit as described above, the housing authority must have ownership interest in the building itself, not simply the land beneath the building.

**UTILITY ALLOWANCE:** If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made by a housing authority of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment. (24 CFR 5.603)

**UTILITY REIMBURSEMENT:** The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment for the family occupying the unit. (24 CFR 5.603)

**VAWA:** the Violence Against Women Act of 1994, as amended (42 U.S.C. 13925 and 42 U.S.C. 14043e et seq.).

**VERY LOW-INCOME FAMILIES:** Families whose incomes do not exceed 50% of the median family income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 50% of the median for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

**VIOLENT CRIMINAL ACTIVITY.** means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage. Arrests alone are not sufficient evidence of criminal activity.

**VOUCHER (rental voucher):** A document issued by a housing authority to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family and states the obligations of the family under the program.

**WELFARE ASSISTANCE:** 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 (including assistance provided under the Temporary Assistance for Needy Families (TANF) program, as that term is defined under the implementing regulations issued by the Department of Health and Human Services at 45 CFR 260.31).

45 CFR 260.31 defines the term “assistance” to include cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses).

It includes such benefits even when they are:

- A. Provided in the form of payments by a TANF agency, or other agency on its behalf, to individual recipients; and
- B. Conditioned on participation in work experience or community service (or any other work activity under 45 CFR 261.30).

Except where excluded later in this definition, it also includes supportive services such as transportation and childcare provided to families who are not employed.

The term “assistance” excludes:

- A. Nonrecurrent, short-term benefits that:
  - 1. Are designed to deal with a specific crisis situation or episode of need;
  - 2. Are not intended to meet recurrent or ongoing needs; and
  - 3. Will not extend beyond four months.
- B. Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);

- C. Supportive services such as child care and transportation provided to families who are employed;
- D. Refundable earned income tax credits;
- E. Contributions to, and distributions from, Individual Development Accounts;
- F. Services such as counseling, case management, peer support, childcare information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; and
- G. Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Act, to an individual who is not otherwise receiving assistance.

**WELFARE RENT:** In "as-paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.

**WELFARE-TO-WORK (WTW) FAMILIES.** Families assisted by a PHA with voucher funding awarded to the PHA under the HUD welfare-to-work voucher program (including any renewal of such WTW funding for the same purpose). **WRITTEN NOTIFICATION:** All written notifications required in this policy shall be hand delivered with a signed receipt or mailed via first class mail unless specified otherwise.

## **C. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE**

**CHILD.** A member of the family other than the family head or spouse who is under 18 years of age.

**CITIZEN.** A citizen or national of the United States.

**EVIDENCE OF CITIZENSHIP OR ELIGIBLE STATUS.** The documents which must be submitted to evidence citizenship or eligible immigration status.

**HEAD OF HOUSEHOLD.** The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

**HUD.** Department of Housing and Urban Development.

**USCIS.** United States Citizenship and Immigration Service

**MIXED FAMILY.** A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

**NATIONAL.** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

**NONCITIZEN.** A person who is neither a citizen nor national of the United States.

**PHA.** A housing authority who operates Public Housing.

**RESPONSIBLE ENTITY.** The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

**SECTION 214.** Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a).

**SPOUSE.** Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.



## **HOUSING CONVERSION ACTIONS (ENHANCED AND REGULAR HOUSING CHOICE VOUCHERS)**

Housing conversion actions are:

- A. Owner decisions to opt-out of or not renew Section 8 project-based contracts (opt-outs);
- B. Owner prepayments of the mortgage or the voluntary termination of the mortgage insurance of a preservation eligible property (preservation prepayments);
- C. HUD enforcement actions against owners (including the termination or non-renewal of a Section 8 project-based housing assistance payments (HAP) contract); and
- D. HUD property disposition activities.

Depending on the type of Housing Conversion Action, eligible families receive either regular voucher assistance or enhanced voucher assistance. Enhanced voucher assistance under Section 8(t) of the United States Housing Act of 1937 differs from regular housing choice voucher assistance in two major respects if the participant remains in the effected property. First, it will establish a new "minimum rent" equal to the rent the family was paying at the time of the eligibility event, and second it may establish an enhanced payment standard that exceeds the Housing Authority of the County of Dauphin ("HACD") normal payment standard.

Specifically, the following actions constitute "housing conversion actions":

### A. Preservation Prepayments

When the owner prepays the mortgage or voluntarily terminates the mortgage insurance of preservation eligible properties (generally Section 236 and Section 221(d)(3) properties) certain residents are eligible for enhanced voucher assistance.

### B. Project-based Opt-outs

When an owner chooses to end participation in certain programs by either opting-out of or not renewing certain expiring Section 8 contracts, eligible low-income residents assisted under the expiring Section 8 project-based contract are eligible for enhanced voucher assistance. The opt-out category includes cases where Section 8 contracts in restructured properties are converted to tenant-based assistance in accordance with section 515(c) of the Multifamily Assisted Housing Reform and Affordability Act of 1997. In the case of a 515(c) opt-out only, all families assisted under the expiring contract are income-eligible for enhanced voucher assistance.

Eligible low-income residents assisted under a rent supplement contract under Section 101 of the Housing and Urban Development Act of 1965 that ends at the expiration of a Section 8 HAP contract for units in the property are also eligible for enhanced voucher assistance. In a case where a rent supplement contract ends and there is not an expiring Section 8 project-based contract at the property, regular vouchers are provided to the eligible low-income families covered by the rent supplement contract, subject to availability of appropriations.

### C. HUD Enforcement Actions

When there is a HUD-originated termination action, HUD is either terminating the Section 8 project-based HAP contract or not offering the owner the option to renew an expiring Section 8 project-based HAP contract due to an owner's failure to comply with the terms of the HAP contract. It includes suspensions and debarments.

HUD enforcement actions may also result from material adverse financial or managerial actions or omissions that lead to either owner default under a FHA-insured mortgage (monetary or technical) or a documented material violation of one or more of the obligations under the property's Regulatory Agreement.

Eligible families are usually assisted with regular vouchers in these circumstances because families must move to receive housing choice voucher assistance.

D. HUD Property Disposition

A property disposition occurs when HUD is selling the property at a foreclosure sale, or is the mortgagee-in-possession or owner of the multifamily property due to an owner default on an FHA-insured mortgage and is closing down the property or selling the property to a new owner. Regular vouchers are provided to assist eligible low-income families in these cases.

***TENANT-BASED ISSUES FOR HOUSING CONVERSION ACTIONS***

In general, housing choice voucher program rules, regulations, and requirements apply to special admission vouchers made available for families as the result of "housing conversion actions". Some actions will lead to the issuance of enhanced vouchers, which will be discussed in detail in this Section.

The following program guidance is applicable to all housing conversion actions, both regular and enhanced voucher assistance.

A. Tenant-based Nature of the Assistance

Housing choice vouchers (including enhanced vouchers) provided by HUD as the result of a housing conversion action are always tenant-based assistance. Families issued vouchers may elect to use the assistance in the same property and in all cases may choose to move from the property. Families may choose to exercise portability and move outside of the jurisdiction of the HACD. There is no guarantee to the owner that any housing choice voucher assistance will be utilized at the property for any period of time. The HACD will emphasize the tenant-based aspect of the assistance when briefing families, who may be unfamiliar with the concept of tenant-based assistance and the freedom of choice associated with a tenant-based subsidy.

B. HACD Screening of Families

The HACD will utilize its normal screening procedures as part of the eligibility requirements.

The HACD will provide any family denied assistance with an opportunity for an informal review. The decision to deny assistance rests with the HACD,

C. Use of Owner Certifications for Determining Tenant Income

In order to reduce processing time, the HACD may exercise its right to use the owner's most recent family income examination if:

1. the owner's current certification for the family is no more than six (6) months old; and
2. the HACD determines that the owner certifications are acceptable after reviewing a small sample for accuracy.

If the HACD chooses to use the owner's income certification, the HACD will complete the subsequent family reexamination within one year of the date of the owner certification, not the date the HACD accepted the owner certification in lieu of conducting its own determination.

D. HACD Subsidy Standards

The HACD will issue the housing choice voucher in accordance with its normal subsidy standards, not the actual size of the unit the family is currently occupying. There is a special rule for enhanced vouchers concerning families who reside in over-sized units and wish to remain at the property. This exception only applies to enhanced voucher assistance.

The HACD will utilize the subsidy standard to calculate the maximum rent subsidy for the family. The payment standard for the family shall be the lower of:

1. the payment standard for the family unit size as determined by the HACD subsidy standards; or
2. the payment standard for the actual size of the unit rented by the family.

E. Search Time

Since these vouchers are targeted to specific families adversely affected by HUD or owner actions in HUD multifamily properties, the HACD will provide families with maximum search time that is reasonably required to locate housing.

F. Rent Reasonableness and Approval of Tenancy

All regular program requirements regarding the reasonableness of rent apply, regardless of whether the vouchers are enhanced vouchers or regular vouchers.

Reasonable rent is defined as a rent to owner that is not more than rent charged:

1. for comparable units in the private unassisted market; and
2. for comparable unassisted units in the premises.

The HACD will not approve a lease until the HACD determines that the initial rent to owner is a reasonable rent, regardless of whether the family chooses to remain in the family's current unit or move to a different unit.

If the HACD determines the proposed rent is not reasonable, the owner must lower the rent or the family will have to find another unit in order to benefit from the voucher subsidy.

The initial lease term must be for at least one year unless the HACD determines that a shorter term would improve housing opportunities for the participant and such shorter term is the prevailing local market practice.

G. Housing Quality Standards Inspections

The HACD will inspect the unit to ensure that the unit meets the normal housing quality standards even if the family is residing in a unit that was previously assisted under a Section 8 project-based contract. Under no circumstances will the HACD make housing assistance payments for any period of time prior to the date that the HACD physically inspects the unit and determines that the unit meets the housing quality standards.

H. Timing Issues Involving HAP Contract Execution and Effective Dates

The funding process for vouchers that the HACD receives from HUD is intended to result in issuance of the voucher to the family at least 60 calendar days prior to the target date of the housing



conversion action. The target date is the date that the family would be impacted by a rent increase or possible displacement as a result of the housing conversion action.

For opt-out or HUD enforcement actions, the target date is the date that the project-based HAP contract expires or is terminated. For a preservation property, the target date is the earliest date the owner may increase the rent (no earlier than 60 calendar days following the effective date of the prepayment).

Before the HACD approves a family to lease a dwelling unit with voucher assistance, the HACD shall determine that the following conditions are met:

1. the unit is eligible;
2. The unit has been inspected and passes the housing quality standards;
3. the lease includes the tenancy addendum;
4. the rent to owner is reasonable; and
5. at the time a family initially receives tenant-based regular voucher assistance for occupancy of a dwelling unit and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share (gross rent minus subsidy) must not exceed 40 percent of the family's adjusted monthly income. (The 40 percent restriction is not applicable in the case of a family assisted with enhanced voucher assistance.)

Once these conditions are met, the HACD will approve the unit for leasing.

In establishing the effective date of tenant-based HAP contracts, it is very important to make a distinction between families who choose to stay in the property and families who choose to move. The HACD will not approve a tenancy (and execute a housing choice voucher HAP contract) on behalf of a stayer (family that stays in the property) for a lease term that is effective prior to the target date of the housing conversion action. For a family that is moving, the HACD may approve a tenancy that begins before the target date, since in strong rental markets potential landlords will not hold a unit vacant.

#### I. Initial and Subsequent Use of Vouchers

All housing choice vouchers (enhanced or non-enhanced) provided in connection with housing conversion actions are special admission vouchers. Special admission vouchers differ from regular vouchers in that HUD provides the assistance with a specific family in mind. The HACD will first use the allocation to assist the families targeted for assistance. The HACD will not consider whether the family is on the housing choice voucher waiting list or the family's position on the housing choice voucher waiting list.

If a voucher issued to a family as the result of a housing conversion action turns over for any reason, the HACD will retain the voucher for use as part of its regular housing choice voucher program. In cases where an enhanced voucher turns over following initial issuance, the voucher loses its special enhanced characteristics and is subject to all normal housing choice voucher program rules.

#### J. Inapplicability of the HACD Targeting Requirement

Families admitted to the HACD's tenant-based voucher program as a result of a housing conversion action are not subject to the income targeting requirements of the tenant-based program, and their admission will not be counted in determining whether the HACD complied with the income targeting requirement.

## ***PRESERVATION PREPAYMENTS***

When the owner prepays the mortgage or voluntarily terminates the mortgage insurance of preservation eligible properties (generally Section 236 and Section 221(d)(3) properties) certain residents are eligible for enhanced voucher assistance.

### **A. Owner Prepays the Mortgage or Voluntarily Terminates the Mortgage Insurance (Preservation Prepayments)**

Tenant-based assistance is offered to eligible residents of properties covered by the Emergency Low-Income Housing Preservation Act of 1987 (ELIHPA) and the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA). (HUD's Office of Housing is responsible for identifying property eligibility under these provisions)

#### **1. Covered Prepayments**

To be considered an eligible property, the property must have reached its 20<sup>th</sup> year from final endorsement and meet one of the following criteria:

- a. Section 221(d)(3)-market rate, limited distribution properties receiving Section 8 payments converted from Rent Supplement whose project number series is 35001-36599;
- b. All Section 221(d)(3) below market interest rate properties whose project number series are 55001-55999 and 57501-57999, unless a Rent Supplement Contract remains in effect between HUD and the mortgagor;
- c. All Section 236 properties whose project number series are 44001-44799; 44801-44899; 45001-45999; and 58501-58999, unless a Rent Supplement Contract remains in effect between HUD and the mortgagor;
- d. A purchase money mortgage formerly insured under Section 221(d)(3) or 236;
- e. A mortgage held by a state agency as a result of a sale by HUD without insurance, which immediately before the sale would have been eligible low-income housing under LIHPRHA; which mortgage (1) for LIHPRHA properties is, or is within 2 years of being, eligible for prepayment by contract or regulation in effect before February 5, 1988 without HUD's prior approval; or (2) for ELIHPA properties is, or is within 1 year of being, eligible for prepayment under regulation or contract in effect before February 5, 1988; or
- f. All State-assisted properties that are eligible for preservation assistance under LIHPRHA or ELIHPA.

#### **2. Flexible Subsidy Properties**

Section 536 of the Preserving Affordable Housing for Senior Citizens and Families into the 21<sup>st</sup> Century Act provides that any property that receives or has received assistance under Section 201 of the Housing and Community Development Amendments of 1978 (the flexible subsidy program, 12 U.S.C. 1715z-1a) which is the subject of a transaction under which the property is preserved as affordable housing (as determined by HUD) shall be considered eligible low-income housing under Section 229 of LIHPRHA for purposes of eligibility of residents for enhanced tenant-based assistance. (The Office of Housing is responsible for determining on a case-by-case basis if a flexible subsidy property meets the requirements of Section 536 concerning the applicability of enhanced vouchers)

B. Families Eligible for Enhanced Voucher Assistance in Preservation Eligible Properties

The resident family must be residing in the preservation eligible property on the effective date of prepayment or voluntary termination of mortgage insurance (or the effective date of the transaction in the case of covered flexible subsidy properties), and must be income-eligible on that effective date.

1. Income Eligibility

In order to be eligible for enhanced voucher assistance, the resident must be:

- a. a low-income family (including a very low-income or extremely low income family);
- b. a moderate-income elderly or disabled family; or
- c. a moderate-income family residing in a low vacancy area (3 percent or less vacancy rate). (The HUD field office economist is responsible for determining whether the property where the owner is prepaying or voluntarily terminating the mortgage insurance is located in a low vacancy area).

A resident family who does not fall into one of those categories on the effective date of the prepayment or voluntary termination is not eligible for a voucher, regardless of whether the family's situation subsequently changes after the effective date of the prepayment.

A low-income family is a family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD.

A moderate-income family is a family whose annual income is above 80 percent but does not exceed 95 percent of the area median income as determined by HUD.

2. Unassisted and Assisted Families

Both previously unassisted and currently assisted residents may be eligible for enhanced voucher assistance as the result of a preservation prepayment.

A voucher participant who is residing in the property at the time of the eligibility event shall receive enhanced voucher assistance if the family meets all of the following conditions:

- a. the family must meet the income requirements on the date of the eligibility event;
- b. any rent increase under the voucher program must be in accordance with the lease agreement and program regulations;
- c. the new gross rent must be reasonable; and
- d. the family must decide to stay in the unit instead of moving.

Under the voucher program, an owner may increase the rent as permitted by the terms of the existing lease and local and state law, so long as the new rent is reasonable. The owner is not required by the program regulations to terminate the existing lease and HAP contract for current voucher participants to receive the special enhanced subsidy.

If the above conditions are met, the payment standard utilized by the HACD to calculate the housing assistance payment is the new gross rent of the family's unit. The enhanced

voucher minimum rent requirement now applies to the family (See Enhanced Voucher Minimum Rent Requirement for Stayers below).

Any family receiving Section 8 project-based assistance on the effective date of the prepayment will continue to receive the project-based assistance until the project-based contract expires or terminates. Such families will receive enhanced voucher assistance at the time of the expiration and non-renewal of the Section 8 project-based contract.

3. Eligibility Event and Existing Leases

Note that the eligibility event (e.g., the prepayment of the mortgage or the voluntary termination of a mortgage insurance contract for a preservation eligible property and the approval of the flexible subsidy transaction for flexible subsidy properties) does not in itself necessarily terminate or modify the existing leases between the owner and the current residents of the property. An owner may only legally increase the rent or terminate the lease as provided under the terms of the lease in accordance with state and local law. In addition, an owner may not increase the rent for at least 60 calendar days from the eligibility event in the case of a preservation prepayment or voluntary termination of the mortgage.

If an eligible family chooses to stay at the property, the HACD will not enter into a HAP contract that commences prior to the effective date of the rent increase.

In addition, a family that receives an enhanced voucher has the right to remain in the property as long as the units are used for rental housing and are otherwise eligible for housing choice voucher assistance. The owner may not terminate the tenancy of a family that exercises its right to remain except for a serious or repeated lease violation or other good cause. If an owner refuses to honor the family's right to remain, the family may exercise any judicial remedy that is available under state and/or local law.

4. Family Eligibility for Enhanced Voucher Assistance in Cases Where There Would be no Initial Housing Assistance Payment and the Family Wishes to Stay in the Property

If the HACD determines that the family is income-eligible for an enhanced voucher but that there is no HAP payment because the family's total tenant payment equals or is greater than the gross rent, the HACD will maintain a record of eligibility determination for that family. The HACD shall inform the family that should the family's income decrease or the family's rent increase within three years of the eligibility event, the family may contact the HACD. Should the HACD then determine that the change in income would result in a housing assistance payment, the HACD will execute a housing assistance payment contract on behalf of the family at such time (assuming the unit is approved for leasing in accordance with the housing choice voucher program requirements). It is the family's responsibility to contact the HACD when there is a decrease in family income or an increase in the family rent.

C. Voluntary Termination of Mortgage Insurance or Prepayment of Mortgage on Section 236 Property's Where Section 236 Rent Rules Remain Applicable (decoupling actions)

Where an owner voluntarily terminates the mortgage insurance or prepays the Section 236 mortgage in a preservation eligible Section 236 property and the rent setting requirements of the Section 236 program are still applicable to the property, the enhanced voucher rent would be no greater than the Basic Rent established in accordance with HUD Notice H 2000-8. Since families must pay at least 30 percent of their monthly adjusted income under the voucher subsidy formula, only those low-income families required to pay the basic rent will receive any voucher subsidy in such instance, unless the family chooses to move.

Regardless of the rents established under the rent formula for these properties, the rent reasonableness requirements of the housing choice voucher program must be met for the family to receive tenant-based assistance at the property. (The HUD Field Office is responsible for informing the HACD in cases where the rent setting requirements of the Section 236 program remain in effect).

D. Enhanced Voucher Family Right to Remain

The FY 2001 Military Construction and FY 2000 Emergency Supplemental Appropriations laws amended Section 8(t) of the United States Housing Act. A family that receives an enhanced voucher has the right to remain in the property as long as the units are used for rental housing and are otherwise eligible for housing choice voucher assistance (e.g., the rent is reasonable, unit meets HQS, etc.) The owner may not terminate the tenancy of a family that exercises its right to remain except for a serious or repeated lease violation or other good cause. If an owner refuses to honor the family's right to remain, the family may exercise any judicial remedy that is available under State and/or local law.

E. Characteristics of Enhanced Voucher Assistance

1. Payment Standard Where the Family Chooses to Stay in the Same Property

For a family that stays in the property, the payment standard used to calculate the voucher housing assistance payment is the gross rent (rent to owner, plus the applicable HACD utility allowance for any tenant-supplied utilities) of the family's unit (provided the proposed gross rent is reasonable), regardless of whether the gross rent exceeds the HACD payment standard.

2. Rent Reasonableness Documentation and Lease Requirements

All regular housing choice voucher program requirements concerning the reasonableness of the rent and the provisions of the HUD prescribed lease addendum apply to enhanced vouchers. The HACD will determine whether the proposed rent for the family's unit is reasonable.

The HACD makes this determination by comparing the unit to other comparable unassisted units based on the current condition of the unit. If the HACD determines the owner's proposed new rent is not reasonable, the owner must either lower the rent, or the family will have to find another unit in order to benefit from the voucher.

The special payment standard for enhanced tenant-based assistance for a family that stays in the unit sometimes results in the HACD approving a tenancy for a unit that otherwise would be ineligible or unaffordable to a family with regular tenant-based assistance. If the rent is reasonable in comparison to the rents of comparable unassisted units, there is nothing improper or incorrect in approving the owner's new rent even if the rent would not normally be affordable for a family with a regular housing choice voucher. The HACD will document the rent reasonableness of the owner's rent in the family's file by including the rents and addresses of the comparable units used to make the determination.

3. Effect of Family Unit Size Limitation - Initial Issuance

The HACD will issue the family an enhanced voucher based on its Subsidy Standards, not on the actual size of the unit the family is currently occupying. If a family is over-housed, the HACD will explain to the family their options under the existing HUD guidance as soon as possible. If the participant chooses to stay in their over-sized unit, the HACD will notify the property owner of the over-housed rules that will affect the family.

However, if the family wishes to stay in the property, but is living in an oversized unit, the enhanced voucher family must move to an appropriate size unit in the property if one is available. To the extent there are more over-housed families than appropriate size units available at any time, the HACD will determine based on family circumstances (age, frailty, etc.) which families will be required to move. The sequence which will be used to determine who shall be required to move first when there are more over-housed families than appropriate size units will be the resident who has lived there the shortest period of time will be the first to down-size. The reason for this is to avoid disruption as little as possible for the longest term residents.

If the family wishes to remain at the project with enhanced voucher assistance, and an appropriate size unit does not physically exist at the property, but a bedroom size unit is available that is smaller than the family's current unit but not smaller than the unit size for which the family qualifies under our subsidy standards, the family must move to the smaller bedroom size unit within 30 calendar days. The family and owner will enter into a new lease and the HACD will execute a new voucher HAP contract with the owner for the smaller bedroom size unit. The enhanced voucher subsidy calculation will be based on the gross rent for the smaller bedroom size unit.

If there is no appropriate size unit currently available for the family in the project, the HACD will execute a voucher HAP contract on behalf of the family for the oversized unit, provided the rent is reasonable and the unit complies with all other voucher program requirements such as the housing quality standards. The enhanced voucher housing subsidy calculation will be based on the gross rent for the oversized unit. The subsidy calculation will continue to be based on the gross rent (including subsequent rent increases) for the oversized unit<sup>1</sup> until an appropriate size unit in the project becomes available for occupancy by the family.

If an appropriate size unit is not initially available for an over-housed family, the owner must immediately inform the HACD and the family when an appropriate size unit will become available in the project. The owner is subject to possible financial penalties or other enforcement actions if the owner fails to notify the HACD immediately. If the HACD learns of available units at the property for which the owner failed to notify the HACD, the Authority will report such information to HUD by sending an email to [OverhousedEVs@hud.gov](mailto:OverhousedEVs@hud.gov) with the subject line Over-housed Enhanced Voucher Families. Within the email, the HACD will provide the following: PHA code; name and address of the property; the name of the property owner if known; the approximate date the appropriate size units became available; and whether the units are currently leased to market rate or voucher families. The HACD will also copy the relevant local HUD Office of Public Housing (PH) Director on the email.

When an appropriate size unit becomes available, the enhanced voucher family residing in the oversized unit must move to the appropriate size unit in no more than 30 calendar days to continue to receive enhanced voucher assistance. The family and owner will enter into a new lease and the housing authority will execute a new voucher HAP contract with the owner for the appropriate size unit. The enhanced voucher subsidy calculation is based on the gross rent for the appropriate size unit.

If an over-housed enhanced voucher family refuses to move to the appropriate size unit, the HACD will recalculate the family's housing assistance payment for the oversized unit based on the normally applicable voucher subsidy formula using the applicable payment standard established by the HACD for its voucher program. The family will be responsible for any amount of the gross rent not covered by the housing assistance payment.

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<sup>1</sup> This is assuming the unit remains under the voucher HAP contract and all program requirements (such as rent reasonableness) continue to be met.

The effective date of the housing assistance payment contract for the oversized unit will not be earlier than the expiration date of the term of the family voucher. The family will be responsible for the full rent of the unit prior to the effective date of the housing assistance payment contract.

The payment standard is the gross rent of the oversized unit.

If the HACD determines that the unit of an enhanced voucher family is no longer decent, safe, and sanitary under the HQS requirements because an increase or decrease in family size causes the unit to be overcrowded or over-housed, the family must move to an appropriate size unit in the property when it is or becomes available. The HACD will assist the family in locating other standard housing in the HACD jurisdiction. The family and the HACD will try to find an acceptable unit as soon as possible. If the family rejects, without good cause, the offer of a unit that the HACD judges to be acceptable, the HACD will terminate the HAP contract.

If the family moves to an appropriate size unit in the property, the enhanced voucher subsidy rules would continue to apply to the family's voucher assistance. In the case of a family move from the property, the regular housing choice voucher program rules apply.

If over-housed families exist in a property, the HACD will constantly monitor the availability of appropriate size units. The HACD will be in touch with the owner at least quarterly and will maintain a written record of these contacts.

When a participant is required to relocate to an appropriate size unit within 30 calendar days, this deadline can be extended an additional 30 calendar days at the sole discretion of the HACD if it decides that the 30 calendar day deadline creates an extreme hardship for the participant. In order to request an extension, the family must request the extension in writing to the HACD prior to end of the initial 30 calendar day deadline. The request must detail the reason the extension is being requested and why failing to receive it would be an extreme hardship. The financial cost of failing to receive the housing subsidy is not to be considered an extreme hardship. The HACD will respond to the request within 72 working hours of receipt of the request. If the request is denied, the denial can be appealed to the HACD Executive Director if a written appeal is filed with the Authority within 48 working hours of receipt of the denial. The Executive Director's decision shall be final.

4. Family Move: Normal Payment Standard is Applicable

The HACD's normal payment standard is utilized to determine the family's maximum voucher subsidy when the family moves from the property. This includes cases where the proposed new rent for the family's current unit if it is not reasonable or the unit fails HQS, requiring the family to move in order to continue receiving tenant-based assistance.

5. Enhanced Voucher Minimum Rent Requirement for Stayers

Families assisted with enhanced housing choice voucher assistance have a special statutory minimum rent requirement. The law requires that a family receiving enhanced voucher assistance must pay for rent no less than the rent the family was paying on the date of the eligibility event (the effective date of the prepayment of the mortgage or voluntary termination of the mortgage insurance) regardless of what happens to the family's income.

The enhanced voucher minimum rent only applies if the family remains in the property. The enhanced voucher minimum rent does not apply if the family moves from the property.

The method for calculating the minimum rent changes if the family's income subsequently decreases to a significant extent (15% or more) from the family's gross income on the effective date of the prepayment. Guidance on recalculating the minimum rent in cases when a family's income significantly decreases is discussed in detail in number 6 below.

a. Previously Unassisted Residents Rent Requirement

Previously unassisted residents must pay at least the dollar amount of the gross rent (enhanced voucher minimum rent) the family was paying on the date of prepayment or voluntary termination. The HACD's utility allowance will be used to calculate the gross rent at prepayment if all utilities were not included in the rent the family paid to the owner.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the normal initial family contribution is not applicable.

b. Previously assisted Section 8 Tenant-based Families Rent Requirement

Residents assisted with Section 8 tenant-based vouchers at the time of a prepayment or voluntary termination by the owner will pay at least the family share (enhanced voucher minimum rent) that they were paying on eligibility event. The enhanced minimum rent provision only applies if the family chooses to remain in its present unit and receive the "enhanced" subsidy.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the normal initial family contribution is not applicable.

6. Significant Decline in Family Income - Effect on Enhance Voucher Minimum Rent

If an enhanced voucher family suffers a significant decline in family income, the minimum family share required of the family shall be reduced below the enhanced minimum rent provision so that the percentage of income for rent does not exceed the greater of 30 percent or the percentage of monthly adjusted income actually paid by the family for rent (the rent to owner, plus tenant-paid utilities) on the effective date of the prepayment. A significant decline is defined as gross family income that is at least 15 percent less than the gross family income on the date of the eligibility event.

If the family suffers a significant decline in family income, the HACD will change the enhanced voucher minimum rent from an actual dollar amount to a specific percentage of income.

a. Previously Unassisted Families

For eligible families who were previously unassisted on the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

- i. the percentage of the monthly adjusted income the family paid for gross rent on the effective date of the eligibility event; or
- ii. 30 percent of the family's current adjusted monthly income.



b. Previously assisted Section 8 Tenant-based Families

For families who were previously assisted under a project-based or tenant-based contract on day the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

- i. the percentage of the monthly adjusted income the family paid for gross rent;
- ii. the Total Tenant Payment;
- iii. the family share represented on the effective date of the eligibility event; or
- iv. 30 percent of the family's current adjusted monthly income.

The new enhanced voucher minimum rent for these families is a percentage of income as opposed to a specific dollar amount. Once this change in the enhanced voucher minimum rent becomes effective for a family, the enhanced voucher minimum rent for the family normally remains that specific percentage of income and will not revert to a specific dollar amount, even if the family income subsequently increases or decreases unless it increases or decreases by a significant amount.

When a family reports a significant decrease in family income, the HACD will conduct an interim reexamination and verify the changes in income.

The minimum rent represents the lowest amount the family may pay as their family share for as long as the family remains in the property. A family may pay no less than the enhanced voucher minimum rent. Depending on the circumstances, the family may have to pay more than the enhanced voucher minimum rent at the time of eligibility event.

If there is a significant decline in a family's income, their rent is recalculated as the percentage of adjusted monthly income calculated at the time of the eligibility event or the family's TTP, whichever is higher. Conversely, if there is a significant increase in income, the participant's rent is the lower of the percentage of adjusted monthly income calculated at the time of the eligibility event or the original Enhanced Voucher minimum rent. Notice PIH 2019-12 sets forth examples.

7. Calculating the HAP for Enhanced Voucher Assistance

Regardless of whether the owner's new gross rent after the eligibility event exceeds or is less than the HACD's payment standard, the housing assistance payment for a family that stays in their present unit (or moves from an oversized unit to an appropriate size unit within the property) is the following:

The gross rent for the unit minus the greatest of:

- a. 30 percent of the adjusted family income;
  - i. 10 percent of the family monthly income (gross monthly income);
  - ii. the welfare rent in as-paid states;

- iii. the enhanced voucher minimum rent; or
- iv. the HACD's minimum rent.

8. Movers from the Property

If a resident decides to move from the property with the voucher assistance, the payment standard is not enhanced and the special voucher minimum rent does not apply. This applies both to families who decide to move when the eligibility event takes place and to families who have resided at the property after the eligibility event and want to move with continued assistance. In either circumstance, the housing assistance payment and the family share at the new unit are calculated in accordance with the regular rules of the housing choice voucher program.

F. Administering Enhanced Voucher Assistance

The special conditions of enhanced voucher assistance (enhanced voucher minimum rent and the special payment standard rules) are applicable for as long as the family receives voucher assistance in the property.

If an owner subsequently raises the rent for an enhanced voucher family in accordance with the lease, State and local law, and voucher program regulations (including rent reasonableness), the HACD will utilize the new gross rent to calculate the voucher HAP payment for the family.

The HACD shall identify an eligible family as an enhanced voucher family even if the gross rent of the family's unit does not currently exceed the normally applicable HACD payment standard. Since the enhanced payment standard rule also covers any subsequent rent increases, it is possible that the special payment standard may come into play later in the family's tenancy. An enhanced voucher family is also required by law to pay no less than the enhanced voucher minimum rent, regardless of whether the gross rent exceeds the normally applicable HACD payment standards.

1. Enhanced Voucher Minimum Rent

The enhanced voucher minimum rent requirement remains in effect for all families who receive enhanced voucher assistance for as long as they remain in the property.

2. The payment standard used to calculate the family subsidy will continue to be enhanced to match the gross rent for the unit if the gross rent exceeds the normally applicable payment standard and the HACD determines the rent is reasonable for as long as the enhanced voucher family continues to reside in the same property.

If the owner raises the rent for a family assisted with an enhanced voucher in accordance with the lease, State and local law, and voucher program regulations, the HACD will increase the enhanced payment standard to equal the new gross rent (rent to owner and the applicable HACD utility allowance for any tenant-supplied utilities) for the unit provided the HACD determines the rent is reasonable. The additional cost of the subsidy will be covered through the regular renewal process for the HACD's voucher program.

If a change in the HACD's utility allowance (either an increase or decrease) affects the gross rent for a family assisted with an enhanced voucher, the HACD will adjust the enhanced payment standard accordingly. The enhanced payment standard may never exceed the gross rent for the assisted family's unit.

## ***OWNER OPT-OUTS***

If an owner opts-out or elects not to renew an expiring contract for project-based assistance, HUD will make enhanced voucher authority available to the HACD for eligible families covered by the expiring contract.

### **A. Covered Opt-outs**

The property must be covered in whole or in part by a contract for project-based assistance, and consist of more than four dwelling units under one of the following programs:

1. The new construction or substantial rehabilitation program under Section 8(b)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1983);
2. The property disposition program under Section 8(b) of the United States Housing Act of 1937;
3. The loan management assistance program under Section 8(b) of the United States Housing Act of 1937;
4. The rent supplement program under Section 101 of the Housing and Urban Development Act of 1965, provided that at the same time there is also a Section 8 project-based contract at the same property that is expiring or terminating and will not be renewed;
5. Section 8 of the United States Housing Act of 1937, following conversion from assistance under Section 101 of the Housing and Urban Development Act of 1965; or
6. The moderate rehabilitation program under Section 8(e)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1991).

Note that an owner may not choose to opt-out of a rent supplement contract. Instead, the rent supplement assistance ends either at the end of the term of the contract (generally 40 years after the first rent supplement payment was made) or when the mortgage terminates, depending on which event occurs first.

In addition, although families affected by Section 8 moderate rehabilitation opt-outs are eligible for enhanced vouchers that are subject to enhanced vouchers rules, these opt-outs are not considered a housing conversion action because the expiring contract is between the owner and the HACD. The Housing Authority is not eligible to receive the special fee for extraordinary administrative costs and the specific funding process instructions do not apply to an owner's decision to not renew an expiring Section 8 moderate rehabilitation contract.

### **B. Family Eligibility for Enhanced Vouchers as a Result of an Owner Opt-out**

In order to be eligible for enhanced voucher assistance, the resident must be:

1. A low-income family (including a very low or extremely low income family); and
2. Residing in a unit covered by the expiring Section 8 project-based contract on the date of expiration.

In the case of the expiration of a covered Section 8 contract under 515(c) of MAHRA only (mark-to-market restructuring where the Section 8 project-based assistance contract is converted to tenant-based assistance), all families assisted under the expiring contract are considered income-eligible for enhanced voucher assistance.

C. Special Income Eligibility Rules for Opt-out Families in Properties Where a Preservation Prepayment Preceded the Owner Opt-out

If the owner opt-out of the Section 8 project-based contract occurs after the owner has prepaid the mortgage or voluntarily terminated the mortgage insurance of a preservation eligible property, families who do not meet the definition of a low-income family may still be eligible to receive an enhanced voucher. In order to be eligible, the family must:

1. Reside in a unit covered by the expiring contract on the date of expiration;
2. Have also resided in the property on the effective date of the prepayment; and
3. Meet the income requirements for enhanced voucher eligibility for residents affected by a preservation prepayment described below.

To determine family eligibility in this circumstance, the HACD will first determine income eligibility of the family based on the normal eligibility rules for opt-outs. For a family that is found not to be low-income, the HACD will then make a determination of whether the family lived in the property on the date of the prepayment. If the family resided in the property on the date of prepayment, the HACD will then determine if the family is income-eligible under the preservation prepayment rules.

1. Income Requirements for Enhanced Voucher Eligibility for Residents Affected by a Preservation Prepayment

In order to be eligible for enhanced voucher assistance, the resident must be either:

- i. A low-income family (including a very low or extremely low income family);
- ii. A moderate-income elderly or disabled family; or
- iii. A moderate-income family residing in a low vacancy area (3 percent or less vacancy rate). (The HUD field office economist is responsible for determining whether the property where the owner is prepaying or voluntarily terminating the mortgage insurance is located in a low vacancy area).

A low-income family is a family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD.

A moderate-income family is a family whose annual income is above 80 percent but does not exceed 95 percent of the area median income as determined by HUD.

If the family meets the preservation income requirement, the HACD will issue the family an enhanced voucher by virtue of the preservation prepayment out of the opt-out voucher allocation received from HUD.

A resident family who does not fall into one of those categories on the effective date of the prepayment or voluntary termination is not eligible for an enhanced voucher, regardless of whether the family's situation subsequently changes after the effective date of the prepayment.

D. Family Eligibility for Enhanced Voucher Assistance in Cases Where There Would be no Initial Housing Assistance Payment and the Family Wishes to Stay in the Property

If the HACD determines that the family is income-eligible for an enhanced voucher but that there is no HAP payment because the family's total tenant payment equals or is greater than the gross rent, the HACD will maintain a record of eligibility determination for that family. The HACD will inform

the family that should the family's income decrease or the family's rent increase within three years of the eligibility event, the family may contact the HACD. Should the HACD then determine that the change in income would result in a housing assistance payment, the HACD will execute a housing assistance payment contract on behalf of the family at such time (assuming the unit is approved for leasing in accordance with the housing choice voucher program requirements). It is the family's responsibility to contact the HACD when there is a decrease in family income or an increase in the family rent.

E. Enhanced Voucher Family Right to Remain

The FY 2001 Military Construction and FY 2000 Emergency Supplemental Appropriations laws amended Section 8(t) of the United States Housing Act. A family that receives an enhanced voucher has the right to remain in the property as long as the units are used for rental housing and are otherwise eligible for housing choice voucher assistance (e.g., the rent is reasonable, unit meet HQS, etc.) The owner may not terminate the tenancy of a family that exercises its right to remain except for a serious or repeated lease violation or other good cause. If an owner refuses to honor the family's right to remain, the family may exercise any judicial remedy that is available under State and/or local law.

F. Characteristics of Enhanced Voucher Assistance

1. Payment Standard Where the Family Chooses to Stay in the Same Property

For a family that stays in the property, the payment standard used to calculate the voucher housing assistance payment is the gross rent (rent to owner, plus the applicable HACD utility allowance for any tenant-supplied utilities) of the family's unit (provided the proposed gross rent is reasonable), regardless of whether the gross rent exceeds the HACD normal payment standard.

2. Rent Reasonableness Documentation and Lease Requirements

All regular housing choice voucher program requirements concerning the reasonableness of the rent and the provisions of the HUD prescribed lease addendum apply to enhanced vouchers. The HACD will determine whether the proposed rent for the family's unit is reasonable.

The HACD makes this determination by comparing the unit to other comparable unassisted units based on the current condition of the unit. If the HACD determines the owner's proposed new rent is not reasonable, the owner must either lower the rent, or the family will have to find another unit in order to benefit from the voucher.

The special payment standard for enhanced tenant-based assistance for a family that stays in the unit sometimes results in the HACD approving a tenancy for a unit that otherwise would be ineligible or unaffordable to a family with regular tenant-based assistance. If the rent is reasonable in comparison to the rents of comparable unassisted units, there is nothing improper or incorrect in approving the owner's new rent even if the rent would not normally be affordable for a family with a regular housing choice voucher. The HACD will document the rent reasonableness of the owner's rent in the family's file by including the rents and addresses of the comparable units used to make the determination.

3. Effect of Family Unit Size Limitation - Initial Issuance

The HACD will issue the family an enhanced voucher based on its Subsidy Standards, not on the actual size of the unit the family is currently occupying. However, if the family wishes to stay in the property, but is living in an oversized unit, the enhanced voucher family must move to an appropriate size unit in the property if one is available. To the

extent there are more over-housed families than appropriate size units available at any time, the HACD will determine based on family circumstances (age, frailty, etc.) which families will be required to move.

If there is no appropriate size unit currently available in the property, a family must make a good faith attempt to find a unit outside the property. In order to determine if the family has made a good faith effort, the HACD will require the family to submit a list of potential units by address, the landlords name and telephone number.

If the family has not located an eligible unit at the end of the term of the voucher (including any extension granted by the HACD) despite making a good faith effort, the HACD will execute a housing assistance payment contract for the family's current unit, provided the unit complies with housing quality standards and the proposed rent is determined to be reasonable.

The effective date of the housing assistance payment contract for the oversized unit will not be earlier than the expiration date of the term of the family voucher. The family will be responsible for the full rent of the unit prior to the effective date of the housing assistance payment contract.

The payment standard is the gross rent of the oversized unit. The HACD will advise the family in writing that the enhanced subsidy based on the oversized unit's rent will only be paid for one year. During that year, the family may move to an appropriate size unit in the property if one becomes available and the owner agrees to mutually terminate the lease agreement for the oversized unit. The family would receive the special payment standard for the appropriate size unit if the family moves to the appropriate size unit under this circumstance.

After the initial year of assistance in the oversized unit, the HACD will apply the normal payment standard in determining the family's housing assistance payment. If the family wishes to remain in the unit and do so under regular housing choice voucher program rules, the family will have to pay the additional cost for the oversized unit out-of-pocket.

If the HACD determines that the unit of an enhanced voucher family is no longer decent, safe, and sanitary under the HQS requirements because of an increase in family size that causes the unit to be overcrowded, the family must move to an appropriate size unit in the property or move to another unit not located at the property to continue to receive housing choice voucher assistance. The HACD is required to assist the family in locating other standard housing in the HACD jurisdiction. The family and the HACD will try to find an acceptable unit as soon as possible. If the family rejects, without good cause, the offer of a unit that the HACD judges to be acceptable, the HACD will terminate the HAP contract.

If the family moves to an appropriate size unit in the property, the enhanced voucher subsidy rules would continue to apply to the family's voucher assistance. In the case of a family move from the property, the regular housing choice voucher program rules apply.

4. Family Move: Normal Payment Standard is Applicable

The HACD's normal payment standard is utilized to determine the family's maximum voucher subsidy when the family moves from the property. This includes cases where the proposed new rent for the family's current unit is not reasonable or the unit fails HQS, requiring the family to move in order to continue receiving tenant-based assistance.

5. Enhanced Voucher Minimum Rent Requirement for Stayers

Families assisted with enhanced housing choice voucher assistance have a special statutory minimum rent requirement. The law requires that a family receiving enhanced voucher assistance must pay for rent no less than the rent the family was paying on the date of the eligibility event (the effective date of the prepayment of the mortgage or voluntary termination of the mortgage insurance).

The enhanced voucher minimum rent only applies if the family remains in the property. The enhanced voucher minimum rent does not apply if the family moves from the property.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the initial family contribution is not applicable.

a. Previously Unassisted Residents Rent Requirement

Previously unassisted residents must pay at least the dollar amount of the gross rent (enhanced voucher minimum rent) the family was paying on the date of prepayment or voluntary termination. The HACD's utility allowance is used to calculate the gross rent at prepayment if all utilities were not included in the rent the family paid to the owner.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the initial family contribution is not applicable.

b. Previously assisted Section 8 Tenant-based Families Rent Requirement

Residents assisted with Section 8 tenant-based vouchers at the time of the prepayment or voluntary termination the family will pay at least the family share (enhanced voucher minimum rent) that they were paying on eligibility event. The enhanced minimum rent provision only applies if the family chooses to remain in its present unit and receive the "enhanced" subsidy.

A family who stays in the unit and receives enhanced voucher assistance must pay the enhanced voucher minimum rent. If the enhanced voucher minimum rent exceeds 40 percent of the family's monthly-adjusted income, a family must still pay at least the enhanced voucher minimum rent, and the restriction on the initial family contribution is not applicable.

6. Significant Decline in Family Income - Effect on Enhance Voucher Minimum Rent

If an enhanced voucher family suffers a significant decline in family income, the minimum family share required of the family shall be reduced so that the percentage of income for rent does not exceed the greater of 30 percent or the percentage of monthly adjusted income actually paid by the family for rent (the rent to owner, plus tenant-paid utilities) on the effective date of the prepayment. A significant decline is defined as gross family income decline of at least 15 percent from the gross family income on the date of the eligibility event.

If the family suffers a significant decline in family income, the HACD will change the enhanced voucher minimum rent from an actual dollar amount to a specific percentage of income.

a. Previously Unassisted Families

For families who were previously unassisted on the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

- i. The percentage of the monthly adjusted income the family paid for gross rent on the effective date of the eligibility event; or
- ii. 30 percent of the family's current adjusted monthly income.

b. Previously assisted Section 8 Tenant-based Families

For families who were previously assisted under the Section 8 tenant-based voucher program on the eligibility event, the family's new enhanced voucher minimum rent is the greater of:

- i. The percentage of the monthly adjusted income the family paid for gross rent;
- ii. The Total Tenant Payment;
- iii. The family share represented on the effective date of the eligibility event; or
- iv. 30 percent of the family's current adjusted monthly income.

The new enhanced voucher minimum rent for these families is a percentage of income as opposed to a specific dollar amount. Once this change in the enhanced voucher minimum rent becomes effective for a family, the enhanced voucher minimum rent for the family remains that specific percentage of income and will not revert to a specific dollar amount, even if the family income subsequently increases or decreases.

When a family reports a significant decrease in family income, the HACD will conduct an interim reexamination and verify the changes in income.

The minimum rent represents the lowest amount the family may pay as their family share for as long as the family remains in the property. A family may pay no less than the enhanced voucher minimum rent. Depending on the circumstances, the family may have to pay more than the enhanced voucher minimum rent at the time of eligibility event.

7. Calculating HAP for Enhanced Voucher Assistance

Regardless of whether the owner's new gross rent after the eligibility event exceeds or is less than the HACD's payment standard, the housing assistance payment for a family that stays in their present unit (or moves from an oversized unit to an appropriate size unit within the property) is the following:

The gross rent for the unit minus the greatest of:

- a. 30 percent of the adjusted family income;
- b. 10 percent of the family monthly income (gross monthly income);



- c. The welfare rent in as-paid states;
- d. The enhanced voucher minimum rent; or
- e. The HACD's minimum rent.

8. Movers from the Property

If a resident decides to move from the property with voucher assistance, the payment standard is not enhanced and the voucher minimum rent does not apply. This pertains to families who decide to move when the eligibility event takes place, and to families who have resided at the property after the eligibility event and want to move with continued assistance. In either circumstance, the housing assistance payment and the family share at the new unit are calculated in accordance with the regular rules of the housing choice voucher program.

G. Administering Enhanced Voucher Assistance

The special conditions of enhanced voucher assistance (enhanced voucher minimum rent and the special payment standard rules) are applicable for as long as the family receives voucher assistance in the property.

If an owner subsequently raises the rent for an enhanced voucher family in accordance with the lease, State and local law, and voucher program regulations (including rent reasonableness), the HACD will utilize the new gross rent to calculate the voucher HAP payment for the family.

The HACD will identify an eligible family as an enhanced voucher family even if the gross rent of the family's unit does not currently exceed the normally applicable HACD payment standard. Since the enhanced payment standard rule also covers any subsequent rent increases, it is possible that the special payment standard may come into play later in the family's tenancy. An enhanced voucher family is also required by law to pay no less than the enhanced voucher minimum rent, regardless of whether the gross rent exceeds the normally applicable HACD payment standards.

1. Enhanced Voucher Minimum Rent

The enhanced voucher minimum rent requirement remains in effect for all families who receive enhanced voucher assistance and remain at the property.

2. The payment standard used to calculate the family subsidy will continue to be enhanced to match the gross rent for the unit if the gross rent exceeds the normally applicable payment standard and the HACD determines the rent is reasonable for as long as the enhanced voucher family continues to reside in the same property.

If the owner raises the rent for a family assisted with an enhanced voucher in accordance with the lease, State and local law, and voucher program regulations, the HACD will increase the enhanced payment standard to equal the new gross rent (rent to owner and the applicable HACD utility allowance for any tenant-supplied utilities) for the unit provided the HACD determines the rent is reasonable. The additional cost of the subsidy will be covered through the regular renewal process for the HACD's voucher program.

If a change in the HACD's utility allowance (either an increase or decrease) affects the gross rent for a family assisted with an enhanced voucher, the HACD will adjust the enhanced payment standard accordingly. The enhanced payment standard may never exceed the gross rent for the assisted family's unit.

### ***HUD ENFORCEMENT ACTIONS***

HUD enforcement actions can take the form of either terminating a Section 8 project-based HAP contract or not offering the owner the option to renew an expiring Section 8 project-based HAP contract due to an owner's failure to comply with the terms of the HAP contract. It includes suspensions and debarments.

Additionally, HUD enforcement actions may also result from material adverse financial or managerial actions or omissions that lead to either an owner default under a FHA-insured mortgage (monetary or technical) or a documented material violation of one or more of the obligations under the property's Regulatory Agreement.

Eligible families are usually assisted with regular vouchers that HUD issues to the HACD in the above circumstances because families must move to receive housing choice voucher assistance.

The HACD will not approve an assisted tenancy at a property if HUD has informed the HACD that the owner is debarred, suspended, or subject to a limited denial of participation.

Furthermore, the HACD may disapprove owner participation in the housing choice voucher program for a number of other grounds described in the housing choice voucher program regulations and previously set forth in this Administrative Plan. HUD encourages the HACD to disapprove a tenancy for any of these grounds in a case where vouchers are provided because HUD is taking an enforcement action against an owner.

In a few situations, families assisted under a Section 8 project-based HAP contract that is being terminated may be able to remain at the property. For instance, if the property is in good physical condition and the owner decides to turn the property over to new ownership, it may be possible for the eligible families assisted under the terminating contract to receive housing choice voucher assistance at the property. In such a case, the project-based families would qualify for enhanced vouchers. (HUD will make the determination whether enhanced or regular voucher assistance is appropriate.)

### ***HUD PROPERTY DISPOSITION***

When HUD is selling the property at a foreclosure sale, or is the mortgagee-in-possession or owner of the multifamily property due to an owner default of an FHA-insured mortgage and closing down the property or selling property to a new owner, it will supply regular housing choice vouchers to assist eligible low-income families.

## PROGRAM INTEGRITY ADDENDUM

[24 CFR 792.101 to 792.204, 982.54]

***INSTRUCTION:** PHAs vary widely in the resources they commit to the prevention, detection and disposition of tenant fraud and other types of program abuse. Because of this, you should view this chapter as a menu from which to select and **build** the policies which best match your resources.*

*Regardless of resources, however, the PHA should establish procedures for how allegations of fraud or abuse will be reviewed and processed.*

### INTRODUCTION

The US Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental assistance than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits which exceed their legal entitlement.

The PHA is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach only income-eligible families so that program integrity can be maintained.

The PHA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This chapter outlines the PHA's policies for the prevention, detection and investigation of program abuse and fraud.

## **A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD**

Under no circumstances will the PHA undertake an inquiry or an audit of a participating family arbitrarily. The PHA's expectation is that participating families will comply with HUD requirements, provisions of the voucher, and other program rules. The PHA staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, the PHA has a responsibility to HUD, to the Community, and to eligible families in need of housing assistance, to monitor participants and owners for compliance and, when indicators of possible abuse come to the PHA's attention, to investigate such claims.

The PHA will initiate an investigation of a participating family only in the event of one or more of the following circumstances:

**Referrals, Complaints, or Tips.** The PHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.

**Internal File Review.** A follow-up will be made if PHA staff discovers (as a function of a certification or recertification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, the PHA's knowledge of the family, or is discrepant with statements made by the family.

**Verification of Documentation.** A follow-up will be made if the PHA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information or credit bureau reports, reports from other agencies).

## **B. STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD**

The PHA management and staff will utilize various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participating families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

***Things You Should Know.*** This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify the PHA's expectations for cooperation and compliance.

**Program Orientation Session.** Mandatory orientation sessions will be conducted by the PHA staff for all prospective program participants, either prior to or upon issuance of a voucher. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Program Briefing Certificate" to confirm that all rules and pertinent regulations were explained to them.

**Resident Counseling.** The PHA will routinely provide participant counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.

**Review and explanation of Forms.** Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

**Use of Instructive Signs and Warnings.** Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse

**Participant Certification.** All family representatives will be required to sign a "Participant Certification" form, as contained in HUD's Participant Integrity Program Manual.

### **C. STEPS THE PHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD**

The PHA Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

**Quality Control File Reviews.** Prior to initial certification, and at the completion of all subsequent recertifications, [10 % of files] will be reviewed. Such reviews shall include, but are not limited to:

- \* **Assurance that verification of all income and deductions is present.**
- \* **Changes in reported Social Security Numbers or dates of birth.**
- \* **Authenticity of file documents.**
- \* **Ratio between reported income and expenditures.**
- \* **Review of signatures for consistency with previously signed file documents.**
- \* **All forms are correctly dated and signed.**

**Observation.** The PHA Management and Occupancy Staff (to include inspection personnel) will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

- \* **Observations will be documented in the family's file.**

**Public Record Bulletins** may be reviewed by Management and Staff.

**State Wage Data Record Keepers.** Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits

**Credit Bureau Inquiries.** Credit Bureau inquiries may be made (with proper authorization by the participant) in the following circumstances:

- \* **At the time of final eligibility determination**
- \* **When an allegation is received by the PHA wherein unreported income sources are disclosed.**
- \* **When a participant's expenditures exceed his/her reported income, and no plausible explanation is given.**

### **D. THE PHA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD**

The PHA staff will encourage all participating families to report suspected abuse to **[caseworker]**. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the participant's file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The **[PHA]** will not follow up on allegations which are vague or otherwise non-specific. They will only review allegations which contain one or more independently verifiable facts.

**File Review.** An internal file review will be conducted to determine:

If the subject of the allegation is a client of the PHA and, if so, to determine whether or not the information reported has been previously disclosed by the family.

It will then be determined if the PHA is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

**Conclusion of Preliminary Review.** If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the **[caseworker]** will initiate an investigation to determine if the allegation is true or false.

#### **E. OVERPAYMENTS TO OWNERS**

**\* If the landlord has been overpaid as a result of fraud, misrepresentation or violation of the Contract, the PHA may terminate the Contract and arrange for restitution to the PHA and/or family as appropriate.**

**\* The PHA will make every effort to recover any overpayments made as a result of landlord fraud or abuse. Payments otherwise due to the owner may be debited in order to repay the PHA or the tenant, as applicable.**

## **F. HOW THE PHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD**

If the PHA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file, or a person designated by the Executive Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the PHA will secure the written authorization from the program participant for the release of information.

\* **Credit Bureau Inquiries.** In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity that conflicts with the reported income of the family.

\* **Employers and Ex-Employers.** Employers or ex-employers may be contacted to verify wages which may have been previously undisclosed or misreported.

\* **Neighbors/Witnesses.** Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the PHA's review.

\* **Other Agencies.** Investigators, case workers or representatives of other benefit agencies may be contacted.

\* **Public Records.** If relevant, the PHA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

\* **Hearings with Head of Household or Family Members.** The PHA will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate PHA office. A high standard of courtesy and professionalism will be maintained by the PHA staff person who conducts such hearings. Under no circumstances will inflammatory language, accusation, or any unprofessional conduct or language be tolerated by the management. If possible, an additional staff person will attend such hearings.



**G. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE PHA**

Documents and other evidence obtained by the PHA during the course of an investigation will be considered "work product" and will either be kept in the participant's file, or in a separate "work file." In either case, the participant's file or work file shall be kept in a locked file cabinet. Such cases under review will not be discussed among PHA Staff unless they are involved in the process, or have information which may assist in the investigation.

**H. CONCLUSION OF THE PHA'S INVESTIGATIVE REVIEW**

At the conclusion of the investigative review, the reviewer will report the findings to the Executive Director or designee. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

**I. EVALUATION OF THE FINDINGS**

If it is determined that a program violation has occurred, the PHA will review the facts to determine:

The type of violation (procedural, non-compliance, fraud).

Whether the violation was intentional or unintentional.

What amount of money (if any) is owed by the family.

If the family is eligible for continued occupancy.

**J. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED**

Once a program violation has been documented, the PHA will propose the most appropriate remedy based upon the type and severity of the violation.

1. **Procedural Non-compliance.** This category applies when the family "fails to" observe a procedure or requirement of the PHA, but does not misrepresent a material fact, and there is no retroactive assistance payments owed by the family.

Examples of non-compliance violations are:

Failure to appear at a pre-scheduled appointment.

Failure to return verification in time period specified by the PHA.

- (a) **Warning Notice to the Family.** In such cases a notice will be sent to the family which contains the following:

- \* **A description of the non-compliance and the procedure, policy or obligation which was violated.**

- \* **The date by which the violation must be corrected, or the procedure complied with.**

- \* **The action which will be taken by the PHA if the procedure or obligation is not complied with by the date specified by the PHA.**

- \* **The consequences of repeated (similar) violations.**

2. **Procedural Non-compliance - Overpaid Assistance.** When the family owes money to the PHA for failure to report changes in income or assets, the PHA will issue a Notification of Overpayment of Assistance. This Notice will contain the following:

- A description of the violation and the date(s).

- Any amounts owed to the PHA.

- A **[fourteen]** day response period.

The right to disagree and to request an informal hearing with instructions for the request of such hearing.

- (a) Participant Fails to Comply with PHA's Notice. If the Participant fails to comply with the PHA's notice, and a family obligation has been violated, the PHA will initiate termination of assistance.
- (b) Participant Complies with PHA's Notice. When a family complies the PHA's notice, the staff person responsible will meet with him/her to discuss and explain the Family Obligation or program rule which was violated. The staff person will complete a Participant Counseling Report, give one copy to the family and retain a copy in the family's file.

**3. Intentional Misrepresentations.** When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the PHA, the PHA will evaluate whether or not:

The participant had knowledge that his/her actions were wrong, and

The participant willfully violated the family obligations or the law.

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various certification, briefing certificate, Personal Declaration and Things You Should Know are adequate to establish knowledge of wrong-doing.

The participant willfully violated the law. Any of the following circumstances will be considered adequate to demonstrate willful intent:

- (a) An admission by the participant of the misrepresentation.
- (b) That the act was done repeatedly.
- (c) If a false name or Social Security Number was used.
- (d) If there were admissions to others of the illegal action or omission.
- (e) That the participant omitted material facts which were known to him/her (e.g., employment of self or other household member).
- (f) That the participant falsified, forged or altered documents.
- (g) That the participant uttered and certified to statements at a interim (re)determination which were later independently verified to be false.

4. **Dispositions of Cases Involving Misrepresentations.** In all cases of misrepresentations involving efforts to recover monies owed, the PHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

(a) Criminal Prosecution: If the PHA has established criminal intent, and the case meets the criteria for prosecution, the PHA will:

\* **Refer the case to the local State or District Attorney, notify HUD's RIGI, and terminate rental assistance.**

\* **Refer the case to HUD's RIGI, and terminate rental assistance.**

(b) Administrative Remedies: The PHA will:

\* **Terminate assistance and demand payment of restitution in full.**

\* **Terminate assistance and execute an administrative repayment agreement in accordance with the PHA's Repayment Policy.**

\* **Terminate assistance and pursue restitution through civil litigation.**

\* **Continue assistance at the correct level upon repayment of restitution in full [thirty] days.**

Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the PHA's repayment policy.

Reserved

# Project-Based Housing Vouchers

## Table of Contents

<b>Project-Based Housing Vouchers</b> .....	<b>1</b>
<b>Selection of Properties to Project-Base</b> .....	<b>2</b>
Selection Policy .....	2
Requirements for Selection of Project-Base Housing.....	4
<b>Housing Quality Standards</b> .....	<b>12</b>
Inspecting Units .....	12
Pre-HAP Contract Inspections.....	13
Turnover Inspections .....	13
Annual Inspections.....	13
Other Inspections.....	13
Inspecting HACD Owned Units.....	13
<b>Requirements for Rehabilitated and Newly Constructed Units</b> .....	<b>14</b>
Purpose and Content of the Agreement to Enter into HAP Contract.....	14
Execution of Agreement .....	15
Conduct of Development Work.....	15
Completion of Housing .....	16
HACD Acceptance of Completed Units .....	17
<b>Housing Assistance Payment Contract</b> .....	<b>17</b>
Purpose of the HAP Contract .....	17
HAP Contract Information .....	17
When HAP is Executed.....	18
Term of the HAP Contract.....	18
HAP Contract Amendments.....	20
<b>Operation of Project-Based Properties</b> .....	<b>23</b>
Project-Based Waiting List .....	23
Admission Preferences .....	23
Selection from the Waiting List.....	23
Project-Based Briefing .....	24
Project-Based Briefing Packet.....	25

Leasing of Contract Units .....	25
Vacancies .....	26
Tenant Screening .....	26
Lease .....	27
Security Deposit .....	29
Owner Termination of Tenancy and Eviction .....	29
Overcrowded, Under-Occupied, and Accessible Units .....	29
When Occupancy May Exceed the greater of 25 or 25 Percent Cap.....	30
Family Right to Move .....	31
Affirmatively Furthering Fair Housing.....	31
<b>Rent to Owner</b> .....	<b>31</b>
Determining the Rent to Owner .....	31
Redetermination of Rent to Owner .....	33
Reasonable Rent .....	34
<b>Payment to Owner</b> .....	<b>37</b>
HACD Payment to Owner for Occupied Unit .....	37
Vacancy Payment.....	38
Tenant Rent; Payment to Owner .....	38
Other Fees and Charges.....	39

## PROJECT-BASED HOUSING VOUCHERS

The HACD has determined that project-basing some of its housing vouchers (not to exceed 20% of our authorized housing choice voucher units plus other federally favored units as described below) is in the community's interest. This effort is an appropriate option because it will deconcentrate poverty and expand housing and economic opportunity. The specifics of what the Housing Authority is seeking will be contained in an advertisement published in the manner prescribed by HUD that varies depending upon whether the units to be brought into the program are new construction, rehabilitated, or existing units. The actual selection of the units to be project-based shall also be in full accordance with HUD requirements. VASH and Family Unification Program vouchers can be project-based without additional HUD approval.

The 20% cap can be increased by an additional 10% in the following circumstances:

- A. The units are specifically made available to house individuals and families that meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302), and contained in the Continuum of Care Interim Rule at 24 CFR 578.3. See <https://www.federalregister.gov/d/2012-17546> and <https://www.federalregister.gov/d/2016-13684>.
- B. The units are specifically made available to house families that are comprised of or include a veteran. A veteran is an individual who has served in the United States armed forces other than those dishonorably discharged.
- C. The units provide supportive housing to persons with disabilities or to elderly persons. The definitions of a person with disabilities and an elderly person are found at 24 CFR 5.403. Supportive housing means that the project makes supportive services available for all of the assisted families in the project and provides a range of services tailored to the needs of the residents occupying such housing. Such services may include (but are not limited to):
  - meal service adequate to meet nutritional need,
  - housekeeping aid,
  - personal assistance,
  - transportation services;
  - health-related services;
  - educational and employment services: or
  - other services designed to help the recipient live in the community as independently as possible.

The HACD will include any project based solicitation contemplating the use of this exception a requirement that the available services be listed and described in the response to the solicitation. Such supportive services need not be provided by the owner or on-site, but must be reasonably available to the families receiving PBV assistance in the project. The HACD will not require participation as a condition of living in an excepted unit, although such services will be offered.

Note that in accordance with 24 CFR 983.354, with the exception of an assisted living facility, the owner of a PBV project may not require the assisted family to pay charges for meals or supportive services, and non-payment of such charges by the family is not grounds for termination of tenancy. In the case of an assisted living facility (as defined in § 983.3) receiving PBV assistance, owners may charge families for meals or supportive services. These charges may not be included in the rent to owner or the calculation of reasonable rent.

- D. The units are located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey 5-Year Estimates.



These categories are separate and distinct from exceptions to the income-mixing requirements that limit the number and percentage of units within a particular project to which PBV assistance may be attached (no more than the greater of 25 units or 25 percent of the units), which is discussed later in this Administrative Plan.

If the HACD wishes to add PBV units under this exception authority, the HACD will submit all required information to the Field Office, and identify the exception category (or categories) for which the HACD will project-base additional units (up to an additional 10 percent above the normally applicable PBV program limitation) and the specific number of units that qualify under the exception category.

PBV units may only be covered by this 10 percent exception authority if the PBV HAP contract was first executed on or after April 18, 2017.

The 20% cap can be exceeded without limitation for units being converted under the Rental Assistance Demonstration (RAD), HUD-VASH units specifically issued for project basing, units that previously received certain other HUD housing subsidies as described in Notice published in the January 18, 2017 Federal Register, and for others reason that may be established by HUD.

### ***SELECTION OF PROPERTIES TO PROJECT-BASE***

#### **A. Selection Policy**

The policies as set forth herein are adopted by the HACD for the purpose of administering the Section 8 Project-Based Voucher program.

The HACD will select Project-Based Voucher proposals by either of the following two methods:

1. HACD will request Project-Based Voucher Proposals. The HACD will not limit proposals to a single site or impose restrictions that explicitly or practically preclude other submissions of proposals for Project-Based Voucher housing on different sites.
2. The selection of a proposal for housing assisted under a federal, state, or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided) where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the Project-Based Voucher proposal selection date. Also, the earlier competitive selection proposal must not have involved any consideration that the project would receive Project-Based Voucher assistance. In this case, the vouchers can be project-based merely on a vote of the Board of Commissioners.

Once a decision to project-base units has been made but before the process begins, the HACD will electronically submit required information to HUD (see PIH Notice 2015-05 or successor requirements) at least 14 calendar days before issuing an RFP or selecting based on previous competition.

If the HACD will be selecting proposals under A(1) of this section, the HACD will issue a Request for Proposals (RFP) inviting interested owners to participate in the Project-Based Voucher Program. In the Project-Based Voucher Program, assistance is attached to the project and may be in the form of existing housing, newly constructed housing or rehabilitated housing. The RFP may include all forms of housing or individual forms (e.g., newly constructed housing only).

The HACD will advertise the RFP in the Patriot News, which is the newspaper of general circulation for the jurisdiction, once a week for three (3) consecutive weeks. Applicants shall have thirty (30) days from the last date of publication to respond by submitting their applications. Only applications submitted in response to the advertisement will be considered.

The HACD will prepare a detailed RFP package outlining;

- Program Requirements to include:
  - (1) ineligible housing types and prohibition of assistance for units in subsidized housing; and
  - (2) program accessibility requirements of section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8; and
  - (3) housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable;and
  - (4) housing first occupied after January 19, 2017 shall have a broadband infrastructure available to all units.
- Application Requirements;
- Rating and Ranking of Applications; and
- Selection Process.

This information will be provided at the request of interested parties. The submission deadline date will also be a part of the RFP package. This will allow the HACD adequate time to examine the proposed site before the selection date. For existing housing, the HACD will inspect all of the units to determine whether the units substantially comply with the HQS.

After the closing date of the Request for Proposals, the HACD will review each proposal for completeness, determine if the proposed site meets the site selection standards, determine that the cap on number of Project-Based Voucher units in each project has not been exceeded, and score the proposal.

After the HACD staff has made its decision, the Executive Director will present the rating and ranking of proposals, along with the recommended selection based on the scores received to the HACD Board of Commissioners for approval.

Projects in which the HACD has an ownership interest and is being completed to improve, develop, or replace a public housing property or site can be project-based without competition as long as the projected hard costs equal or exceed \$25,000 per unit. For purposes of this section, an ownership interest means that the HACD or its officers, employees, or agents are in an entity that holds any such direct or indirect interest in the building, including, but not limited to an interest as: titleholder; lessee; a stockholder; a member, or general or limited partner; or a member of a limited liability corporation.

Prior to the selecting a project based on a previous competition or following a competition where the HACD has an ownership interest and is engaged in improving, developing or replacing a public housing property or site, the HACD will submit the information required by HUD at least 14 calendar days prior to issuing its RFP.

The HACD will give written notification to the successful proposer(s) within five (5) business days of Board approval. Public notice of the selected proposals will be published in the Patriot News, which is the newspaper of general circulation for the jurisdiction. The HACD will also

notify those proposers that weren't selected within five (5) business days from Board approval. The denial letter will contain the procedures for appealing the selection.

The HACD will make documentation available for public inspection regarding the basis for the HACD selection of a Project-Based Voucher proposal.

If proposers wish to appeal the selection process, they may do so by presenting their complaint in writing to the Executive Director within ten (10) calendar days from the date contained on the denial letter from the HACD.

The HACD will seek to resolve all appeals in as informal a manner as possible. The appeal must contain, at a minimum, the following information:

- Name, address, and telephone number of the proposer appealing;
- Identification of the RFP being appealed;
- A statement of the reason for appealing;
- Supporting exhibits, evidence, or documents to substantiate any arguments; and
- The form of relief requested.

The HACD shall issue a decision on the appeal as expeditiously as possible after receiving all relevant information requested. The HACD may decide to suspend the award of project-based vouchers if the facts presented in the appeal warrant such action. This action will only be taken if the evidence is clear and convincing as to the existence of an impropriety and there are no other means of resolving the matter. If the HACD Executive Director believes that an impropriety exists, then the proposed award of project-based vouchers will be canceled or revised to comply with the decision of the Executive Director.

If the appeal is not granted, the Executive Director will provide a written decision with justification for the denial of the appeal.

B. Requirements for Selection of Project-Base Housing

1. Housing Type

The HACD may attach Project-Based Voucher assistance for units in existing housing, newly constructed housing or rehabilitated housing. A housing unit is considered an existing unit if at the time of notice of the HACD selection, the units substantially comply with HQS.

2. Prohibition of Assistance for Ineligible Units

(a) Ineligible Units

The HACD will not attach or pay Project-Based Voucher assistance for units in the following types of housing:

- (i) Shared housing;
- (ii) Units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution;
- (iii) Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care. Units in an

assisted living facility are eligible if they provide home health care services such as nursing and therapy for residents of the housing;

- (iv) Units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students of the institution;
- (v) Manufactured homes;
- (vi) Cooperative housing; and
- (vii) Transitional housing.

(b) High-rise Elevator Project for Families with Children

The HACD will not attach or pay Project-Based Voucher assistance to a high-rise elevator project that may be occupied by families with children unless the HACD determines there is no practical alternative and HUD approves such finding.

(c) Prohibition Against Assistance for Owner-Occupied Unit

The HACD will not attach or pay Project-Based Voucher assistance for a unit occupied by an owner of the housing.

(d) Prohibition Against Selecting a Unit Occupied by an Ineligible Family

The HACD will not select or enter into an Agreement or HAP contract for a unit occupied by a family ineligible for participation in the Project-Based Voucher Program.

3. Prohibition of Assistance for Units in Subsidized Housing

The HACD will not attach or pay Project-based Voucher assistance to units in any of the following types of subsidized housing:

- (a) A public housing dwelling unit;
- (b) A unit subsidized with any other form of Section 8 assistance (tenant-based or project-based);
- (c) A unit subsidized with any governmental rent subsidy (a subsidy that pays all or any part of the rent);
- (d) A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- (e) A unit subsidized with Section 236 rental assistance payments (12 U.S.C. 1715z-1). However, the HACD may attach assistance to a unit subsidized with Section 236 interest reduction payments;
- (f) A unit subsidized with rental assistance payments under Section 521 of the Housing Act of 1949, 42 U.S.C. 1490a (a Rural Housing Service Program). However, the HACD may attach assistance for a unit subsidized with Section 515 interest reduction payments (42 U.S.C. 1485);

- (g) A Section 202 project for non-elderly persons with disabilities (assistance under Section 162 of the Housing and Community Development Act of 1987, 12 U.S.C. 1701q note);
- (h) Section 811 project-based supportive housing for persons with disabilities (42 U.S.C. 8013).
- (i) Section 202 supportive housing for the elderly (12 U.S.C. 1701q);
- (j) A Section 101 rent supplement project (12 U.S.C. 1701s);
- (k) A unit subsidized with any form of tenant-based rental assistance (as defined at 24 CFR 982.1(b)(2)) (e.g., a unit subsidized with tenant-based rental assistance under the HOME program, 42 U.S.C. 12701 et seq.);
- (l) A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or by the HACD in accordance with HUD requirements. For this purpose, "housing subsidy" does not include the housing component of a welfare payment; a social security payment; or a federal, state, or local tax concession (such as relief from local real property taxes).

4. Prohibition of Excess Public Assistance

The HACD will only provide Project-Based Voucher assistance in accordance with HUD subsidy layering regulations and other requirements. The subsidy layering review is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance payment subsidy under the Project-Based Voucher Program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

The HACD will only enter into an Agreement or HAP contract after HUD or an independent entity approved by HUD has conducted any required subsidy layering review and determined that the Project-Based Voucher assistance is in accordance with HUD subsidy layering requirements.

The HACD will require the owner to certify that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than the assistance disclosed in the subsidy layering review in accordance with HUD requirements.

5. Cap on Number of Project-Based Voucher Units in Each Project

- (a) Greater of 25 or 25 Percent Per Project Cap

The HACD will not select a proposal to provide Project-Based Voucher assistance for units in a project or enter into an Agreement or HAP contract to provide Project-Based Voucher assistance for units in a project if the total number of dwelling units in the project that will receive Project-Based Voucher Assistance during the term of the Project-Based Voucher HAP is more than the greater of 25 units or 25 percent of the number of the dwelling units in the project.

- (b) Exception to the Greater of 25 Units or 25 Percent Per Building Cap

In the following instances, Project-Based Voucher units are not counted against the greater of 25 or 25 percent per building cap:

- (i) Units exclusively serving elderly families.
- (ii) Excepted units in a multi family building.

*Note: "Excepted units" means units that are specifically made available for qualifying families;*

*"Qualifying families" means: Elderly or disabled families; or families receiving access to supportive services.*

*Supportive services mean those appropriate services made available to a family trying to achieve economic independence and self-sufficiency or live in the community as independently as possible and may include:*

- (1) *Child care - child care of a type that provides sufficient hours of operation and serves an appropriate range of ages;*
  - (2) *Transportation - transportation necessary to enable a participating family to receive available services, or to commute to their places of employment;*
  - (3) *Education - remedial education; education for completion of secondary or post-secondary schooling;*
  - (4) *Employment - job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the contract of participation;*
  - (5) *Personal welfare - substance/alcohol abuse treatment and counseling;*
  - (6) *Household skills and management - training in homemaking and parenting skills; household management; and money management;*
  - (7) *Other services - any other services and resources, including case management, reasonable accommodations for individuals with disabilities that the HACD determines to be appropriate in assisting families to achieve economic independence and self-sufficiency.*
- (iii) *Projects that are in census tracts with a poverty rate of 20 percent or less. In this case, the cap becomes the greater of 25 units or 40%.*
  - (iv) *Projects previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD.*

## 6. Site Selection Standards

### (a) General Requirements

The HACD will not select a proposal for existing housing, newly constructed, or rehabilitated Project-Based Voucher housing on a site or enter into an Agreement or HAP contract for units on the site until the HACD has determined that:

- (i) Project-based assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities as outlined in the HACD Annual and Five-Year Plan and this Administrative Policy. In making this determination, the HACD will utilize the following factors:
  - (1) Whether the census tract in which the proposed Project-Based Voucher development will be located is in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
  - (2) Whether a Project-Based Voucher development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
  - (3) Whether the census tract in which the proposed Project-Based Voucher development will be located is undergoing significant revitalization;
  - (4) Whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement;
  - (5) Whether new market rate units are being developed in the same census tract where the proposed Project-Based Voucher development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area;
  - (6) If the poverty rate in the area where the proposed Project-Based Voucher development will be located is greater than 20 percent, the HACD should consider whether in the past five years there has been an overall decline in the poverty rate;
  - (7) Whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed Project-Based Voucher development will be located.
- (ii) The site is suitable from the standpoint of facilitating and furthering full compliance with applicable Civil Rights statutes and regulations, including the requirement that the site meet the Section 504 site selection requirements described in 24 FR 8.4(b)(5).
- (v) The site meets the HQS site requirements at 24 CFR 982.401(1).

(b) Existing and Rehabilitated Housing Site and Neighborhood Standards

The HACD will determine if a site for existing or rehabilitated housing meets the following site and neighborhood standards. The site must:

- (i) Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities and streets must be available to service the site. (The existence of a private disposal system

and private sanitary water supply for the site, approved in accordance with law, may be considered adequate utilities.)

- (ii) Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- (iii) Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted standard housing of similar market rents.
- (iv) Be so located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive. While it is important that housing for the elderly not be totally isolated from employment opportunities, this requirement need not be adhered to rigidly for such projects.

(c) New Construction Site and Neighborhood Standards

A site for newly constructed housing must meet the following site and neighborhood standards:

- (i) The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site.
- (ii) The site must not be located in an area of minority concentration, except as permitted under paragraph (iii) below, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- (iii) A project may be located in an area of minority concentration only if:
  - (1) Sufficient comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside area of minority concentration; or
  - (2) The project is necessary to meet overriding housing needs that cannot be met in that housing market area.

*Note: "Sufficient" does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year so that, over a period of several years, it will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance will be determined in light of local conditions affecting the range of housing choices available for low-income minority families and in relation to the racial mix of the locality's population.*



*Units will be considered “comparable opportunities” if they have the same household type (elderly, disabled, family, large family) and tenure type (owner/renter); require approximately the same tenant contribution towards rent, serve the same income group, are located in the same housing market, and are in standard condition.*

*Application of the “comparable opportunities” standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:*

- (A) A significant number of assisted housing units are available outside areas of minority concentration.*
- (B) There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.*
- (C) There are racially integrated neighborhoods in the locality.*
- (D) Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration*
- (E) Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.*
- (F) A significant proportion of minority households have been successful in finding units in non-minority areas under the tenant-based assistance programs.*
- (G) Comparable housing opportunities have been made available outside areas of minority concentration through other programs.*

Application of the “overriding housing needs” criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and of sites in a neighborhood experiencing significant private investment that is demonstrably improving the economic character of the area (a “revitalizing area”). An “overriding housing need,” however, may not serve as the basis for determining that a site is acceptable, if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color,

religion, sex, national origin, age, familial status, or disability renders sites outside areas of minority concentration unavailable or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.

- (iv) The site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- (v) The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is a concerted program actively in progress to remedy the undesirable conditions.
- (vi) The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted standard housing of similar market rents.
- (vii) Except for new construction, housing designed for elderly persons, travel time, and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers must not be excessive.

## 7. Environmental Review

The HACD will not enter into an Agreement or HAP contract with an owner nor will the HACD, the owner or its contractors acquire, dispose of, demolish, or construct real property or commit or expend program or local funds for Project-Based Voucher activities until one of the following occurs:

- (a) The responsible entity (a unit of general local government, a county or a state) has completed the environmental review procedures required by 24 CFR part 58, and HUD has approved the environmental certification and request for release of funds;
- (b) The responsible entity has determined that the project to be assisted is exempt under 24 CFR 58.34 or is categorically excluded and not subject to compliance with environmental laws under 24 CFR 58.35(b); or
- (c) HUD has performed an environmental review under 24 CFR part 50 and has notified the HACD in writing of environmental approval of the site.

The HACD will require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

## 8. HACD Owned Units

- (a) Selection of HACD Owned Units

If the HACD selects its own proposal, the HUD field office or a HUD approved independent entity will review the selection process to determine that the HACD units were appropriately selected based on the selection procedures as outlined in this Section 8 Administrative Plan.

(b) Inspection and Determination of Reasonable Rent

The HACD will have an independent entity approved by HUD perform the following program services:

- (i) Determination of rent to owner as outlined in **RENT TO OWNER**(A) and (B). The independent entity approved by HUD must establish the initial contract rents based on an appraisal by a licensed state-certified appraiser; and
- (ii) Inspections as outlined in **HOUSING QUALITY STANDARDS**(F) section of these policies.

(c) Nature of Independent Entity

The independent entity that performs these program services may be the unit of general local government for the HACD's jurisdiction (unless the HACD is itself the unit of general local government or an agency of such government) or another HUD-approved public or private independent entity.

(d) Payment to Independent Entity and Appraiser

The HACD will compensate the independent entity and appraiser from the HACD's ongoing administrative fee income (including the amounts credited to the administrative fee reserve). The HACD will not use other program receipts to compensate the independent entity and appraiser for their services.

The HACD, independent entity, and appraiser will not charge the family any fee for the appraisal or the services provided by the independent entity.

**HOUSING QUALITY STANDARDS**

The HACD will follow the policies as outlined in Section 12.0 Inspection Policies and Housing Quality Standards of this Section 8 Administrative for the Project-Based Voucher Program except when the physical condition standards at 24 CFR 5.703 do not apply to the Project-Based Voucher Program and the lead-based paint requirements at 24 CFR 982.401(j) do not apply to the Project-Based Voucher Program.

A. Inspecting Units

1. Pre-Selection Inspection

(a) Inspection of Site

The HACD will examine the proposed site to confirm its appropriateness before the proposal selection date.

2. Inspection of Existing Units

The HACD will inspect all the units before the proposal selection date and will determine whether the units substantially comply with the HQS. To qualify as existing housing, units must substantially comply with the HQS on the proposal selection date. The HACD will not execute the HAP contract until the units fully comply with the HQS.

B. **Pre-HAP Contract Inspections**

The HACD will inspect each contract unit before execution of the HAP contract. The HACD will not enter into a HAP contract covering a unit until the unit fully complies with the HQS.

C. Turnover Inspections

The HACD will inspect the unit before providing assistance to a new family in a contract unit. The HACD will not provide assistance on behalf of the family until the unit fully complies with the HQS.

D. Annual Inspections

1. At least annually during the term of the HAP contract, the HACD will inspect a random sample, consisting of at least 20 percent of the contract units in each project, to determine if the contract units and the premises are maintained in accordance with the HQS.

*Note: Turnover inspections pursuant to paragraph C. of this section will not count toward meeting this annual inspection requirement.*

2. If more than 20 percent of the annual sample of inspected contract units in a building fail the initial inspection, the HACD will re-inspect 100 percent of the contract units in the building.

E. Other Inspections

1. The HACD will inspect contract units whenever needed to determine that the contract units comply with the HQS, that the owner is complying with the HQS, and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The HACD will take into account complaints and any other information coming to its attention in scheduling inspections.
2. The HACD will conduct follow-up inspections needed to determine if the owner (or the family if responsible) has corrected an HQS violation. Additionally, the HACD will conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of the HQS.
3. The HACD will include a representative sample of both tenant-based and project-based units in conducting its supervisory quality control HQS inspections.

F. Inspecting HACD Owned Units

1. For HACD owned units, the inspections required under this section will be performed by an independent entity approved by HUD. The independent entity that performs these inspections may be the unit of general local government for the HACD jurisdiction (unless the HACD is itself the unit of general local government or an agency of such government) or another HUD-approved public or private independent entity.
2. The independent entity shall provide a copy of each inspection report to the HACD and to the HUD field office where the project is located.
3. The HACD will take all necessary actions in response to inspection reports from the independent entity, including exercise of contractual remedies for violation of the HAP contract by the owner (HACD).

## ***REQUIREMENTS FOR REHABILITATED AND NEWLY CONSTRUCTED UNITS***

This section only applies to newly constructed or rehabilitated housing and does not apply to existing housing. Newly constructed or rehabilitated housing cannot be selected as existing housing at a later date.

### **A. Purpose and Content of the Agreement to Enter into HAP Contract**

#### **1. Requirement**

The HACD will enter into an Agreement with the owner. The Agreement will be in the form required by HUD.

#### **2. Purpose of the Agreement**

In the Agreement, the owner agrees to develop the contract units to comply with the HQS and the HACD agrees that, upon timely completion of such development in accordance with the terms of the Agreement, the HACD will enter into a HAP contract with the owner for the contract units.

#### **3. Description of Housing**

(a) At a minimum, the Agreement will describe the following features of the housing to be developed (newly constructed or rehabilitated) and assisted under the Project-Based Voucher Program:

(i) Site;

(ii) Location of contract units on site;

(iii) Number of contract units by area (size) and number of bedrooms and bathrooms;

(iv) Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent to owner;

(v) Utilities available to the contract units (including broadband), including a specification of utility services to be paid by owner (without charges in addition to rent), and utility services to be paid by the tenant;

(vi) Indication of whether or not the design and construction requirements of the Fair Housing Act and implementing regulations at 24 CFR 100.205 and the accessibility requirements of section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.22 and 8.23 apply to units under the Agreement. If these requirements are applicable, any required work item resulting from these requirements will be included in the description of work to be performed under the Agreement;

(vii) Estimated initial rents to owner for the contract units;

(viii) Description of the work to be performed under the Agreement. If the Agreement is for rehabilitation of units, the work description will include the rehabilitation work write up and, where determined necessary by the HACD, specifications and plans. If the Agreement is for new construction, the work description will include the working drawings and specifications.

- (b) At a minimum, the housing must comply with the HQS.

**The Housing Authority may elect to establish additional requirements for quality, architecture, or design of Project-Based Voucher housing over and above the HQS, and any such additional requirement must be specified in the Agreement.**

B. Execution of the Agreement

1. Prohibition of Excess Subsidy

The HACD will not enter the Agreement with the owner until the subsidy layering review is completed.

2. Environmental Approval

The HACD will not enter the Agreement with the owner until the environmental review is completed and the HACD has received the environmental approval.

3. Prompt Execution of Agreement

The Agreement will be executed promptly after the HACD notice of proposal selection to the selected owner.

C. Conduct of Development Work

1. Development Requirements

The owner must carry out development work in accordance with the Agreement and the requirements of this section.

2. Labor Standards

(a) In the case of an Agreement of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in development of the housing.

(b) The HUD prescribed form of Agreement shall include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

(c) The owner and the owner's contractors and subcontractors must comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The HACD will monitor compliance with labor standards.

3. Equal Opportunity

(a) The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135.

(b) The owner must comply with federal equal employment opportunity requirements of Executive Orders 11246 as amended, 11625, 12432 and 12138.

4. Eligibility to Participate in Federal Programs and Activities

The Agreement and HAP contract will include a certification by the owner that the owner and other project principals (including officers and principal members, shareholders, investors, and other parties having a substantial interest in the project) are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

5. Disclosure of Conflict of Interest

The owner must disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

D. Completion of Housing

1. Completion Deadline

The owner must develop and complete the housing in accordance with the Agreement. The Agreement will specify the deadlines for completion of the housing and for submission by the owner of the required evidence of completion.

2. Required Evidence of Completion

(a) Minimum Submission

At a minimum, the owner must submit the following evidence of completion to the HACD in the form and manner required by the HACD:

- (i) Owner certification that the work has been completed in accordance with the HQS and all requirements of the Agreement; and
- (ii) Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

(b) Additional Documentation

At the discretion of the HACD, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion. For example, such documentation may include:

- (i) A certificate of occupancy or other evidence that the units comply with local requirements (such as code and zoning requirements); and
- (ii) An architect's certification that the housing complies with:
  - (A) HUD housing quality standards;
  - (B) State, local, or other building codes;
  - (C) Zoning;
  - (D) The rehabilitation work write-up (for rehabilitated housing) or the work description (for newly constructed housing); or
  - (E) Any additional design or quality requirements pursuant to the Agreement.

E. HACD Acceptance of Completed Units

1. HACD Determination of Completion

When the HACD has received owner notice the housing is completed:

- (a) The HACD will inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with the HQS and any additional requirement(s) imposed by the HACD under the Agreement.
- (b) The HACD will determine if the owner has submitted all required evidence of completion.
- (c) If the work has not been completed in accordance with the Agreement, the HACD will not enter into the HAP contract.

2. Execution of HAP Contract

If the HACD determines that the housing has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the HACD will submit the HAP contract for execution by the owner and will then execute the HAP contract.

***HOUSING ASSISTANCE PAYMENT CONTRACT***

This section applies to all Project-Based Voucher assistance including assistance for existing, newly constructed, or rehabilitated housing.

A. Purpose of the HAP Contract

1. Requirement

The HACD will enter into a HAP contract with the owner. The HAP contract must be in the form required by HUD.

2. Purpose of HAP Contract

- (a) The purpose of the HAP contract is to provide housing assistance payments for eligible families.
- (b) The HACD makes housing assistance payments to the owner in accordance with the HAP contract. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term.

B. HAP Contract Information

The HAP contract must specify:

- 1. The total number of contract units by number of bedrooms;
- 2. Information needed to identify the site and the building or buildings where the contract units are located. The information must include the project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;



3. Information needed to identify the specific contract units in each building. The information must include the number of contract units in the building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
4. Services, maintenance, and equipment to be supplied by the owner without charges in addition to the rent to owner;
5. Utilities available to the contract units, including a specification of utility services to be paid by the owner (without charges in addition to rent) and utility services to be paid by the tenant;
6. Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
7. The HAP contract term;
8. The number of units in any project that will exceed the PBV cap, which will be set-aside for occupancy by qualifying families (elderly or disabled families and families receiving supportive services); and
9. The initial rent to owner (for the first 12 months of the HAP contract term).

C. When HAP Contract is Executed

1. HACD Inspection of Housing

- (a) Before execution of the HAP contract, the HACD will inspect each contract unit in accordance with Section ***HOUSING QUALITY STANDARDS B***.
- (b) The HACD will not enter into a HAP contract for any contract unit until the HACD has determined that the unit complies with the HQS.

2. Existing Housing

The HACD will promptly execute the HAP contract after the HACD selection of the owner proposal and HACD inspection of the housing.

3. Newly Constructed or Rehabilitated Housing

The HACD will execute the HAP contract after the HACD has inspected the completed units and has determined that the units have been completed in accordance with the Agreement and the owner has furnished all required evidence of completion.

When executing the HAP contract, the owner must certify that the units have been completed in accordance with the Agreement.

D. Term of the HAP Contract

1. Initial Term and Any Extensions

The HACD may enter into a HAP contract with an owner for an initial term of up to twenty years for each contract unit. The length of the term of the HAP contract for any contract unit may not be less than one year, nor more than twenty years.

Within one year before expiration, the HACD may agree to extend the term of the HAP contract for an additional term of up to twenty additional years if the HACD determines an extension is appropriate to continue providing affordable housing for low-income families. Any extension of the term must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

The term and potential extensions the HACD is willing to enter into will be discussed in the project selection process.

2. Termination by the HACD – Insufficient Funding

The HAP contract will provide that the term of the HACD’s contractual commitment is subject to the availability of sufficient appropriated funding (budget authority) as determined by HUD or by the HACD in accordance with HUD instructions.

*Note: “Sufficient funding” means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP.*

The HACD will not fail to make the HAP payment until after it has made all possible allowable cost saving efforts in the tenant-based program as set forth in Chapter 14 of the HACD’s Administrative Plan for the Section 8 Housing Choice Voucher Program and there is still insufficient funding. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the HACD may terminate the HAP contract by notice to the owner for all or any of the contract units. Such action by the HACD will be implemented in accordance with HUD instructions.

3. Termination by Owner – Reduction Below Initial Rent

The owner may terminate the HAP contract, upon notice to the HACD, if the amount of rent to the owner is reduced below the initial approved rent. In this case, the assisted families residing in the contract units will be offered tenant-based voucher assistance.

Upon termination or expiration of a HAP contract that is not extended, a family living at the property is entitled to receive a tenant-based voucher (the voucher that was previously providing project-based assistance for the family in the PBV project). The HACD will provide the family with a voucher and that family will also be given the option by the HACD and owner to remain in their unit with HCV tenant-based assistance if the unit complies with inspection requirements and rent reasonableness requirements. The family must pay the total tenant payment and any additional amount if the unit rent exceeds the applicable payment standard. The family has the right to remain in the project as long as the units are used for rental housing and are otherwise eligible for HCV assistance (for example, the rent is reasonable, unit meets HQS, etc.). The owner may not terminate the tenancy of a family that exercises its right to remain except for a serious or repeated lease violation or other good cause.

Families that receive a tenant-based voucher at the expiration or termination of the PBV HAP contract are not new admissions to the HACD tenant-based program, and are not subject to income eligibility requirements or any other admission requirements. If the family chooses to remain in their unit with tenant-based assistance, the family may do so regardless of whether the family share would initially exceed 40 percent of the family’s adjusted monthly income.

The statutory owner notice requirements related to the contract termination or expiration continue to apply to the PBV program. If the owner fails to provide timely notice of termination, the owner must permit the tenants in assisted units to remain in their units for the required notice period with no increase in the tenant portion of the rent, and with no eviction as a result of an owner's inability to collect an increased tenant portion of the rent. For families that wish to remain at the property, the HCV tenant-based assistance would not commence until the owner's required notice period ends.

E. HAP Contract Amendments (to add or substitute contract units)

1. Amendment to Substitute Contract Units

At the discretion of the HACD, and subject to all Project-Based Voucher requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same project for a previously covered contract unit. Prior to such substitution, the HACD will inspect the proposed substitute unit and will determine the reasonable rent for such unit and the fact that it passes HQS.

2. Amendment to Add Contract Units

At the discretion of the HACD, and provided that the total number of units in a project that will receive Project-Based Voucher assistance or other project-based assistance will not exceed the greater of 25 or 25 percent of the number of dwelling units (assisted or unassisted) in the project or the 20 percent of authorized budget authority of the HACD, a HAP contract may be amended to add additional Project-Based Voucher contract units in the same project. An Amendment to the HAP contract is subject to all Project-Based Voucher requirements (e.g., rents are reasonable), except that a new Project-Based Voucher request for proposals(competition) is not required. The anniversary and expiration dates of the HAP contract for the additional units must be the same as for the anniversary and expiration dates of the HAP contract term for the Project-Based Voucher units originally placed under HAP contract. This shall only be done after informing the HUD Field Office with the information it requires and the rationale used to expand assistance to the specific project.

3. Staged Completion of Contract Units

Even if contract units are placed under the HAP contract in stages commencing on different dates, there is a single annual anniversary for all contract units under the HAP contract. The annual anniversary for all contract units is the annual anniversary date for the first contract units placed under the HAP contract. The expiration of the HAP contract for all the contract units completed in stages must be concurrent with the end of the HAP contract term for the units originally placed under HAP contract.

4. Condition of Contract Units

(a) Owner Maintenance and Operation

The owner must maintain and operate the contract units and premises in accordance with the HQS, including performance of ordinary and extraordinary maintenance.

The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the HACD and in the lease with each assisted family.

At the discretion of the HACD, the HAP contract may also require continuing owner compliance during the HAP term with additional housing quality

requirements specified by the HACD (in addition to, but not in place of, compliance with the HUD-prescribed HQS). Such additional requirements will be designed to assure continued compliance with any design, architecture, or quality requirement specified in the Agreement.

5. Remedies for HQS Violation

The HACD will vigorously enforce the owner's obligation to maintain contract units in accordance with the HQS. The HACD will not make any HAP payment to the owner for a contract unit covering any period during which the contract unit does not comply with the HQS.

If the HACD determines that a contract unit is not in accordance with the housing quality standards (or other HAP contract requirement), the HACD may exercise any of its remedies under the HAP contract for all or any contract units. Such remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

6. Maintenance and Replacement – Owner’s Standard Practice

Maintenance and replacement (including redecoration) must be in accordance with the standard practice for the project concerned as established by the owner.

7. Owner Responsibility

The owner is responsible for performing all of the owner responsibilities under the Agreement and the HAP contract. 24 CFR part 982.452 applies as follows:

- (a) Performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
- (b) Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
- (c) Complying with equal opportunity requirements.
- (d) Preparing and furnishing to the HACD information required under the HAP contract.
- (e) Collecting from the family:
  - (i) Any security deposit.
  - (ii) The tenant contribution (the part of rent owner not covered by the housing payment).
  - (iii) Any charges for unit damage by the family.
  - (iv) Enforcing tenant obligations under the lease.
  - (v) Paying for utilities and services (unless paid by the family under the lease).

- (vi) Provisions on modifications to a dwelling unit occupied or to be occupied by a disabled person see the following note:

*Note: Reasonable Modification of Existing Premises*

- (A) *It shall be unlawful for any person to refuse to permit, at the expense of a handicapped person, reasonable modifications of existing premises, occupied or to be occupied by a handicapped person, if the proposed modifications may be necessary to afford the handicapped person full enjoyment of the premises of a dwelling. In the case of a rental, the landlord may, where it is reasonable to do so, condition permission for a modification on the renter agreeing to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear expected. The landlord may not increase for handicapped persons any customarily required security deposit.*

*However, where it is necessary in order to ensure with reasonable certainty that funds will be available to pay for the restorations at the end of the tenancy, the landlord may negotiate as part of such a restoration agreement a provision requiring that the tenant pay into an interest bearing escrow account, over a reasonable period, a reasonable amount of money not to exceed the cost of the restorations. The interest in any such account shall accrue to the benefit of the tenant.*

- (B) *However, where it is necessary in order to ensure with reasonable certainty that funds will be available to pay for the restorations at the end of the tenancy, the landlord may negotiate as part of such a restoration agreement a provision requiring that the tenant pay into an interest bearing escrow account, over a reasonable period, a reasonable amount of money not to exceed the cost of the restorations. The interest in any such account shall accrue to the benefit of the tenant.*

*A landlord may condition permission for a modification on the renter providing a reasonable description of the proposed modifications as well as reasonable assurances that the work will be done in a workmanlike manner and that any required building permits will be obtained.*

## 8. Owner Certification

By execution of the HAP contract, the owner certifies that at such execution and at all times during the term of the HAP contract:

- (a) All contract units are in good and tenantable condition. The owner is maintaining the premises and all contract units in accordance with the HQS.
- (b) The owner is providing all the services, maintenance, equipment, and utilities as agreed to under the HAP contract and the leases with assisted families.
- (c) Each contract unit for which the owner is receiving housing assistance payments is leased to an eligible family referred by the HACD, and the lease is in accordance with the HAP contract and HUD requirements.

- (c) To the best of the owner's knowledge, the members of the family reside in each contract unit for which the owner is receiving housing assistance payments, and the unit is the family's only residence.
- (d) The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit.
- (e) The amount of the housing assistance payment is the correct amount due under the HAP contract.
- (f) The rent to owner for each contract unit does not exceed rents charged by the owner for other comparable unassisted units.
- (g) Except for the housing assistance payment and the tenant rent as provided under the HAP contract, the owner has not received and will not receive any payment or other consideration (from the family, the HACD, HUD, or any other public or private source) for rental of the contract unit.
- (h) The participating family does not own or have any interest in the contract unit.

### ***OPERATION OF PROJECT-BASED PROPERTIES***

#### **A. Project-Based Waiting List**

The HACD will use separate waiting lists for Project-Based Voucher units in individual projects for admission to Project-Based Voucher units. The HACD will offer to place applicants who are listed on the HACD's waiting list for tenant-based assistance on the waiting lists for Project-Based Voucher Assistance. All applicants will be maintained by bedroom size, then preference and date and time of application. If an applicant rejects an offer of assistance of the Project-Based Assistance Program, the rejection will not alter the applicant's position on the Section 8 Voucher Tenant Based Assistance Program.

The waiting list for the Project-Based Section 8 Assistance Program will be maintained in accordance with the following guidelines:

1. The application will be a permanent file.
2. All applications will be maintained by bedroom size, preference and then in order of date and time of application.
3. Substantive contacts between the HACD and the applicant will be documented in the applicant file.

#### **B. Admission Preferences**

The preferences utilized shall be the same as is used for the Tenant Based Housing Choice Voucher Program. **[Separate preferences can be established for project-based properties collectively or separately.]** Admission preferences will be consistent with all applicable Federal nondiscrimination and civil rights statutes and requirements.

#### **C. Selection from the Waiting List**

If an applicant is removed from the Project-Based Assistance Program waiting list because of the rejection of an offer of a unit, the rejection will not alter the applicants' position on the Section 8

Tenant Based Assistance Program waiting list. Likewise, if the owner rejects the available applicant, the rejection will not be counted against the one unit offer and the family will maintain their position on the Project-Based Section 8 Assistance Program. The owner must promptly notify the HACD in writing if an applicant is rejected and the grounds for the rejection.

Under this plan, the first qualified applicant in sequence on the Section 8 Project-Based Assistance Program waiting list will be made an offer of project-based assistance based on the unit size available. If the available unit being offered is a unit with special accessibility features for persons with disabilities, the HACD will skip over families not requiring the accessible unit to reach a family who does require such accommodation.

Non-mobility impaired families will be offered these units if no family on the waiting list requires these features. The applicant family will only have one chance to accept a unit offer. If the applicant family rejects the offer, his or her name will be removed from the waiting list and he or she will have to re-apply. The applicant family will be notified in writing of the reason they are being removed from the waiting list and their right to an informal review as described in Section 4.10.

If more than one unit of the appropriate type and size is available, the first unit to be offered will be the first unit that is ready for occupancy.

The HACD will maintain a record of units offered, including location, date and circumstances of each offer and each acceptance or rejection, including the reason for the rejection.

All Section 8 Tenant Based Assistance waiting list families who want project-based units will be permitted to place their names on the Section 8 Project-Based Assistance Program waiting list.

Notwithstanding the above, if necessary to meet the statutory requirement that 75% of newly admitted families in any fiscal year are families who are extremely low-income (unless a different target is agreed to by HUD), the HACD retains the right to skip higher income families on the waiting list to reach extremely low-income families. This measure will only be taken if it appears the goal will not otherwise be met. To ensure this goal is met, the Housing Authority will monitor incomes of newly admitted families and the income of the families on the waiting list.

#### D. Project-Based Briefing

When the HACD selects a family from the waiting list, the family will be invited to attend a briefing explaining how the project-based program works. In order to be eligible for a vacant unit, all adult family members are required to attend the briefing. If they cannot attend the originally scheduled briefing, they may attend a later session. If the family fails to attend two briefings without good cause, they will be denied admission.

If an applicant with a disability requires auxiliary aids to gain full benefit from the briefing, the HACD will furnish such aids where doing so would not result in a fundamental alteration of the nature of the program or an undue financial or administrative burden. In determining the most suitable auxiliary aid, the HACD will give primary consideration to the requests of the applicant. Families unable to attend a briefing due to a disability may request a reasonable accommodation such as having the briefing presented at an alternate location.

The briefing will cover at least the following subjects:

1. A description of how the program works;
2. Family and owner responsibilities;

3. The fact that the subsidy is tied to the unit. After the initial 12-month period, the family has the right to move with continued tenant-based rental assistance, in the form of either assistance under the voucher program or other comparable tenant-based rental assistance; and
4. A description of the HACD's policy on providing information to owners.

#### E. Project-Based Briefing Packet

During the briefing, the Housing Authority will give the family a packet covering at least the following subjects:

1. How the Housing Authority determines the housing assistance payment and total tenant payment for the family (including a copy of the utility allowances);
2. A statement of the Housing Authority's policy on providing information to prospective owners. This policy requires applicants to sign disclosure statements allowing the Housing Authority to provide prospective owners with the family's current and prior addresses and the names and addresses of the landlords for those addresses;
3. The HUD-required lead-based paint brochure;
4. Information on Federal, State, and local equal opportunity laws; the brochure "Fair Housing: It's Your Right;" and a copy of the housing discrimination complaint form;
5. The family and owner responsibilities under the lease and HAP contract;
6. The grounds upon which the Housing Authority may terminate assistance because of the family's action or inaction; and
7. HACD informal hearing procedures, including when the Housing Authority is required to provide the opportunity for an informal hearing, and information on how to request a hearing.

#### F. Leasing of Contract Units

1. Owner Selection of Tenants

During the term of the HAP contract, the owner must lease contract units only to eligible families selected and referred by the HACD from the HACD waiting list.

The owner is responsible for adopting written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very-low income families and reasonably related to program eligibility and an applicant's ability to perform the lease obligations.

An owner must promptly notify in writing any rejected applicant of the grounds for any rejection.

2. Size of Unit

The contract unit leased to each family must be appropriate for the size of the family under the HACD's subsidy standards.



## G. Vacancies

### 1. Filling Vacant Units

The owner must promptly notify the HACD of any vacancy (or expected vacancy) in a contract unit. After receiving the owner notice, the HACD will make every reasonable effort to promptly refer a sufficient number of families to the owner to fill such vacancies.

The owner must lease vacant contract units only to eligible families on the HACD waiting list referred by the HACD.

It is expected that the HACD and the owner will make reasonable good faith efforts to minimize the likelihood and length of any vacancy.

### 2. Reducing Number of Contract Units

If any contract units have been vacant for a period of 120 days or more since the owner notice of vacancy (and notwithstanding the reasonable good faith efforts of the HACD to fill such vacancies), the HACD may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (by number of bedrooms) that have been vacant for such period.

## H. Tenant Screening

The HACD will not screen family behavior or suitability for tenancy, other than past criminal behavior for program eligibility. The HACD will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

In deciding whether to exercise their discretion to admit an individual or household that has engaged in criminal activity, the Housing Authority of the County of Dauphin will consider all of the circumstances relevant to the particular admission, including but not limited to the seriousness of the offending action.

The information received as a result of the criminal background check shall be used solely for screening purposes. The information derived from the criminal background check shall be shared only with employees of the HACD who have a job-related need to have access to the information. The information shall be maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose(s) for which it was requested has been accomplished and the period for filing a challenge to the HACD's action has expired without a challenge or final disposition of any litigation has occurred.

If an applicant is about to be denied housing based on either the criminal check or the sex offender registration program, the applicant will be informed of this fact and given an opportunity to dispute the accuracy of the information before the denial or eviction occurs.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before HACD approval of the tenancy, the HACD will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening families based on their tenancy histories, including such factors as:

Payment of rent and utility bills

Caring for a unit and premises

Respecting the rights of other residents to the peaceful enjoyment of their housing  
Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and

Compliance with other essential conditions of tenancy.

**The HACD may give the owner:**

The family's current and prior address as shown in the HACD's records; and

The name and address (if known by the HACD) of the landlord at the family's current and prior address.

The HACD will offer the owner other information in the HACD's possession concerning the family if requested, including:

Information about the family's tenancy history; or

Information about drug-trafficking by family members

The same types of information may be supplied to all owners and the HACD will give the family a description of the HACD's policy on providing information to owners.

The HACD will advise families how to file a complaint if they have been discriminated against by an owner. The HACD will advise the family to make a Fair Housing complaint if such a complaint appears justified. The HACD may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

I. Lease

1. Tenant's Legal Capacity

The tenant must have legal capacity to enter a lease under state and local law. Legal capacity means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

2. Form of Lease

The tenant and the owner must enter a written lease for the unit. Both the owner and the tenant must execute the lease.

If the owner uses a standard lease form for rental to unassisted tenants in the locality or for the premises, the lease must be in an acceptable form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a HACD model lease.

In all cases, the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

The HACD will review the owner's lease form to determine if the lease complies with state and local law. The HACD will decline to approve the tenancy if the HACD determines that the lease does not comply with state or local law.

3. Required Information

The lease must specify all of the following:

- (a) The names of the owner and the tenant;
- (b) The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- (c) The term of the lease (initial term and any provision for renewal);
- (d) The amount of tenant rent to owner. The tenant rent to owner is subject to change during the term of the lease in accordance with HUD requirements;
- (e) A specification of what services, maintenance, equipment, and utilities are to be provided by the owner; and
- (f) The amount of any charges for food, furniture, or supportive services.

4. Initial Term of the Lease

The initial lease term must be for at least one year.

5. Tenancy Addendum

The tenancy addendum in the lease shall state:

- (a) The program tenancy requirements; and
- (b) The composition of the household as approved by the HACD (names of family members and any HACD live-in aide).

All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum shall prevail over other provisions of the lease.

6. Changes in Lease

If the tenant and the owner agree to any change in the lease, such change must be in writing and the owner must immediately give the HACD a copy of all such changes.

The owner must notify the HACD in advance of any proposed change in lease requirements governing the allocation of tenant and owner responsibilities for utilities. Such changes may be made only if approved by the HACD and in accordance with the terms of the lease relating to its amendment. The HACD will re-determine reasonable rent in accordance with Section **RENT TO OWNER (C)**, based on any change in allocation of responsibility for utilities between the owner and the tenant, and the re-determined reasonable rent shall be used in calculation of rent to owner from the effective date of the change.

7. Lease Provisions Governing Tenant Absence From the Unit

The owner's lease may specify a maximum period of tenant absence from the unit that may be shorter than the maximum period permitted by the HACD in Section 2.3(H) of this Administrative Plan.

J. Security Deposit

The owner may collect a security deposit from the tenant. The HACD prohibits security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

When the tenant moves out of the contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts which the tenant owes under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant. The HACD has no liability or responsibility for payment of any amount owed by the family to the owner.

K. Owner Termination of Tenancy and Eviction

1. In general, Section 17.0, Termination of the Lease and Contract, of this Administrative Plan applies with the exception that 17(a)(viii) (3) & (4) do not apply to the Project-based Voucher Program. In the Project-based Voucher Program “good cause” does not include a business or economic reason or desire to use the unit for an individual, family, or non-residential rental purpose. Eviction for drug and alcohol abuse applies to the Project-based Voucher Program.
2. Upon lease expiration, an owner may:
  - (a) Renew the lease;
  - (b) Refuse to renew the lease for good cause;
  - (c) Refuse to renew the lease without good cause, which case the HACD will provide the family with a tenant based voucher and the unit will be removed from the Project-based Voucher HAP contract.

L. Overcrowded, Under-Occupied, and Accessible Units

1. Family Occupancy of Wrong-size or Accessible Unit

The HACD’s subsidy standards determine the appropriate unit size for the family size and composition. If the HACD determines that a family is occupying a:

- (a) Wrong-size unit, or
- (c) Unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, the HACD must promptly notify the family and the owner of this determination, and of the HACD’s offer of continued assistance in another unit pursuant to paragraph (2) of this section.

2. HACD Offer of Continued Assistance

If a family is occupying a wrong size unit, or a unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, the HACD will offer the family the opportunity to receive continued housing assistance in another unit.

The HACD will offer the following housing options as continued assistance.

- (a) Project-based voucher assistance in an appropriate-size unit (in the same project);
- (b) Other project-based housing assistance (e.g., by occupancy of a public housing unit);
- (c) Tenant-based rental assistance under the voucher program; or
- (d) Other comparable public or private tenant-based assistance (e.g., under the HOME program).

3. HACD Termination of Housing Assistance Payments

If the HACD offers the family the opportunity to receive tenant-based rental assistance under the voucher program, the HACD will terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by the HACD).

If the HACD offers the family the opportunity for another form of continued housing assistance in accordance with (2) above, and the family does not accept the offer, does not move out of the project-based voucher unit within a reasonable time as determined by the HACD, or both, the HACD will terminate the housing assistance payments for the wrong-sized or accessible unit, at the expiration of a reasonable period as determined by the HACD.

M. When Occupancy May Exceed the greater of 25 or 25 Percent Cap on the Number of Project-Based Voucher Units in Each Project

- 1. Except as provided in Section **SELECTION OF PROPERTIES TO PROJECT-BASE (B)(5)**, the HACD will not pay housing assistance under the HAP contract for contract units in excess of the 25 percent cap.
- 2. If referring families to the owner for admission to excepted units, the HACD will give preference to elderly or disabled families, or to families receiving supportive services.
- 4. A family (or the remaining members of the family) residing in an excepted unit that no longer meets the criteria for a "qualifying family" in connection with the PBV project cap exception will be required to vacate the unit within a reasonable period of time established by the HACD, and the HACD will cease paying housing assistance payments on behalf of the non-qualifying family. If the family fails to vacate the unit within the established time, the unit will be removed from the HAP contract unless the project is partially assisted and it is possible for the HAP contract to be amended to substitute a different unit in the project in accordance with Section **HOUSING ASSISTANCE PAYMENT CONTRACT (E)** or the owner terminates the lease and evicts the family.

N. Family Right to Move

A family may terminate the assisted lease at any time after the first year of occupancy. The family must give the owner advance written notice of the intent to vacate, with a copy to the HACD in accordance with the lease.

If the family has elected to terminate the lease after the first year in compliance with the lease, the HACD will offer the family the opportunity for continued tenant-based rental assistance in the form of either assistance under the voucher program or other comparable tenant-based rental assistance.

Note: Before providing notice to terminate the lease, the family must contact the HACD to request comparable tenant-based rental assistance if the family wishes to move with continued assistance. If voucher or other comparable tenant-based rental assistance is not immediately available upon termination of the family's lease of a project-based voucher unit, the HACD will give the family priority to receive the next available opportunity for continued tenant-based rental assistance.

If the family terminates the assisted lease before the end of one year, the family relinquishes the opportunity for continued tenant-based assistance.

There is an exception to this rule when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, and the move is needed to protect the health or safety of the family or family member, or any family member has been the victim of a sexual assault that occurred on the premises during the 90 calendar day period preceding the family's request to move.

- O. The HACD and all PBV property owners will operate the property in a manner to affirmatively further fair housing. No admission preference shall intentionally discriminate against any member of a protected class. Both the HACD and all PBV property owners shall operate their properties in compliance with all Federal nondiscrimination requirements.

***RENT TO OWNER***

A. Determining the Rent to Owner

1. Initial and Redetermined Rents

- (a) The amount of the initial rent to owner is established at the beginning of the HAP contract term. For rehabilitated or newly constructed housing, the Agreement states the estimated amount of the initial rent to owner, but the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.
- (b) The rent to owner is redetermined at the owner's request for a rent increase in accordance with this Section ***RENT TO OWNER (A)*** and Section ***RENT TO OWNER (B)***. The rent to owner is also redetermined at such time when there is a five percent or greater decrease in the published FMR.

2. Amount of Rent to Owner

Except for certain tax credit units as provided in Section ***RENT TO OWNER (C)***, the rent to owner must not exceed the lowest of:

- (a) An amount determined by the HACD, not to exceed 110 percent of the applicable fair market rent (or any exception payment standard approved by HUD) for the unit bedroom size minus any utility allowance;
- (b) The reasonable rent; or
- (c) The rent requested by the owner.

3. Rent to Owner for Certain Tax Credit Units

- (a) This section applies if:
  - (i) A contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986 (see 26 U.S.C. 42);
  - (ii) The contract unit is not located in a qualified census tract;
 

A “qualified census tract” is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI) or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.
  - (iii) In the same project, there are comparable tax credit units of the same unit bedroom size as the contract unit and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
  - (iv) The tax credit rent exceeds the applicable fair market rental (or any exception payment standard) as determined in accordance with Section **RENT TO OWNER (B)**.
- (b) The rent to owner must not exceed the lowest of:
  - (i) The tax credit rent minus any utility allowance;
  - (ii) The reasonable rent; or
  - (iii) The rent requested by the owner.
- (c) The “tax credit rent” is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., additional assistance such as tenant-based voucher assistance).

4. Rent to Owner for Other Tax Credit Units

Except in the case of a tax credit unit described in the Section immediately above, the rent to owner for all other tax credit units is determined pursuant to Section 2 above.

5. Reasonable Rent

The HACD will determine reasonable rent in accordance with Section **RENT TO OWNER (C)**. The rent to owner for each contract unit may at no time exceed the reasonable rent.

5. Use of FMRs and Utility Allowance Schedule in Determining the Amount of Rent to Owner

(a) Amounts used:

- (i) Determination of Initial Rent (at the beginning of the HAP contract term)

When determining the initial rent to owner, the HACD will use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. At its discretion, the HACD may use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract.

- (ii) Redetermination of Rent to Owner

When redetermining the rent to owner, the HACD will use the most recently published FMR and the HACD utility allowance schedule in effect at the time of redetermination. At its discretion, the HACD may use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract.

(b) Exception Payment Standard and HACD Utility Allowance Schedule

- (i) Any HUD approved exception standard amount applies to both the tenant-based and project-based voucher programs. HUD will not approve a different exception payment standard amount for use in the project-based voucher program.
- (ii) The HACD may not establish or apply different utility allowance amounts for the project-based voucher program. The same HACD utility allowance schedule applies to both the tenant-based and project-based voucher programs.

7. HACD Owned Units

For HACD owned units, the initial rent to owner and the annual re-determination of rent at the annual anniversary of the HAP contract are determined by the independent entity approved by HUD in accordance with Section **RENT TO OWNER** (C)(6). The HACD must use the rent to owner established by the independent entity.

B. Re-determination of Rent to Owner

1. The HACD will re-determine the rent to owner:

- (a) Upon the owner's request; or
- (b) When there is a five percent or greater decrease in the published FMR.

2. Rent Increase

- (a) The HACD will not make any rent increase other than an increase in the rent to owner as outlined in **RENT TO OWNER**(A) above.



- (b) The owner must request an increase in the rent to owner at the annual anniversary of the HAP contract by written notice to the HACD. The HACD must receive the written notice 60 (sixty) days before the annual anniversary date. The request must be submitted in the form and manner required by the HACD.
- (c) The HACD will not approve and the owner will not receive any increase of rent to owner until and unless the owner has complied with all requirements of the HAP contract, including compliance with the HQS. The HACD will not grant any retroactive increase of rent for any period of noncompliance.

3. Rent Decrease

If there is a decrease in the rent to owner, the rent to owner must be decreased, regardless of whether the owner requested a rent adjustment.

4. Notice of Rent Determination

The HACD will give written notice of any redetermined rent. The HACD notice of the rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract.

5. Contract Year and Annual Anniversary of the HAP Contract

- (a) The contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.
- (b) The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year. The adjusted rent to owner amount applies for the period of 12 calendar months from the annual anniversary of the HAP contract.
- (c) If contract units are placed under the HAP contract in stages commencing on different dates, there is a single annual anniversary for all contract units under the HAP contract. The annual anniversary for all contract units is the annual anniversary date for the first contract units placed under the HAP contract. The expiration of the HAP contract for all the contract units completed in stages must be concurrent with the end of the HAP contract term for the units originally placed under HAP contract.

C. Reasonable Rent

1. Comparability Requirement

At all times during the term of the HAP contract, the rent to owner may not exceed the reasonable rent as determined by the HACD.

2. Redetermination

The HACD will redetermine the reasonable rent under the following circumstances:

- (a) Whenever there is a five percent or greater decrease in the published FMR in effect sixty (60) days before the contract anniversary (for the unit sizes specified

in the HAP contract) as compared with the FMR in effect one year before the contract anniversary;

- (b) Whenever the HACD approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- (c) Whenever the HAP contract is amended to substitute a different contract unit in the same project; and
- (d) Whenever there is any other change that may substantially affect the reasonable rent.

### 3. How to Determine Reasonable Rent

The reasonable rent of a contract unit must be determined by comparison to rent for other comparable unassisted units. In determining the reasonable rent, the HACD will consider factors that affect market rent, such as:

- (a) The location, quality, size, unit type, and age of the contract unit; and
- (b) Amenities, housing services, maintenance, and utilities to be provided by the owner.

### 4. Comparability Analysis

- (a) For each unit, the HACD comparability analysis will use at least three comparable units in the private unassisted market, which may include comparable unassisted units in the premises or project.
- (b) The HACD will retain a comparability analysis that shows how the reasonable rent was determined, including major differences between the unassisted units.
- (c) The comparability analysis may be performed by the HACD staff or by another qualified person or entity. A person or entity that conducts the comparability analysis and any HACD staff or contractor engaged in determining the housing assistance payment based on the comparability analysis may not have any direct or indirect interest in the property.

### 5. Owner Certification of Comparability

By accepting each monthly housing assistance payment from the HACD, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner must give the HACD information requested by the HACD on rents charged by the owner for other units in the premises or elsewhere.

### 6. Determining Reasonable Rent for HACD Units

For HACD units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with Section ***SELECTION OF PROPERTIES TO PROJECT-BASE(B)(8)***, rather than by HACD staff. Reasonable rent must be determined in accordance with this Section.

The independent entity must furnish a copy of the independent entity determination of reasonable rent for HACD owned units to the HACD and to the HUD field office where the project is located.

7. Other Subsidy; Effect on Rent to Owner

In addition to the rent limits established in accordance with ***RENT TO OWNER***(A)&(B), the following restrictions apply to certain units:

- (a) HOME – for units assisted under the HOME program, rents may not exceed rent limits as required by the HOME program.

- (b) Subsidized Projects

This paragraph applies to any contract units in any of the following types of federally subsidized project:

- (i) An insured or non-insured Section 236 project;
- (ii) A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- (iii) A Section 221(d)(3) below market interest rate (BMIR) project;
- (iv) A Section 515 project of the Rural Housing Service;
- (v) A project receiving low-income housing tax credits;
- (vi) Any other type of federally subsidized project specified by HUD.

The rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program.

- (a) Combining Subsidy

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

- (b) Other Subsidy: HACD Discretion to Reduce Rent

The HACD, at its discretion, may reduce the initial rent to owner because of other governmental subsidies, including tax credit or tax exemption, grants, or other subsidized financing.

- (c) Prohibition of Other Subsidy

The HACD will not attach or pay Project-based Voucher assistance to units in any of the following types of subsidized housing:

- (i) A public housing dwelling unit;
- (ii) A unit subsidized with any other form of Section 8 assistance (tenant-based or project-based);
- (iii) A unit subsidized with any governmental rent subsidy (a subsidy that pays all or any part of the rent);

- (iv) A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- (v) A unit subsidized with Section 236 rental assistance payments (12 U.S.C. 1715z-1). However, the HACD may attach assistance to a unit subsidized with Section 236 interest reduction payments;
- (vi) A unit subsidized with rental assistance payments under Section 521 of the Housing Act of 1949, 42 U.S.C. 1490a (a Rural Housing Service Program). However, the HACD may attach assistance for a unit subsidized with Section 515 interest reduction payments (42 U.S.C. 1485);
- (vii) A Section 202 project for non-elderly persons with disabilities (assistance under Section 162 of the Housing and Community Development Act of 1987, 12 U.S.C. 1701q note);
- (viii) Section 811 project based supportive housing for persons with disabilities (42 U.S.C. 8013);
- (ix) Section 202 supportive housing for the elderly (12 U.S.C. 1701q);
- (x) A Section 101 rent supplement project (12 U.S.C. 1701s);
- (xi) A unit subsidized with any form of tenant-based rental assistance (as defined at 24 CFR 982.1(b)(2)) (e.g., a unit subsidized with tenant-based rental assistance under the HOME program, 42 U.S.C. 12701 et seq.);
- (xii) A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or by the HACD in accordance with HUD requirements. For this purpose, “housing subsidy” does not include the housing component of a welfare payment; a social security payment; or a federal, state, or local tax concession (such as relief from local real property taxes).

8. Rent to Owner: Effect of Rent Control and Other Rent Limits

In addition to all the above limitations on the rent paid to the owner, if a state or local rent control requirement exists, it will apply to the property.

***PAYMENT TO OWNER***

A. HACD Payment to Owner for Occupied Unit

1. When Payments Are Made

The HACD will make housing assistance payments to the owner in accordance with the terms of the HAP contract.

Except for discretionary vacancy payments in accordance with ***PAYMENT TO OWNER(B)*** below, the HACD will not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

2. Monthly Payment

Monthly, the HACD will make a housing assistance payment to the owner for each contract unit that is in compliance with HQS and is leased to and occupied by an eligible family in accordance with the HAP contract.

3. Calculating Amount of Payment

The monthly housing assistance payment by the HACD to the owner for a contract unit leased to a family is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

4. Prompt Payment

The HACD will make the housing assistance payment to the owner under the HAP contract on or about the first day of the month for which payment is due, unless the owner and the HACD agree on a later date. If such an agreement has been made, it must be in writing.

5. Owner Compliance with Contract

In order to receive housing assistance payments in accordance with the HAP contract, the owner must be in compliance with all the provisions of the HAP contract. Unless the owner complies with all the provision of the HAP contract, the owner does not have a right to receive housing assistance payments.

B. Vacancy Payment

1. Payment for Move-Out Month

If an assisted family moves out of the unit, the owner may keep the housing assistance payment payable for the calendar month when the family moves out (“move-out month”). If the HACD determines that the vacancy is the owner’s fault, the owner may not keep the payment.

C. Tenant Rent; Payment to Owner

1. HACD Determination

The HACD will determine the tenant rent and effective dates of changes in rent in accordance with this Section 8 Administrative Plan. The tenant rent is the portion of the rent to owner paid by the family.

2. Tenant Payment to Owner

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The tenant rent is determined by the HACD and is the maximum amount the owner can charge the family for rent of a contract unit.

The tenant rent is payment for all housing services, maintenance, equipment, and utilities to be provided by the owner without additional charge to the tenant, in accordance with the HAP contract and lease.

The owner cannot demand or accept any rent payment from the tenant in excess of the tenant rent. The owner is required to immediately return any excess payment to the tenant.

3. Limit of HACD Responsibility

The HACD is responsible only for making housing assistance payments to the owner on behalf of a family in accordance with the HAP contract. The HACD is not responsible for paying the tenant rent, or for paying any other claim by the owner.

4. Utility Reimbursement

If the amount of the utility allowance exceeds the total tenant payment, the HACD will pay the amount of such excess as a reimbursement for tenant-paid utilities and the tenant rent to the owner shall be zero.

D. Other Fees and Charges

1. Meals and Supportive Services

In assisted living developments receiving project-based assistance, owners may charge tenants, family members, or both for meals or supportive services. These charges will not be included in the rent to owner, nor will the value of meals and supportive services be included in the calculation of reasonable rent. Non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

For any other type of project-based assistance (other than assisted living) the owner may not require the tenant or family members to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

2. Other Charges by Owner

The owner may not charge the tenant or family members extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.