

Section 8 Administrative Plan

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Chapter 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The Housing Choice Voucher Program was enacted as part of the Housing and Community Development Act of 1974, which remodified 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 Certificate and Voucher Programs, are described in and implemented through this Administrative Plan.

Administration of the HCV 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) HCV Regulations as well as all Federal, State and local Fair Housing Laws and Regulations.

It is the desire of the Rockford Housing Authority of the City of Rockford, Illinois to administer its HCV Assistance Payments Program in the most flexible manner possible within the constraints of HUD Regulations.

The Authority will strive to insure compatibility of the program with the actual housing needs as identified within the census and reflected in the Housing Assistance Plan (HAP).

A. LOCAL OBJECTIVES

The HCV Program is designed to achieve three major objectives:

- 1. To provide decent, safe, and sanitary housing for extremely/very low income families while maintaining their rent payments at an affordable level.**
- 2. To promote freedom of housing choice and spatial deconcentration of very low income families of all races and ethnic backgrounds.**
- 3. To provide an incentive to private property owners to rent to very low income families by offering timely assistance payments.**

In addition, the PHA has the following goals for the program:

- 1. To assist the local economy by increasing the occupancy rate and the amount of money flowing to the community.**

2. To encourage self-sufficiency of participant families.

B. PURPOSE OF THE PLAN [24 CFR 982.54]

The purpose of the Administrative Plan is to establish day to day policies for carrying out the programs in a manner consistent with HUD requirements and local objectives. The Plan covers both admission and continued participation in these programs. Policies are the same for all programs unless otherwise noted.

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 original Plan and any changes must be approved by the Board of Commissioners of the agency and a copy provided to HUD.

C. RULES AND REGULATIONS [24CFR 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 HCV Program and Mod-ReHab not addressed in this document are governed by such Federal regulations, HUD Memos, Notices, and guidelines, or other applicable law. (new)

D. 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 opportunity to apply for or receive assistance under the HCV Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, family or marital status, handicap or disability.

To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to Mod-Rehab, Project Based Clients and Voucher holders regarding “discrimination” and any recourse available to them if they are victims of discrimination. 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 Certificate and Voucher holder's briefing packet.

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 PHA's Rental and Administrative offices are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TTD/TDY telephone number (815) 987-3851.

E. SERVICE POLICY /ACCOMMODATIONS [24 CFR 700.245(c)(3)]

This policy is applicable to all situations described in this Administrative Plan 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.

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 the families within our jurisdiction.

The PHA's policies and practices will be designed to provide assurances that all persons with disabilities will be provided reasonable accommodation so that they may fully access and utilize the housing program and related services. The availability of specific accommodations will be made known by including notices on PHA forms and letters to all families, and all requests will be verified so that the PHA can properly accommodate the need presented by the disability.

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability.

Reasonable accommodation will be made for persons with a disability who require 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 a Request for Accommodation

All requests for accommodation or modification will be verified with a reliable knowledgeable, professional.

The Housing Authority utilizes organizations, which provide assistance for hearing- and sight-impaired persons when needed.

F. TRANSLATIONS OF DOCUMENTS

The Housing Authority has bilingual staff to assist Hispanic speaking families translate documents.

In determining whether it is feasible to translate documents into other languages, the PHA will consider the following factors:

Number of applicants and participants who do not speak English and speak the other language.

Cost of translation into the other language per/client who speaks the language.

Evaluation of the need for translation by the bi-lingual staff and by agencies that work with the non-English speaking clients.

The availability of organizations to translate documents, letters and forms for non-English speaking families.

Availability of bi-lingual staff to explain untranslated documents to clients.

G. 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, 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.

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, advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance.

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

The PHA encourages owners of decent, safe and sanitary housing units to lease to HCV families. The PHA maintains **a list of units available** for the HCV Program and updates

this list monthly. When listings from owners are received, they will be compiled by the PHA staff by bedroom size.

The Housing Authority will actively recruit property owners and when available, possibly grant exception rents for accessible properties when warranted.

The staff of the PHA initiates personal contact with private property owners and managers by conducting formal and informal discussions and meetings.

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

The PHA participates in the Rockford Apartment Association, which is comprised of private property and apartment owners and managers.

The PHA periodically evaluates the distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted.

The PHA conducts periodic [at least twice annually] meetings with participating owners to improve owner relations and to recruit new owners.

I. PRIVACY RIGHTS

Applicants and participants, including all adults 18 years or older 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 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." 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 Assisted Housing Supervisor or Director**.

In accordance with HUD requirements, the PHA will furnish prospective owners with the family's current address as shown in the PHA's records and, if known to the PHA, the name and address of the landlord at the family's current and prior address.

A statement of the PHA's policy on release of information to prospective landlords will be included in the briefing packet, which is provided to the family.

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.

All files must be signed for when removed from the secured file storage area.

The staff person who signs as utilizing a file is responsible for its security. Files folders will never be left unattended or placed in common areas.

PHA staff will not discuss family information contained in files unless there is a business reason to do so.

J. EQUAL EMPLOYMENT OPPORTUNITY

The PHA practices affirmative action in hiring, promotion and conditions of employment. The PHA's recruitment practices will apply aggressive outreach to community-based racial and ethnic groups so that the composition and culture of the staff reflects the composition and culture of the community, to the extent possible. All PHA job postings will display the affirmative action/equal employment opportunity logo and slogan prominently.

K. JURISDICTION

The primary jurisdiction of the PHA is the city of Rockford.

L. MONITORING PROGRAM 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. (new)

Reports and records will be maintained for:

Monitoring funding availability, to ensure the PHA is at maximum lease up but not over leased

Tracking outstanding Vouchers for expiration.

Timeliness of annual activities

Number of new Vouchers issued

Repayment of amounts owed the PHA

In order to ensure quality control, supervisory staff audits the following functions:

The Rockford Housing Authority is required to review a random sample of records based on a Defined universe in order to determine compliance with program requirements. Under CFR 985.2 as:

<u>#’s</u>	<u>Minimum numbers of files/records to be sampled</u>
50 or less	5
51 –600	5 + 1 for each 50 (or part of 50) over 50
601-2000	16 + 1 for each 100 (or part of 100) over 600
over 2000	30 + 1 for each 200 (or part of 200) over 2000

M. TERMINOLOGY

The **Rockford Housing Authority** 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 HCV programs are also known as the Voucher Programs, Project Based and Moderate Rehab Program

“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 Chapter 15, “Denial or Termination of Assistance.”

See Glossary for other terminology.

N. 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 goals and objectives of the following HUD SEMAP indicators.

1. Selection from the Waiting List
2. Reasonable Rent
3. Determination of Adjusted Income
4. Utility Allowance Schedule
5. HQS Quality Control Inspections
6. HQS Enforcement
7. Expanding Housing Opportunities
8. FMR exception rent & Payment Standards
9. Annual Reexaminations
10. Correct Tenant Rent Calculations
11. Pre-Contract HQS Inspections
12. Annual HQS Inspections
13. Lease-up
14. Family Self Sufficiency Enrollment
- 14b. % of FSS Participants with Escrow***

Deconcentration is considered a Bonus in SEMAP

Chapter 2

ELIGIBILITY FOR ADMISSION

INTRODUCTION

This Chapter defines both HUD's and the HA's criteria for admission and denial of admission to the program. The policy of this HA is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply. The HA 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 HA pertaining to their eligibility.

Eligibility Factors

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

The HUD eligibility criteria are:

An applicant must be a "family" [CFR 5.405 (a)]

An applicant must be within the appropriate Income Limits [CFR 5.405(a)]

An applicant must furnish Social Security Numbers or certify they do not have one.

[CFR 5.216 (a)(g)(3)]

An applicant must furnish evidence of Citizenship/Eligible Immigrant Status

[CFR 5.500]

For the HA's additional criteria for eligibility, see Section E, "Other Criteria for Admission."

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors. See "Appendix A" for income eligibility limits. Evidence of Citizenship/Eligible Immigrant Status will not be verified until the family is selected from the waiting list for issuance of a Voucher.

A. FAMILY COMPOSITION [24 CFR 982.54(d)(4)(i)]

The applicant must qualify as a Family. A Family may be a single person or a group of persons.

A group of persons may be:

Two or more persons who intend to share residency whose income and resources are available to meet the family's needs and who have established a stable family relationship of a minimum of six (6) months qualify as a group of persons and a family.

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

A child who is temporarily (90 days) 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. If the temporary displacement exceeds 90 days, this provision does not apply.

A single person may be:

- An elderly person
- A displaced person
- A person with a disability
- Any "other single" person

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. Emancipated minors who qualify under State law will be recognized as head of household.

A family may designate an elderly or disabled family member as head of household solely to qualify the family as an Elderly Household, provided that the person is at least partially responsible for paying the rent.

Spouse of Head

Spouse means the husband or wife of the head.

For proper application of the Non-citizens Rule, the definition of spouse is: the marriage partner whom, 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.

Live-In Attendants CFR 982.316

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

Is determined by the HA 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 care for the person(s).

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

1. Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
2. Live-in aides are not subject to Non-Citizen Rule requirements.
3. Live-in aides may not be considered as a remaining member of the tenant family.

Relatives 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.

Family members of a live-in attendant may also reside in the unit providing doing so does not increase the subsidy by the cost of an additional bedroom and that the presence of the live-in's family members does not overcrowd the unit.

A Live in Aide may only reside in the unit with the approval of the HA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker. 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 HA has the right to disapprove a request for a live-in aide based on the "Other Criteria for Eligibility" described in this Chapter (Section E).

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 HA will make the decision taking into consideration the following factors:

1. **Which family member applied as head of household.**
2. **Which family unit retains the children or any disabled or elderly members.**

3. **Restrictions that were in place at the time the family applied.**
4. **Role of domestic violence in the split.**
5. **Recommendations of social service agencies or qualified professionals such as children's protective services.**

Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by the HA.

In cases where domestic violence played a role, the standard used for verification will be the same as that required for the “displaced due to domestic violence” preference.

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, 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 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.

B. INCOME LIMITATIONS [24 CFR 813.106, 982.201 (b) (d), 982.54(d)(4)(ii)]

In order to be eligible for assistance, an applicant must be either:

A *extremely or* very low-income family; or

A low-income family in any of the following categories:

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 **120** days of certificate/voucher issuance. Programs include public housing, all HCV programs, and all Section 23 programs.

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 homeownership program under 24 CFR 248.173.

A low-income family 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 residing in a HUD-owned multifamily rental housing project when the project is sold, foreclosed or demolished by HUD. (Certificate program only.)

A low-income family residing in a HA owned housing program who is displaced as result of a Modernization Program rehabilitation project

To determine if the family is income-eligible, the HA compares the Annual Income of the family to the applicable income limit for the family's size.

Families whose Annual Income exceeds the income limit will be denied admission and offered an informal review.

The applicable income limit to be used at initial issuance of a Voucher is the income limit of the HA.

For admission to the program (initial lease-up), the family must be within the very low-income limit of the HA.

Portability: For initial lease-up, families who exercise portability must be within the very low-income limit of the receiving HA in, which they want to live.

Participant families who exercise portability, and request or require a change in their form of assistance, must be within the low-income limit of the receiving HA if they are to receive the alternate form of assistance.

C. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 750.10 (a-f)]

Families are required to provide verification of Social Security Numbers for all family members age 6 and older prior to admission, if they have been issued a number by the Social Security Administration. This requirement also applies to persons joining the family after admission to the program.

Failure to furnish verification of social security numbers is grounds for denial or termination of assistance.

D. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR 812.5]

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 six 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.

No eligible members. Applicant families that include no eligible members will be 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 are 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

D.2 ELIGIBILITY OF STUDENTS FOR HCV HOUSING

Rockford Housing must consider a student’s financial assistance in excess of tuition as income to determine income eligibility. Such financial assistance is not included in income for persons over 23 years old with dependent children. Loan proceeds not included in financial assistance.

The rule places restrictions on the specific types of students that are eligible for housing assistance. Assistance may not be provided to any student of higher education who is under 24 years of age, is not a veteran of the U.S. Military, is unmarried, does not have dependent children and is not otherwise eligible or does not have parents that are eligible for Section 8 assistance. (24 CFR Parts 5, 880, 883)

E. OTHER CRITERIA FOR ADMISSION [24 CFR 982.552 (b)]

The HA may apply the following criteria, in addition to the HUD eligibility criteria, as grounds for denial of admission to the program.

1. **Voucher Program family's Total Tenant Payment, computed in accordance with the federal regulations, may not exceed the current Fair Market Rent as set by HUD for the family's certificate size in the area.**
2. The Family must have not have violated any family obligation during the past three years under HCV program.

When the HA denies assistance to an applicant with a disability, the applicant may request a review of the family obligation that was violated, if the violation was a result of the disability.

3. No family member may have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program within the last **thirty six (36) months**.
4. Family must have paid any outstanding debt owed the HA or another HA as a result of prior participation in any federal housing program.

No Repayment Agreement will be accepted.

If the family's payments are current at the time of final eligibility determination, the family will be issued a Voucher.

The HA reserves the right, in the case of extreme hardship, to waive the Policy in regards to Repayment Agreements. Waiver of the "No Repayment Agreement provision will be at the sole discretion of the HA and will require full documentation of the hardship and the approval of the Executive Director. In no case will the debt be forgiven.

5. The HA will screen all applicants for criminal activity as part of the processing of an application for assistance. Applicants or applicant family members who are found to have been engaged in drug related or violent criminal activity **within thirty six (36) months** of the date of the initial application will be denied admission.

Drug related criminal activity is defined as:

"The illegal manufacture, sale, distribution, use, or possession with intent to manufacturer, sell, distribute, or use a controlled substance."

[CFR 982.14, 42 USC 1437 (f)(5)]

Violent criminal activity is defined as:

"Any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property of another" [CFR 982.4]

6. No family member may have been evicted from public housing or **any Project based, Mod-ReHab, or Voucher program** for any reason during the last twelve months. [Notices PIH 96-27 & 97-29]
7. No family member may have engaged in or threatened abusive or violent behavior toward HA personnel.
8. No member of the family may have engaged in behavior so that there is reason to believe the person abuses alcohol in a manner, which may interfere with the health, safety, or right of peaceful enjoyment by other residents or neighbors. (PIH 96-27)

F. AVAILABILITY OF CRIMINAL RECORDS FOR RESIDENT SCREENING AND EVICTION (Section 6(q) of the United States Housing Act of 1937 (42 U.S.C. 1437 d (q)(1) as amended)

The HA may request criminal history information regarding applicants for, or tenants of, housing that are provided project based assistance under the HCV subsidy program. All housing for which criminal history information is requested must be located within the jurisdiction of the HA. The HA will only consider obtaining this information after an owner of such housing makes a written request of the HA.

Examples of credible evidence, which will result in the denial of an application include but are not limited to; evidence provided by law enforcement agencies including police reports, arrest records, drug raids, drugs found in the dwelling unit or the applicant family's possession, any evidence which is tied to the activity, arrest warrants, as well as evidence obtained through the court system, and testimony of witnesses.

In making a determination the HA will analyze evidence utilizing a "preponderance of the evidence" test. 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 the fact sought to be proved is more probable than not."

Although the screening and selection of HCV residents remains a responsibility of the Owners, the PHA will consider an owner's written request to screen applicants in accordance with any HUD requirement provided the housing is located within the jurisdiction of the PHA and the owner compensates the PHA for this service. The PHA will not make such information available to the owner but shall perform determinations for the owner based upon criteria supplied by the owner. In addition the PHA takes no responsibility for the accuracy or completeness of the information it receives from third party sources in conducting such screening.

G. SUITABILITY OF FAMILY [24 CFR 982.202 (b) (1)]

The PHA may take into consideration any of the additional criteria for admission in Section E above, but will not otherwise screen for factors, which relate to the suitability of the applicant family as tenants. **It is the responsibility of the owner to screen the applicants as to their suitability for tenancy except for project-based programs in which the owner has requested and the PHA as agreed to screen its applicants for criminal background information.**

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. 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 placement on the waiting list and issuance of a voucher may affect the family's eligibility or Total Tenant Payment. For example, if a family goes over the income limit prior to lease up, the applicant will not continue to be eligible for the program. They will be notified in writing of their ineligible status and their right to an informal review.

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 Chapter 19, "Complaints and Appeals" for additional information about reviews and hearings.

Chapter 3

APPLYING FOR ADMISSION

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. HOW TO APPLY

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

The application process will involve two phases. The first is the “initial” application for assistance (referred to as a pre-application). This first phase results in the family's placement on the waiting list.

The second phase is the “final determination of eligibility” (referred as the full application). The full application takes place when the family reaches the top of the waiting list. 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 certificate or voucher.

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, media entities and community service organizations. The following list is not intended to be inclusive;

The Rockford Register Star, Local Radio & Television Media, Religious Organizations, Social Service Agencies including: Cornerstone, Janet Wattles, Steppingstones, RAMP, NIAAA, Crusader Clinic, and Rosecrance

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 HCV 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 (5 days past closing date) will be given as an accommodation for submission of an application after the closing deadline. This accommodation is to allow persons with disabilities (disability must be verified) the opportunity to submit an application in cases when a social service organization provides inaccurate or untimely information about the closing date.

When Application Taking Is Suspended

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

Suspension of application taking is announced in the same way as opening the waiting list.

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next eighteen (18) **months**. The application taking closing date will be determined administratively at the same time the PHA determines to open enrollment.

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.

Suspension of the waiting list will not preclude applicants eligible under the court ordered requirements of the Norman case, as determined by the

Department of Children and Family Services, from being added to the Voucher Program waiting list. Norman eligible applicants will receive preference for Vouchers, which have been specifically designated for usage through the Family Unification Program. Family Unification Program applicants however, will be required to meet all other HCV eligibility requirements.

Limits on Who May Apply

When the waiting list is open,

Depending upon the composition of the waiting list with regard to family types and preferences and to better serve the needs of the community, at times the PHA may only accept applications from:

All family types

If there are sufficient applications from elderly families, disabled families, and displaced singles, applications will not be accepted from Other Singles.

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 with any local preference claimed by the applicant.

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

The PHA will utilize a preliminary-application form (pre-application). The information is to be filled out by the applicant whenever possible. To provide specific accommodation to persons with disabilities, the information may be completed by a staff person over the telephone, or mailed to the applicant. If requested, it will be mailed in an accessible format.

The purpose of the pre-application is to permit the PHA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. The pre-application will contain questions designed to obtain the following information:

Names of adult members and age of all members

Sex and relationship of all members

Street Address and phone numbers

Mailing Address (If PO Box or other permanent address)

Amount(s) and source(s) of income received by household members

Information regarding Disabilities relating to program requirements (i.e., deductions)

Information related to qualification for preferences

Social Security Numbers

Race/ethnicity

Citizenship/eligible immigration status

Arrests/Convictions for Drug Related or Violent Criminal Activity

Request for Specific Accommodation if needed to fully utilize program and services

Duplicate applications, including applications from a segment of an applicant household, will not be accepted. Ineligible families **will not** be placed on the waiting list. Pre-applications **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.

Applicants are required to inform the PHA **in writing within thirty (30) days** of changes in family composition, income, and address, as well as any changes in their Preference status. Applicants are also required to respond to requests from the PHA to update information on their application, or to determine their continued interest in assistance.

Failure to provide information or to respond to mailings by date requested will result in the applicant being removed from the waiting list. See Chapter 19, "Complaints and Appeals"

D. NOTIFICATION OF APPLICANT STATUS

If after a review of the pre-application the family is determined to be preliminarily eligible, they will be notified in writing, in an accessible format upon request, as a reasonable accommodation. The notice will contain the approximate date that assistance may be offered, and will further explain that the estimated date is subject to factors such as turnover and additional funding. **This written notification of preliminary eligibility will be mailed to the applicant by first class mail.**

If the family is determined to be ineligible based on the information provided in the pre-application, the PHA will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s), and inform them of their

right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation. **See Chapter 19, “Complaints and Appeals” and Appendix E, "Notice of Denial of Application.**

E. TIME OF SELECTION

When funding is available, families will be selected from the waiting list in their preference-determined sequence, regardless of family size.

When there is insufficient funding available for the family at the top of the list, the PHA will not admit any other applicant until funding is available for the first applicant. Applicants will not be passed over on the waiting list.

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.” Selection from the pool will be based on waiting list sequence/completion of verification.

F. COMPLETION OF A FULL APPLICATION

All Local Preferences claimed on the pre-application or while the family is on the waiting list will be verified after **the family is selected from the waiting list, and prior to completing the full application.**

The qualification for a local preference must exist at the time the preference is verified regardless of the length of time an applicant has been on the waiting list because the preference is based on current status.

After the preference is verified, when the PHA is ready to select applicants, applicants will be required to **participate in a full application interview with an PHA representative during which the applicant will be required to furnish complete and accurate information verbally as requested by the interviewer. The PHA interviewer will complete the full application form with answers supplied by the applicant. The applicant will sign and certify that all information is complete and accurate.** The full application will be **mailed as requested as an accommodation to a person with a disability.**

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. **All adult family members are required to attend the interview and sign the housing application. Exceptions may be made for students attending school out of state/for members for whom attendance would be a hardship.**

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 **five (5)** days from the original appointment date. **The request must be in writing and directed 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.**

Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to provide some information, 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 Chapter 19, "Complaints and Appeals.")

All adult members must sign the HUD Form 9886, Release of Information, the Applicant Certification form **and all supplemental forms required by the PHA**, 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.

Information provided by the applicant will be verified including information related to family composition, income, allowances and deductions, assets, eligible immigration status, full time student status and other factors related to preferences, eligibility and rent calculation. Verifications may not be more than 60 days old at the time of certificate/voucher issuance.

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 **five (5)** working 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 Chapter 19, "Complaints and Appeals.")

G. VERIFICATION [24CFR 982.204(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, and other pertinent information will be verified. Verifications may not be more than sixty (60) days old at the time of issuance of the Voucher.

H. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY

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 (See Appendix G, Eligibility). A briefing will be scheduled for the issuance of a certificate or voucher and the family's orientation to the housing program.

Chapter 4

ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

[24CFR 982.54(d)(1)]

INTRODUCTION

It is the PHA's objective to ensure that the families are placed in the proper order on the waiting list so that an offer of assistance is not delayed to any family, or made to any family prematurely.

This chapter defines the eligibility criteria Local 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]

Except for Special Admissions, applicants will be selected from the PHA waiting list in accordance with policies and preferences 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 the PHA subsidy standards)
- Date and time of application
- Qualification for any local preference
- Racial or ethnic designation of the head of household
- Targeted program qualifications

B. APPLICATION POOL

The waiting list will be maintained in accordance with the following guidelines:

1. The application will be a permanent file.
2. All applicants in the pool will be maintained in order of preference. Applications equal in preference will be maintained by date and time sequence.
3. All applicants must meet "Very Low Income" eligibility requirements as established by HUD (See Appendix A). Any exceptions to these requirements, other than those outlined in Chapter 2, "Eligibility for Admission," must have been approved previously by the HUD Field Office.

Special Admissions [24CFR 982.54(d)(e)]

Applicants, who are admitted under Special Admissions, rather than from the waiting list, are identified by codes in the automated system and are not maintained on separate lists.

C. WAITING LIST PREFERENCES [24 CFR 982.207]

An applicant will not be granted any Local preference if any member of the family has been evicted from any federally assisted housing under a 1937 Housing Act during the past three years because of drug-related criminal activity.

If an applicant makes a false statement in order to qualify for a Local preference, the PHA will deny admission to the program for the family.

Types of Applicants With Preferences Over "Other Singles" [24 CFR 5.405(b)]

"Other Singles" denotes a one-person household in which the individual member is neither elderly, disabled, nor displaced by government action. Such applicants will be placed on the waiting list in proper order for selection.

Waiting List Management

Applicants are placed on the appropriate waiting list by *preference, date, and time, of application*, and Local preference except as follows;

Applicant families in which any member of the household has a disability requiring accessibility features not available in their current residence will be given preference for accessible RHA dwelling units, as available. Accessible and adaptable dwelling units will be reserved for applicants needing such accessibility features. **(not applicable to the Housing Choice Program)**

D. INITIAL DETERMINATION FOR PREFERENCE QUALIFICATIONS

At the time of application, an applicant's entitlement for a preference may be made on the basis of the following criteria:

An applicant's certification that they qualify for a preference will be accepted without verification. 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 **notified in writing and returned to the waiting list**

based on date and time of application and given the opportunity for a meeting.

If, at the time the family applied, the preference claim was the only reason for placement of the family on the list and the family can not verify their eligibility for the preference as of the date of the application, the family will be removed from the list.

Change In Preference Status While On The Waiting List

Families on the waiting list who did not qualify for a preference at the time of application intake may experience a change in circumstances that qualifies them for a preference. In such instances, it will be the family's responsibility to inform the PHA in writing so that their status may be re-verified. To the extent that the re-verification determines that the family does now qualify for a preference they will be moved up on the waiting list in accordance with their Local Preference cumulative points, as well as their date and time of application. They will then be informed of how the change in status has affected their position on the waiting list **upon request**.

Notification Policy

It is the policy of the PHA to inform all applicants concerning the availability of local preferences and to give all applicants the opportunity to qualify.

E. LOCAL PREFERENCES [24 CFR 982.208, 982.209]

Local preferences will be used to select among applicants on the waiting list. A public hearing was held as required prior to adopting the PHA's local preferences.

The Hearing Notice was distributed following the same guidelines as those used for opening or closing the waiting list.

The following categories will receive a local preference with the following points;

Families with at least one adult (Head or Spouse) who is employed. This preference is extended equally to elderly families or families whose head or spouse is receiving income based upon their inability to work (35 points)

Elderly (62 or older) or Persons with Disabilities (family with Head or Spouse that is disabled) (35 points)

Resident near elderly persons who are from 50 to 61 years of age (25 points)

Veteran (10 points)

Living in Winnebago County or a contiguous County (10 points)

The PHA will not limit the number of families that may qualify for any local preference.

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

If HUD awards an 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:

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

G. TARGETED FUNDING

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.

The PHA has the following "Targeted" Program:

Family Unification Program

Single Room Occupancy (SRO)

H. PREFERENCE ELIGIBILITY [24 CFR 982.210 (c) (3-4)]

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 PHA in writing when their circumstances change. When an applicant claims an additional preference, s/he will be placed on the waiting list in the proper order of their newly claimed preference.

I. FINAL VERIFICATION OF PREFERENCES [24 CFR 982.210 (c) (3)(4)]

Preference information on applications will be updated as applicants are selected from the waiting list. At that time, the PHA will:

In order to receive priority for issuance of a Voucher due to a local preference, the client must continue to qualify for the preference at the time of contract execution, for example, a working preference client must be working at the time of contract execution in order to receive priority under this preference.

J. PREFERENCE DENIAL [24 CFR 982.210 (d)]

If the PHA denies a preference, the PHA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for **an informal meeting**. 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.

K. REMOVAL FROM WAITING LIST AND PURGING [24 CFR 982.204 (c)]

If an applicant fails to respond to a mailing from the PHA, the applicant will be sent written notification and given **thirty (30) days** to contact the PHA. If they fail to respond within **thirty (30) days** they will be removed from the waiting list. An extension will be considered an accommodation if requested by a person with a disability. 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 waiting list will be purged **a minimum of once every twelve (12) months** by a mailing to all applicants to ensure that the waiting list is current and accurate. The

mailing will ask for current information and confirmation of continued interest. **The same guidelines will be used for failure to respond to this mailing.** Notices will be made available in accessible format upon the request of a person with a disability.

L. FAMILY UNIFICATION WAITING LIST PROCEDURE

The Department of Children and Family Services and the PHA have agreed to cooperate in providing HCV assistance opportunities for persons who have lost or are in danger of losing their children due to the inadequacy of their housing situation. In promoting family unification through this program, the PHA has revised certain provisions of its waiting list procedures in order to facilitate the housing of applicants who meet the prescribed eligibility criteria. Exceptions to regular HCV waiting list procedures, which are necessary in order to implement the Family Unification Program, are detailed below.

The Department of Children and Family Services will refer applicants, which they have determined to be eligible under the court-determined requirements of the Norman litigation to the PHA's Assisted Housing office. The PHA will then verify applicant eligibility for all other HCV eligibility criteria. Preference will be given to Norman applicants who meet all eligibility requirements for the issuance of a Voucher, which have been specifically designated for usage under the Family Unification Program.

The suspension of application taking for the PHA's Housing Choice Voucher waiting list will not apply to Norman eligible applicants and will not preclude these applicants from being added to the waiting list. Eligible applicants will be continue to be added to the waiting list as they are referred to the PHA by the Department of Children and Family Services regardless of the status of the waiting list for all other prospective applicants.

Norman eligible applicants will be placed on the waiting list based upon their time and date of application with preference provisions applying as applicable. The PHA will limit the number of **Vouchers** issued to Norman eligible applicants to a total of one hundred (100). This limitation is determined by the number of **Vouchers** allocated by the Department of Housing and Urban Development to the PHA under the Family Unification Program. If sufficient applicants are not available to utilize the total number of allocated Vouchers, the PHA may issue any remaining Vouchers to applicants on its HCV waiting list. The PHA, however, must continue to issue **Vouchers**, when available, to Norman eligible applicants up to the total amount allocated by HUD.

The PHA is also required to add additional participants to its Family Self Sufficiency program as **Vouchers** are contracted up to the total amount allocated for the Family Unification Program.

Chapter 5

SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

INTRODUCTION

HUD guidelines require that PHA's establish subsidy standards for the determination of Voucher bedroom size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the Voucher size also 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 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 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 or older or legally emancipated.**

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 but the Payment Standard will be the lower of* unit size or Voucher size..

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

Persons of different generations, persons of the opposite sex (other than spouses), 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 three (3) months.

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

Space may be provided for a child who is away at school but who lives with the family during school recesses.

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

Adults of different generations will have separate bedrooms.

Single person families shall be allocated one bedroom.

GUIDELINES FOR DETERMINING VOUCHER SIZE

Voucher Size	Persons in Household (Minimum #)	Persons in Household (Maximum #)
0 Bedroom	1	1
1 Bedroom	1	4
2 Bedrooms	2	6
3 Bedrooms	3	8
4 Bedrooms	4	10
5 Bedrooms	6	12
6 Bedrooms	8	14

B. CHANGES IN VOUCHER SIZE [24 CFR 982.403 (a) & (b)]

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, the following guidelines will apply:

Requests for Exception to Subsidy Standards for Applicants

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

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

Children of the same sex must be 5 years different in age to be issued a larger Voucher size if Funding permits. Children under the age of 3 may share a bedroom with parent or sibling of the opposite sex.

Circumstances may dictate a larger size than the Subsidy Standards permit when persons cannot share a bedroom because of an accommodation which has been requested, such as:

Persons who cannot occupy a bedroom because of a verified medical or health reason

Elderly persons or Persons with disabilities who may require a live-in attendant

Requests based on health related reasons must be verified by a doctor/medical professional.

If the PHA errs in the bedroom size designation, the family will be issued a Voucher of the appropriate size so that the family is not penalized.

PHA ERROR

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

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 person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within thirty (30) days.

Requests for Exception to Subsidy Standards for Participants

The family may request a larger sized Voucher than indicated by the PHA's subsidy standards. Such request must be made in writing within 10 days of the PHA's determination of bedroom size. The request must explain the need or justification for a larger bedroom. 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.

Under housed and Over housed 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 and assist the family in locating a suitable unit.

Transfer Waiting List

When a change in family composition requires a larger Voucher, and funds are not available for the type of assistance the family has, *the family will be placed on the transfer* list.

Families will be selected from the Transfer List before families are selected from the applicant waiting list. This assures that families who are already on the program are in the appropriate sized units.

Families will be selected from this list when there is available funding, in the following sequence:

- 1. A participant family (whose family composition has been approved by the PHA) who requires a change in Voucher size because they are living in a unit, which is overcrowded according to Housing Quality Standards.**
- 2. A participant family (whose family composition has been approved by the PHA) who requires a change in Voucher size under the Subsidy Standards, but not under Housing Quality Standards.**
- 3. All others who require a transfer as determined by the PHA.**

C. UNIT SIZE SELECTED

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

- 1. 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.

- 2. Utility Allowance:** The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's Voucher.

3. 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 (page 3–2). The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

Chapter 6

FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION

INTRODUCTION [24 CFR 813]

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 deductions 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 813 and further instructions set forth in HUD Notices, Memoranda and Addenda. 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

Income: The types of money which are to be used as income for purposes of calculating the TTP, are defined by HUD in federal regulations. In accordance with this definition, income from all sources of each member of the household 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 re-certification. 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.

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

HUD has five allowable deductions from Annual Income:

1. 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.
2. 'Elderly' allowance: \$400 for families whose head or spouse is 62 or over or disabled.
3. Allowable medical expenses for all family members are deducted for 'elderly' families.

4. Child care expenses for children under 13 are deducted when childcare is necessary to allow an **adult** member to work or attend school.
5. Expenses for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an **adult** family member to work.

Minimum Rent

The PHA has established a minimum rent for Section Eight participants of \$25.00.

As a result the Total Tenant Payment (TTP) for families participating in these programs will be a minimum of \$25. Accordingly the TTP for residents in the housing program must be the greatest of:

- a. 30 percent of family monthly-adjusted income;
- b. 10 percent of family monthly income;
- c. \$25 minimum rent.

B. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT

[24 CFR 813.106, 982.54 (d)(10), 982.551 (h) (2), (3), (7)]

The PHA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, the PHA 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.

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 PHA will evaluate absences from the unit using this policy.

Absence of Entire Family [24 CFR 982.54 (10)]

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 PHA will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

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

Families must notify the PHA if they are going to be absent from the unit for more than thirty (30) consecutive days.

If the entire family is absent from the assisted unit for more than **ninety (90)** 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 longer than the time specified in this Plan, the PHA will not continue assistance payments.

HUD regulations require the PHA 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 PHA may:

- Write letters to the family at the unit**
- Telephone the family at the unit**
- Interview neighbors**
- Verify if utilities are in service**

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 day’s limit.

If the absence, which resulted in termination of assistance, was due to a person's disability, and the PHA can verify that the person was unable to notify the PHA in accordance with the family's responsibilities, and if funding is available, the PHA may reinstate the family as an accommodation if requested by the family.

Absence of Any Member [24 CFR 982.54 (10)]

Any member of the household will be considered permanently absent if s/he is away from the unit for **three (3) consecutive months or one hundred eighty days in a 12 month period** except as otherwise provided in this Chapter.

Absence due to Medical Reasons [24 CFR 982.54 (10)]

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the PHA 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 **one hundred eighty (180)** 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 PHA's "Absence of Entire Family" policy.

Absence due to Incarceration

If the sole member is incarcerated for more than **ninety (90)** 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 **three (3) consecutive months one hundred eighty (180) days in a twelve-month period. The PHA will determine if the reason for incarceration is for drug-related or violent criminal activity.**

Foster Care and Absences of Children

If the family includes a child or children temporarily absent from the home due to placement in foster care, the PHA 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 three (3) months from the date of removal of the children, 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 PHA's subsidy standards.

Absence of Adult

If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the PHA will treat that adult as a visitor for the first fifteen (15) days.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, the Voucher will be transferred to the caretaker.

If the appropriate agency cannot confirm the guardianship status of the caretaker, the PHA will review the status at **thirty (30) day** intervals.

If custody or legal guardianship has not been awarded by the court, but the action is in process, the PHA will secure verification from social services staff or the attorney as to the status. **The caretaker will be allowed to remain in the unit, as a visitor, until a determination of custody is made.**

When the PHA approves a person to reside in the unit as caretaker for the child/ren, the income should be counted pending a final disposition. The PHA will work with the appropriate service agencies and the landlord to provide a smooth transition in these cases.

If a member of the household is subject to a court order that restricts him/her from the home for more than **three (3) months**, the person will be considered permanently absent.

If an adult family member leaves the household for any reason, the family must report the change in family composition to the PHA within **thirty (30) days**.

The family will be required to notify the PHA in writing within thirty (30) days when an adult family member moves out. The notice must contain a certification by the family as to whether the absence is temporary or permanent.

The family member will be determined permanently absent if verification is provided.

Time extension will be granted as an accommodation upon request by a person with a disability.

If an adult child goes into the military and leaves the household, they will be considered permanently absent.

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

A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of Voucher size.

Visitors

Any adult not included on the HUD 50058 who has been in the unit more than fifteen (15) consecutive days, or a total of thirty (30) days in a 12-month period, will be considered to be living in the unit as an unauthorized household member.

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 family and the PHA 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 not considered members of the household may visit for up to **ninety (90) 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 one hundred eighty days (180) per year, the minor will be considered to be an eligible visitor and not a family member.

Reporting Additions to Owner and PHA

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

The family obligations require the family to request PHA approval to add any other family member as an occupant of the unit and to inform the PHA of the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members in writing.

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

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.

Reporting Absences to the PHA

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

If a family member leaves the household, the family must report this change to the PHA, in writing, within **thirty (30) days** of the change and certify as to whether the member is temporarily absent or permanently absent.

The PHA will conduct an interim evaluation for changes, which affect the TTP in accordance with the interim policy.

C. AVERAGING INCOME [24 CFR 813.106 (d)]

When Annual Income cannot be anticipated for a full twelve months, the PHA may:

1. Average known sources of income that vary to compute an annual income, or
2. 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.

Income from the previous year may be analyzed to determine the amount to anticipate when third-party or check-stub verification is not available.

If by averaging, an estimate can be made for those families whose income fluctuates from month to month; this estimate will be used so that the housing payment will not change from month to month.

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

D. MINIMUM INCOME [24 CFR 813.102]

There is no minimum income requirement. Families who report zero income are required to complete a written certification **every ninety (90) days**.

E. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME

[24 CFR 813.106 (a)]

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the PHA will calculate the Total Tenant Payment using one of the following methods.

(a) 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. OR

(b) Include the income of the person permanently confined to the nursing home and give the family the medical deductions allowable on behalf of the person in the nursing home.

F. REGULAR CONTRIBUTIONS AND GIFTS [24 CFR 813.106 (b)(7)]

Regularly 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 **\$300** 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 Chapter 7, “Verification Procedures,” for further definition.) **If the family's expenses exceed its known income, the PHA will question the family about contributions and gifts.**

G. ALIMONY AND CHILD SUPPORT [24 CFR 813.106 (b)(7)]

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 PHA must use the amount awarded by the court unless the family can verify that they are not receiving the full amount.

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

The PHA receives verification from the agency responsible for enforcement or collection.

It is the family's responsibility to supply a certified copy of the divorce decree.

H. LUMP-SUM RECEIPTS [24 CFR 813.106 (b)(4)]

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 (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 PHA will calculate prospectively if the family reported the payment within sixty (60) days and retroactively to date of receipt if the receipt was not reported within that time frame.

Prospective Calculation Methodology

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:

1. The entire lump-sum payment will be added to the annual income at the time of the interim.

2. The PHA will determine the percent of the year remaining until the next annual re-certification as of the date of the interim (three months would be 25% of the year).
3. At the next annual re-certification, the PHA will apply the percentage balance (75% in this example) to the lump sum and add it to the rest of the annual income.
4. The lump sum will be added in the same way for any interims, which occur prior to the next annual re-certification.

Retroactive Calculation Methodology

1. The PHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.
2. The PHA 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 PHA.

The family has the choice of paying this “retroactive” amount to the PHA in a lump sum.

At the PHA's option, the PHA may enter into a Repayment 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.

I. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS

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

1. While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.
2. After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

J. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

The PHA must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The PHA 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 PHA's minimum threshold for counting assets disposed of for less than Fair Market value is **\$1000**. If the total value of assets disposed of within a one-year period is less than **\$1000**, they will not be considered an asset.

K. CHILD CARE EXPENSES [24 CFR 813.102]

Childcare expenses for children under 13 may be deducted from annual income if they enable an adult **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 re-imbursed. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.**

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

Allowable deductions for child care expenses are 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 one hour travel time to and from school).

Amount of Expense: The PHA will **survey the local care providers in the community and collect data** as a guideline. If the hourly rate materially exceeds the guideline, the PHA may calculate the allowance using the guideline.

Actively Seeking Employment: RIM 4.61

L. MEDICAL EXPENSES [24 CFR 813.102 (d)]

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. Acupressure, acupuncture, and chiropractic services will be considered allowable medical expenses.

M. PRORATION OF ASSISTANCE FOR “MIXED” FAMILIES [24 CFR 812.11]

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.

“Mixed” families that were participants on June 19, 1995, and that do not qualify for continued assistance must be offered prorated assistance. (See Chapter 12, “Recertifications.”) Applicant mixed families are entitled to prorated assistance. Families that become mixed after June 19, 1995 by addition of an ineligible member are entitled to prorated assistance.

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. Total Tenant Payment is the gross rent minus the prorated assistance.

N. EXCLUSIONS FROM ADJUSTED INCOME

The 1998 Housing Act requires PHA's to exclude from the annual income of a family the following items:

1. The sum of the amount that exceeds three percent (3%) of the annual family income of unreimbursed medical expenses of any elderly family; unreimbursed medical expenses of a non-elderly family, and unreimbursed reasonable attendant care and auxiliary apparatus expense for each disabled member of the family, to the extent necessary to enable any member of such family (including such disabled member) to be employed.
2. Earned income of family members who are minors (less than 18 years of age) and not the head of household or the spouse of the head of household.

3. Child support payment up to \$480 per child made by a member of the family for the support and maintenance of any child who does not reside in the household.
4. Spousal support (alimony) expenses: any payment made by a member of the family for the support and maintenance of any spouse or former spouse who does not reside in the household, except the amount excluded under this provision; cannot exceed the lesser of the amount the family member has as a legal obligation to pay or \$550 for each individual on whose behalf the payment is being made.
5. Earned Income Disallowance (24 CFR 5.617) – applies only to a Disabled family—i.e. families with a disabled head, spouse, or co-head—are eligible for the EID. Any family residing in assisted housing can qualify if the family member who experiences new employment or an increase in earnings is a person with disabilities.

This provides special rent treatment for Disabled families:

whose income increases as a result of employment of a member of the family who was previously unemployed for one or more years;

whose earned income increases during the participation of a family member in a family self-sufficiency or other job training program; or,

who is or was, within six months, assisted under any State program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act and whose earned income increases.

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

The PHA recognizes that in some circumstances even the minimum rent may create a financial hardship for families. The PHA will review all relevant circumstances brought to the PHA's attention regarding financial hardship as it applies to the minimum rent. The following section states the PHA'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.

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;

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

Other circumstances as determined by the PHA or HUD

PHA Notification of Families of Right to Hardship Exception

The PHA 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 or minimum rent.

If the minimum rent (\$25) is the greatest figure in the calculation of Total Tenant Payment, PHA staff will include a copy of the notice regarding hardship request provided to the family in the family’s file.

The PHA notification will advise families that hardship exception determinations are subject to PHA review and Hearing procedures.

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

All requests for minimum rent hardship exceptions are required to be in writing.

Requests for minimum rent exception will be accepted by the PHA from the family only in writing.

The PHA will request documentation as proof of financial hardship.

The PHA 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.

O. REDUCTION IN BENEFITS

If the family's benefits, such as social security, SSI or AFDC, are reduced through no fault of the family, the PHA will use the net amount of the benefit.

If the family's benefits were reduced due to family error, omission, or misrepresentations, the PHA will use the gross amount of the benefit.

P. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS [24 CFR 813.102, 813.108]

The Utility allowance is intended to help defray the cost of utilities not included in the rent and is subtracted from Total Tenant Payment to establish the family's rent to the landlord. The allowances are based on actual rates and average consumption studies, not on an individual family's actual consumption.

The PHA will review the Utility Allowance Schedule on an annual basis. *If the review finds a utility rate has changed by 10% or more since the 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.*

An allowance for tenant-paid air conditioning will be provided throughout our jurisdiction, the air conditioning allowance will only be granted to families when the PHA has confirmed that the unit actually has an operable air conditioner in the unit.

The approved utility allowance schedule is given to families along with their Voucher. The utility allowance is based on the actual unit size selected.

Where families provide their own range and refrigerator, the PHA 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 **twelve (12)** month period.

Where the Utility Allowance exceeds the family's Total Tenant Payment, the PHA will provide a Utility Reimbursement Payment for the family each month. The check will be made out directly to the tenant **unless the tenant has agreed, in writing, to a payment to the utility company.**

Chapter 7

VERIFICATION PROCEDURES

[24 CFR 750.1, 812.6 &.12, 813.106 &.109, 913.106, 982.108, 982.210-982.213]

INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment be verified by the HA. Applicants and program participants must furnish proof of their statements whenever required by the HA, and the information they provide must be true and complete. The HA's verification requirements are designed to maintain program integrity. This Chapter explains the HA's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and when there are changes in family members. The HA will ensure that proper authorization from the family is always obtained before making verification inquiries.

A. METHODS OF VERIFICATION AND TIME ALLOWED

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

1. Third-Party Written
2. Third-Party Oral
3. Review of Documents
4. Certification/Self-Declaration

The HA will allow **four (4)** weeks for return of third-party verifications and four (4) weeks to obtain other types of verifications before going to the next method.

For applicants, verifications may not be more than 60 days old at the time of Certificate/Voucher issuance. For participants, they are valid for 120 days from date of receipt.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first class mail. The family will be required to sign an authorization for the information source to release the specified information.

Verifications received electronically directly from the source are considered third party written verifications.

The HA **will not** accept verifications delivered by the family **except computerized printouts from the following agencies:**

**Social Security Administration
Veterans Administration
Welfare Assistance
Unemployment Compensation Board
City or County Courts**

Third-Party Oral Verification

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to complete a Certification of Document Viewed or Person Contacted form, noting with whom they spoke, the date of the conversation, and the facts provided. If oral third party verification is not available, the HA will compare the information to any documents provided by the Family. If provided by telephone, the HA must originate the call.

Review of Documents

In the event that third-party written or oral verification is unavailable, or the information has not been verified by the third party within **four (4)** weeks, the HA will notate the file accordingly and utilize documents provided by the family as the primary source if the documents provide complete information.

All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopied, staff viewing the document(s) will complete a Certification of Document Viewed or Person Contacted form.

The HA will accept the following documents from the family provided that the document is such that tampering would be easily noted:

**Printed wage stubs
Computer print-outs from the employer
Signed letters (provided that the information is confirmed by phone)
Other documents noted in this Chapter as acceptable verification**

The HA **will** accept Faxed documents and photo copies.

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, the HA will utilize the third party verification.

The HA will not delay the processing of an application beyond thirty (30) days because a third party information provider does not return the verification in a timely manner.

Self-Certification/Self-Declaration

When verification cannot be made by third-party verification or review of documents, families will be required to submit a self-certification.

Self-certification means a certification/affidavit and witnessed by a staff member.

B. RELEASE OF INFORMATION

The family 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.

Each member requested to consent to the release of 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 requested by the HA or HUD.

C. COMPUTER MATCHING

Where allowed by HUD and/or other State or local agencies, computer matching may be considered.

D. ITEMS TO BE VERIFIED

All income not specifically excluded by the regulations.

Zero-income status of household.

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 member 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, which allow an **adult** family member to be employed.

Identity

U.S. citizenship/eligible immigrant status.

Social Security Numbers for all family members 6 years of age or older.

“Preference” status, based upon Local preferences.

Familial status when needed for head or spouse definition.

Disability for determination of preferences, allowances or deductions.

E. VERIFICATION OF INCOME

This section defines the methods the HA will use to verify various types of income.

Employment Income

Verification forms request the employer to specify the:

Dates of employment

Amount and frequency of pay

Date of the last pay increase

Likelihood of change of employment status and effective date of any known salary increase during the next 12 months

Year to date earnings

Estimated income from overtime, tips, and bonus pay expected during next 12 months

Acceptable methods of verification include, in this order:

1. Employment verification form completed by the employer.
2. Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings.
3. W-2 forms plus income tax return forms.
4. Income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

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.

Social Security, Pensions, Supplementary Security Income (SSI), Disability Income

Acceptable methods of verification include, in this order:

1. Benefit verification form completed by agency providing the benefits.
2. Award or benefit notification letters prepared and signed by the providing agency.
- 3. Computer report electronically obtained or in hard copy.**
- 4. Bank statements for direct deposits.**

Unemployment Compensation

Acceptable methods of verification include, in this order:

1. Verification form completed by the unemployment compensation agency.
2. Computer printouts from unemployment office stating payment dates and amounts.
- 3. Payment stubs.**

Welfare Payments or General Assistance

Acceptable methods of verification include, in this order:

1. Benefit verification form completed by agency providing the benefits.
2. Award or benefit notification letters prepared and signed by the providing agency.
- 3. Computer report electronically obtained or in hard copy.**
- 4. Computer generated list of recipients from Welfare Department. (new)**

The PHA 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.

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 letter from the person paying the support.**
3. **Copy of latest check and/or payment stubs from Court Trustee. HA must record the date, amount, and number of the check.**
4. **Family's notarized statement of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.**
5. 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.

An affidavit from the family indicating the amount(s) received.

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 HA 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)
2. 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.
3. Audited or unaudited financial statement(s) of the business.

4. Family's notarized statement as to net income realized from the business during previous years.

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 HA 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 HA will conduct interim reevaluations every 90 days and require the participant to provide a log with the information about customers and income.

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 to determine that forms of income such as unemployment benefits, AFDC, SSI, etc. are not being received by the household.

The HA may check records of other departments in the jurisdiction (such as government utilities) that have information about income sources of customers.

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 is not counted towards family income.

Verification of full time student status includes:

1. Written verification from the registrar's office or other school official.
2. School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

F. INCOME FROM ASSETS

Acceptable methods of verification include, in this order:

Savings Account Interest Income and Dividends

Will be verified by:

1. Account statements, passbooks, certificates of deposit, or HA verification forms completed by the financial institution.
2. 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.
3. IRS Form 1099 from the financial institution, provided that the HA must adjust the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

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 re-certification.

Net Rental Income from Property Owned by Family

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, and 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 notarized statement as to net income realized.**

G. VERIFICATION OF ASSETS

Family Assets

The HA will require the necessary information to determine the current cash value, (the net amount the family would receive if the asset were converted to cash).

1. Verification forms, letters, or documents from a financial institution or broker.
2. Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker. **(The HA will use an average six months balance for this purpose unless amounts are considered nominal and for day to day needs, HUD PIH 86-23)**
3. Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.
4. Real estate tax statements if the approximate current market value can be deduced from assessment.
5. Financial statements for business assets.
6. Copies of closing documents showing the selling price and the distribution of the sales proceeds.
7. Appraisals of personal property held as an investment **such as gems, jewelry coin collections, antique autos, etc.. [CFR 5.603(d)]**
8. Family's notarized statement 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 re-certification

1. For all Certifications and Recertifications, the HA 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 re-certification.

2. If the family certifies that they have disposed of assets for less than fair market value, verification [or 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.
3. **Generally assets disposed of as a result of a divorce, separation, foreclosure, or bankruptcy are not considered to be assets disposed of for less than market value. [HUD 86-23, CFR 5.603(d)(3)]**

H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

Child Care Expenses

1. 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.
2. 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, the typical yearly amount paid, including school and vacation periods and **days during which the care is provided to determine the frequency.**
3. 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 or expenses to assist a person(s) with disability 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:

1. 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.
2. Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
3. Written confirmation from the Social Security Administration's written of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

4. For attendant care:
 - a. 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.
 - b. 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.
5. Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.
6. 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.
7. Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. HA 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.
8. The HA 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

1. In All Cases:
 - (a) 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.
 - (b) Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.
2. Attendant Care:
 - (a) Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

- (b) Certification of family and attendant and/or copies of canceled checks family used to make payments.
3. Auxiliary Apparatus:
- (a) Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.
 - (b) In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.
 - (c) **Auxiliary apparatus includes items such as; wheelchairs, ramps, adaptations to vehicles, special equipment to enable a blind person to read or type, etc. if directly related to permitting the person with a disability or other family member to work. [CFR 5.611(c)]**

I. VERIFYING NON-FINANCIAL FACTORS

Verification of Legal Identity

In order to prevent program abuse, the HA 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 Driver's license
U.S. military discharge (DD 214)
U.S. passport
Voter's registration**

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

**Certificate of Birth
Adoption papers
Custody agreement**

If none of these documents can be provided, a third party who knows the person may, at the HA's discretion, provide a verification.

Verification of Marital Status

(This will 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

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

Evidence of a stable family relationship:

**Joint bank accounts or other shared financial transactions
Leases or other evidence of prior cohabitation
Credit reports showing relationship**

Verification of Permanent Absence of Adult Member

If an adult member who was formerly a member of the household is reported permanently absent by the family, the HA will consider any of the following as verification:

1. Husband or wife institutes divorce action.
2. Husband or wife institutes legal separation.
3. Order of protection/restraining order obtained by one family member against another.
4. Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.
5. 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.
- 6. If no other proof can be provided, the HA will accept a self-certification from the family.**
7. If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

Verification of Change in Family Composition

The HA 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. **423**(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

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 Immigration and Naturalization Service (INS). 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 HA hearing is pending.

- (a) Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury. **The HA will not require citizens to provide documentation of citizenship. (new)**
- (b) 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.
- (c) Noncitizen 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 HA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the HA must request within ten days that the INS conduct a manual search.
- (d) 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.
- (e) Noncitizen 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. For participants, it is done at the first regular re-certification after June 19, 1995. For family members added after other members have been verified, the verification occurs at the first re-certification after the new member moves in. 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 HA does not supply the documents, the HA must conduct the determination.

Extensions of Time to Provide Documents. Extensions must be given for persons who declare their eligible immigration status but need time to obtain the required documents. The length of the extension shall be based on individual circumstances. The HA will generally allow up to sixty (60) days to provide the document or a receipt issued by the INS for issuance of replacement documents.

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 INS 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.

The PHA will verify the eligibility of a family member at any time such eligibility is in question, without regard to the position of the family on the Wait List.

Verification of Social Security Numbers

Social security numbers must be provided as a condition of eligibility for all family members age six and over if they have been issued a number. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration. If a family member cannot produce a Social Security Card, only the documents listed below showing his or her Social Security Number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

A driver's license

Identification card issued by a Federal, State or local agency

Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)

An identification card issued by an employer or trade union

An identification card issued by a medical insurance company

Earnings statements or payroll stubs

Bank Statements

IRS Form 1099

Benefit award letters from government agencies

Retirement benefit letter

Life insurance policies

Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records

Verification of benefits or Social Security Number from Social Security Administration

New family members ages six and older will be required to produce their Social Security Card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the PHA.

If an applicant or participant is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or participant must sign a certification to that effect provided by the PHA. The applicant/participant or family member will have an additional thirty (30) days to provide proof of the Social Security Number. If they fail to provide this documentation, the family's assistance will be terminated.

In the case of an individual at least 62 years of age, the PHA may grant an extension for an additional **60 days to a total of 120 days**. If, at the end of this time, the elderly individual has not provided documentation, the family's assistance will be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

Medical Need for Larger Unit

A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable professional.

J. WAITING LIST PREFERENCES [24 CFR 982.208, 982.210-982.213]

Local Preferences

- 1. Resident families who are currently working; head, spouse, or sole member age 62 or older or who receive social security disability, supplemental security income disability benefits, or other payments based on an individual's inability to work are given the same preference;**

The PHA will require U.S. government documents, which indicate that the applicant qualifies under the above definition.

2. Resident elderly (62 or older) or Disabled;

PHA will require documentation to establish age and disability status of applicant.

3. Resident near elderly persons who are from 50 to 61 years of age;

The PHA will require birth certificate, drivers license, passport, or other appropriate document to establish age of applicant.

4. Resident families from contiguous counties (Winnebago, Boone, Ogle, Stephenson, and Rock);

In order to verify that an applicant is a resident of a contiguous county, the PHA will require a minimum of two (2) of the following documents: rent receipts, leases, utility bills, employer or agency records, school records, driver's licenses, voters registration records, credit reports, statement from household with whom the family is residing.

5. Resident families with special needs for targeted units with support services available (Project based Section Eight units targeted for special needs populations with support services attached to the unit.

Chapter 8

VOUCHER ISSUANCE AND BRIEFINGS

INTRODUCTION

The PHA's objectives are to assure that families selected to participate are successful in obtaining an acceptable housing unit and that they have sufficient knowledge to derive maximum benefit from the program and to comply with program requirements. When families have been determined to be eligible, 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. 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 issuance of Vouchers must be within the dollar limitations set by the ACC budget.

The number of Vouchers issued must ensure that the PHA stays as close as possible to 100% 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).

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 or individual meetings**. Families who attend group briefings and still have the need for individual assistance will be referred to **the Section Eight Assistant Supervisor or Director**.

Briefings for the Voucher Program will be held separately. Briefings will be conducted in English. The purpose of the briefing is to explain 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 one-**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

The documents and information provided in the briefing packets for Voucher programs will comply with all HUD requirements. **The PHA may also include other information and/or materials, which are not required by HUD.**

The family is provided with the following information and materials:

1. The term of the voucher, and the PHA policy for requesting extensions to the term of the voucher or suspensions of the voucher.
2. A description of the method used to calculate the assistance payment, information on Fair Market Rents, payment standards (voucher program), and utility allowances.
3. How the maximum allowable rent is determined **including the rent reasonableness standard.**
4. Guidance and materials to assist the family in selecting a unit, such as proximity to employment, public transportation, schools, shopping, and the accessibility of services. Guidance will also be provided to assist the family to evaluate the prospective unit, such as the condition, whether the rent is reasonable, average utility expense, energy efficiency, and security.
5. The boundaries of the geographical area in which the family may lease a unit including an explanation of portability.
6. **The HUD model lease** and HUD lease addendum.
7. The Request for Lease Approval form, and a description of the procedure for requesting approval for a unit.

8. The PHA policy on providing information about families to prospective owners.
9. The Subsidy Standards, when and how exceptions are made.
10. The HUD brochure, “A Good Place to Live” on how to select a unit that complies with HQS.
11. The HUD brochure on lead-based paint.
12. Information on federal, State and local equal opportunity laws **including the pamphlet “Fair Housing: It's Your Right” and other information about fair housing laws and guidelines, including the “take one, take all” law; the form for reporting suspected discrimination and the phone numbers of the local fair housing agency and the HUD enforcement office.**
13. A list of landlords and other parties who have indicated a willingness to lease to assisted families or help families in their search for available units. **(new)**
14. 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.
15. The Family Obligations under the program.
16. The grounds for termination of assistance because of family action or failure to act.
17. When the PHA is required to offer an informal hearing, how to request the hearing, and the hearing procedures.
- 18. An HQS inspection form and sample contract.**
- 19. 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.**
- 20. Requirements for reporting changes between certifications.**

Other Information to be Provided at the Briefing

The person conducting the briefing will also describe how the program works and the relationship between the family and the owner, the family and the PHA, and the PHA and the owner.

The briefing presentation emphasizes:

Family and owner responsibilities

Where a family may lease a unit inside and outside its jurisdiction

How portability works for families eligible to exercise portability

Advantages to moving to area with low concentration of poor families if family is living in a high poverty census tract in the PHA's jurisdiction

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 semi-annually. All new owners receive a personal invitation and current owners are notified by mail. Prospective owners are also welcome. The purpose of the briefing is to assure successful owner participation in the program.

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 with two days of the scheduled briefing. (new)

C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION

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 assistance provided to such families includes:

Direct contact with landlords.

Counseling with the family.

Formal or informal discussions with landlord groups

The Housing Authority will maintain lists of available housing submitted by owners in all neighborhoods within the Housing Authority's jurisdiction to ensure greater mobility and

housing choice to very low income households. The lists of units will be provided at the Section Eight Office, mailed upon request, and provided at briefings.

The PHA will investigate and analyze situations in which Voucher holders are experiencing difficulties locating or obtaining housing units outside areas of concentration. (new)

D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION

Fair Housing Laws

In compliance with Section 147 of the National Affordable Housing Act, no owner who has entered into a contract for housing assistance payments under this section on behalf of any tenant in a multifamily building (more than four units) shall refuse to lease any available dwelling unit in any multifamily building *owned by the same owner* to a Voucher holder solely because of their status as a Voucher holder.

The PHA provides the family with the HUD discrimination complaint form and directs the family to report suspected discrimination to HUD. If HUD Fair Housing makes a finding of discrimination against an owner, the PHA will restrict the owner from future participation.

The PHA will give participants a copy of HUD form 903 in order to file a complaint. (new)

E. SECURITY DEPOSIT REQUIREMENTS [24 CFR 982.313]

Security deposits charged by owners may not exceed those charged to unassisted tenants (or 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 sixty calendar days from the date of issuance. The family must submit a Request for Lease Approval 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

When a Request for Lease Approval 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

A family may request 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 120 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 consisting of a minimum of 10 units. Upon submittal of appropriate documentation a one time extension will be granted.**

The family was prevented from finding a unit due to disability accessibility requirements or large size 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 Eight Director/Supervisor, no more than two (2) extensions of thirty (30) days will be granted and never for a total of more than an additional sixty days without HUD approval.

The PHA **will not** request HUD approval to extend the Voucher beyond an additional 60 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 will 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 **HCV** 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 PHA shall consider the following factors to determine which of the families will continue to be assisted:

- 1. Which of the two new family units has custody of dependent children.**
- 2. Which family member was the head of household when the Voucher was initially issued (listed on the initial application).**
- 3. The composition of the new family units, and which unit contains elderly or disabled members.**
- 4. Whether domestic violence was involved in the breakup.**
- 5. Which family members remain in the unit.**
- 6. 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 re-certification.

H. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER [24 CFR 812.2-definition]

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.

A reduction in family size may require a reduction in the Voucher size.

Chapter 9

REQUEST FOR LEASE APPROVAL AND CONTRACT EXECUTION

INTRODUCTION [24 CFR 982.305 (a)]

After families are issued a Voucher, they may search for a unit anywhere within the jurisdiction of the HA, or outside of the HA'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 HA. This Chapter defines the types of eligible housing, the HA's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of *Requests For Approval of Tenancy (RFAT)*.

A. REQUEST FOR TENANCY APPROVAL [24 CFR 982.305 (b)]

The Request for Approval of Tenancy (RFAT), copy of the proposed Lease, *including the HUD prescribed tenancy addendum*, must be submitted by the family during the term of the Voucher.

The Request for Approval of *Tenancy* must be signed by both the owner and Voucher holder. The lease may be executed up to 60 days prior to contract execution but cannot be executed without approval of the HA.

The HA will not permit the family to submit more than one RFAT at a time.

The HA will review the documents to determine whether or not they are approvable. For the HCV Program, the HA will determine that the Gross Rent is within the applicable FMR (unless an exception rent is approved).

The Request will be approved if:

- 1 The unit is an eligible type of housing
2. The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan)
3. The rent is reasonable
4. The security deposit amount is approvable.
5. The proposed lease complies with HUD and HA requirements **as well as State Law**.

6. The owner is approvable, and there are no conflicts of interest. In addition to the above, at the time a family initially receives assistance new admissions and moves), the family's share of rent may not exceed 40 percent of the family monthly-adjusted income toward the initial rent and utility for the rent.

Disapproval of RLA

If the HA determines that the Request cannot be approved for any reason, the landlord and the family will be notified in writing. The HA will instruct the owner and family of the steps that are necessary to approve the Request.

The owner will be given **fourteen (14)** calendar days to submit an approvable **RFAT** from the date of disapproval.

When, for any reason, an RFAT is not approved, the HA 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.

The time limit on the Voucher **will** be suspended (Tolling) while the **RFAT** is being processed.

B. ELIGIBLE TYPES OF HOUSING [24 CFR 982.353, 982.54(d)(15)]

The HA will approve any of the following types of housing in the Voucher programs:

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 lease the pad

Independent Group Residences

Units owned (but not subsidized) by the HA (following HUD prescribed requirements) (new)

A family can own a rental unit but cannot reside in it while being assisted, for manufactured homes 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. Families may **not** lease or **reside in** properties owned by **a parent, child, grandparent, grandchild, sister or brother of any member of the family. The PHA may approve a unit owned by one of the relations above if it would provide reasonable accommodation for a family member who is a person with disabilities.**

The HA may not permit a Voucher holder to lease a unit which is receiving Project-Based assistance or any duplicative rental subsidies.

The HA will not approve:

A unit occupied by the owner or by any person with an interest in the unit, other than manufactured homes described above.

Nursing homes or other institutions that provide care.

School dormitories and institutional housing.

Any other types of housing prohibited by HUD.

C. LEASE REVIEW [24 CFR 982.308]

The HA will review the lease, particularly noting the approvability of optional charges and compliance with regulations **and State law**. Responsibility for utilities, appliances and optional services must correspond to those provided on the on the Request For Approval of Tenancy.

Owners and family must submit their own lease used in the locality 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 what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family.

In cases where the owner's lease is used, the HUD tenancy addendum must be attached and word for word before the lease is executed.

The HA will encourage owners to use a sample lease provided by the HA which includes the HUD-mandated language. House Rules of the owner may be attached to the lease as an addendum, provided they are approved by the HA to ensure they do not violate any fair housing HUD provisions and do not conflict with the tenancy addendum.

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.

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 HA.

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.

Neither the HA nor the family is liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

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 HA. If agreements are entered into at a later date, they must be approved by the HA and attached to the lease.

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 PHA has inspected the unit and has determined that the unit satisfies the HQS; the landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum; The PHA has approved leasing of the unit in accordance with program requirements.

D. INITIAL INSPECTIONS [24 CFR 982.305 (a) & (b)]

See Chapter 10, "Housing Quality Standards and Inspections."

E. RENT LIMITATIONS [24 CFR 982.503]

The PHA ***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.***

F. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]

In any of the programs, if the proposed Gross Rent is not reasonable, at the families request, the HA will negotiate with the owner to reduce the rent to a reasonable rent. (new):

1. At the family's request the HA 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 by taking the above steps, the HA will continue processing the Request for Approval of Tenancy. 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 HA has tried and failed to negotiate a revised rent, the HA will inform the family and owner that the lease is disapproved.

G. INFORMATION TO OWNERS [24 CFR 982.307 (b), 982.54 (d)(7)]

The HA is required to provide prospective owners with the address of the applicant and the names and addresses of the current and previous landlord if known.

The HA will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

The HA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. **Owners will be responsible for screening applicants for rent payment history, eviction history, damage to units, and other factors related to the family's suitability as a tenant.**

The information will be provided for the last **two (2)** years.

The information will be provided **in writing upon request.**

Only the **Director of Assisted Housing or designee** may provide this information. The HA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

H. OWNER DISAPPROVAL [24 CFR 982.306]

For purposes of this section, "owner" includes a principal or other interested party.

The HA will disapprove the owner for the following reasons:

HUD has informed the HA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

HUD has informed the HA 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 HA that a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

The owner has violated obligations under a housing assistance payments contract under Voucher Program 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 trafficking.

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 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.

I. CHANGE IN TOTAL FAMILY SHARE 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, the information will be verified and the Total Family Share will be recalculated. If the family does not report any change, the PHA need not obtain new verifications before signing the HAP Contract, even if verifications are more than 60 days old.

J. CONTRACT EXECUTION PROCESS [24 CFR 982.305(c)]

The PHA prepares the Housing Assistance Contract for execution. The family and the owner will execute the Lease agreement, and the owner and the PHA will execute the HAP Contract. Copies of the documents will be furnished to the parties who signed the respective documents.

For new owners, the documents are signed at a Signature Briefing attended by the owner, family, and a representative of the PHA. The briefing covers the responsibilities and roles of the three parties.

The PHA 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 PHA representative(s) is/are authorized to execute a contract on behalf of the PHA: **Director of Assisted Housing, Section Eight Supervisor or **Occupancy Specialists****.

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. **The owner must provide a business or home telephone number.**

The Owner must provide an account number (Checking, Saving or etc.) to deposit all payments directly (ACH) each month.

K. CHANGE IN OWNERSHIP

A change in ownership **does** require execution of a new contract.

The PHA will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other document (Closing Papers**) showing the transfer of title and the Employee Identification Number or Social Security number of the new owner.**

Chapter 10

HOUSING QUALITY STANDARDS AND INSPECTIONS

INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum quality standards for Low Income Public Housing 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.

These minimum Standards may be enhanced at the discretion of the PHA. The use of the term “HQS” in this Admissions and Occupancy Policy refers to the combination of both HUD and PHA requirements. This Chapter describes the PHA's procedures for performing HQS and other types of inspections, and standards for the timeliness of repairs. It also explains the responsibilities of the PHA and family in regards to compliance with HQS requirements.

A. GUIDELINES/TYPES OF INSPECTIONS

The PHA has adopted local requirements of acceptability in addition to those mandated by the HUD Regulations. All units must meet the minimum standards set forth in the City of Rockford Building/Housing Code. In cases of inconsistency between the Code and the HQS, the stricter of the two shall prevail. (new)

Efforts will be made at all times to provide housing above HQS minimum standards.

All utilities must be in service when the unit is inspected.

The stove, refrigerator and air conditioner (if supplied by the owner) must be present when the unit is inspected.

There are five types of inspections the PHA will perform:

1. Initial/Move-in: Conducted by PHA staff.
2. Annual: Must be conducted within 12 months of the **previous annual HQS inspection/anniversary date.**
3. Special/Complaint: At request of the, family or an PHA staff person.
5. Quality Control: A quality control inspection will be conducted according to the number of units in the program with the sampling (annual inspections and new move-in inspections) adhering to the minimum requirement outlined in the

HCV Management Assessment Program (SEMAP). Table Below identifies the sample size required:

# of Units	Records to be Sampled
50 or fewer	5
51- 600	5 plus 1 for each increment of 50 or over 50
601 - 2000	16 plus 1 for each increment of 100 (or part of 100)
Over 2000	30 plus 1 for each increment of 200 or over 2000

INITIAL HQS INSPECTION [24 CFR 982.401(A)]

The PHA 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 RFTA will be date stamped when received by the Office.

The PHA will include “date unit available for inspection on the RFTA form. This date will determine whether the PHA will be required to meet the same 15 day requirement or whether the PHA will suspend the same 15 day period because the unit is not available for inspection until after the 15 day period.

For file audit purposes, the PHA will note in each tenant file, the date on which the unit first became available for inspection according to information obtained from the RFTA.

The PHA adheres to the acceptability criteria in the program regulations, HUD Inspection Booklet, **and local codes with additions described below.**

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 Norman wear and tear.

Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial HQS inspection, the family and owner will be advised of the failure by the PHA. The owner will be advised to notify the PHA when the repair(s) are completed.

The owner will be allowed up to 2 re-inspections 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 re-inspections has occurred, the family must select another unit.

Additions to HQS:

Walls:

All units will be painted every five years, budget permitting.

In areas where plaster or drywall is sagging, severely cracked or otherwise damaged, it will be repaired or replaced.

Any exterior or interior surfaces with peeling or chipping paint must be scraped and painted with two coats of unleaded paint or other suitable material.

All walls in a tub or shower area must be covered with ceramic tile or other material that is impervious to water to prevent water damage and eventual deterioration.

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 weather-stripped as needed to ensure a watertight seal.

During the period of April 1 through December 1 all doors, windows and other outside openings used or required for ventilation purposes serving any building containing habitable rooms, shall be supplied with a self-closing device in good working condition. The same requirement applies for storm inserts as for screen inserts.

The PHA shall be responsible for providing and installing in appropriate seasons, all screens, screen doors, storm doors, and storm windows unless a written agreement is executed between the tenant and the PHA giving responsibility for installation to the tenant.

Doors:

All exterior doors must be weather tight to avoid any air or water infiltration, have no holes, have all trim intact, and have a threshold.

All exterior doors must be solid core construction.

All exterior door and hardware shall be maintained in good condition. Locks at all entrances to dwelling units shall be capable of tightly securing the door(s).

Plumbing:

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.

Smoke Detectors:

Smoke detectors must be placed in or near all sleeping areas and three to five feet from a basement stairway.

Tenants are not to tamper with smoke detectors or and are required to report all smoke detector problems immediately to the PHA.

Deliberate disconnection of the unit's smoke detector is a health and fire hazard and is considered a violation of the HQS.

Bedrooms:

A bedroom occupied by one occupant must have a floor area of not less than seventy (70) square feet. Every bedroom occupied by more than one occupant shall have a minimum of fifty (50) square feet of floor space per occupant.

Bedrooms in basements or attics are not allowed.

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.

Dwelling units containing two (2) or more bedrooms shall have a minimum of one bathroom in which access to is not through any sleeping room. Sole access to a bedroom may not be through another bedroom.

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 may be required for modifications/adaptations to the unit.

Floors.

Bathrooms, water closet compartments, and kitchens shall be substantially impervious to water penetration. Floors shall be constructed to permit easy cleaning and sanitary conditions. The floor finish shall be of durable, waterproof, non-absorptive material such as asphalt vinyl, rubber tile, ceramic tile, linoleum, concrete or other approved material.

C. ANNUAL HQS INSPECTIONS [24 CFR 982.405(a)]

The PHA conducts an inspection in accordance with Housing Quality Standards at least annually, **approximately thirty (30)** days prior to the anniversary month of the dwelling lease. Special inspections may be scheduled between anniversary dates.

The Owner or Tenant will correct HQS deficiencies, which cause a unit to fail, at the request of the PHA. If the unit has failed due to tenant irresponsibility the tenant will be charged for the cost of repairs and the failure will be considered a major lease violation. The family is responsible for breaches of HQS, which are caused by:

Non-payment of utilities that are the responsibility of the family,

Damages to the unit or premises caused by a household member or guest beyond normal wear and tear.

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice. .

Reasonable hours to conduct an inspection are between **8:00** a.m. and **5:00** p.m., Monday through Saturday.

The PHA will notify the family in writing ***or by phone*** at least **2 days** prior to the inspection.

Inspection

The family will be notified of the date and time of the inspection appointment by mail. If the family is unable to be present, the inspection may be conducted in their absence at the discretion of the PHA or ***they must re-schedule the appointment so that the inspection is completed within 15 days. If the family does not contact the PHA to reschedule the inspection, or if the families misses 2 inspection appointments, the PHA 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. The family will be allowed to miss one appointment without violating a family obligation.***

Re-inspection:

The family and owner are provided a notice of the inspection appointment by mail. If the family is not at home for the re-inspection appointment, a card/slip will be left at the unit.

The family is also notified that it is a Family Obligation to allow the PHA 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

1. Emergency items which endanger the family's health or safety **must** be corrected within 24 hours of notification.
2. For non-emergency items, repairs must be made within 30 days.
3. For major repairs, an extension beyond 30 days may be required and must be requested in writing to the PHA.

SPECIAL/COMPLAINT INSPECTIONS [24 CFR 982.405(c)]

If at any time the family or owner notifies the PHA that the unit does not meet Housing Quality Standards, the PHA will conduct an inspection.

The PHA may also conduct a special inspection based on information from third parties such as neighbors or public officials.

The PHA 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.

QUALITY CONTROL INSPECTIONS [24CFR 982.405(b)]

Quality control inspections will be performed by the Supervisor or designee 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 three (3) months], a cross-section of neighborhoods, and a cross-section of Inspectors.

D. EMERGENCY REPAIR ITEMS

The following items are considered of an emergency nature and will be corrected by the PHA within 24 hours of notice

- 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 fifty (50) degrees F.**
- No running hot water**
- Broken glass where someone could be injured**
- Obstacle which prevents tenant's entrance or exit**
- Lack of functioning toilet**
- Broken lock on first floor window or entry door to unit**

The PHA may give a short extension (not more than forty eight (48) additional hours) whenever the responsible party cannot be notified or it is impossible to affect the repair within the 24-hour period.

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 affect the repair, proper authorities will be notified by the PHA.

If the emergency repair item(s) are not corrected in the time period required by the PHA, and the owner is responsible, the housing assistance payment will be abated and the HAP contract will be terminated.

If the emergency repair item(s) are not corrected in the time period required by the PHA, and it is an HQS breach which is a family obligation, the PHA will terminate the assistance to the family and the owner's payment will not be abated for the breach of HQS.

E. 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 PHA, 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.

The PHA will inspect abated units within **seven (7)** days of the owner's notification that the work has been completed.

The PHA will advise Owners of their responsibility to notify the PHA when all repairs/failed items are completed. It is the Owners responsibility to notify the tenant of when the re-inspection date.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection.

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 notice of abatement states that the tenant is not responsible for the PHA's portion of rent that is abated.**

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 PHA if the tenant chooses to remain in the unit. Only **one** Housing Quality Standard inspection will be conducted after the termination notice is issued.

F. DETERMINATION OF RESPONSIBILITY [24 CFR 982.404, 982.54(d)(14)]

Certain deficiencies are considered the responsibility of the family:

Tenant-paid utilities not in service.

Failure to provide or maintain family-supplied appliances

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 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 PHA may terminate the family's assistance on that basis.

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.

The Inspector will make a determination of Owner or family responsibility during the inspection.

G. CONSEQUENCES IF FAMILY IS RESPONSIBLE

If non-emergency violations of HQS are determined to be the responsibility of the family, the PHA will require the family make any repair(s) or corrections within **fourteen (14)** days. If the repair(s) or correction(s) are not made in this time period, the PHA will terminate assistance to the family. Extensions in these cases must be approved by **the Section Eight Director or designee**. 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

INTRODUCTION

The PHA is responsible to ensure that the rents charged by owners are reasonable based upon objective comparables in the rental market. When the PHA has determined that the unit meets the minimum HQS, that the lease is approvable, and that the rent is reasonable, it will make timely payments to the owner and notify the owner of the procedures for rent adjustments in the Voucher programs. This Chapter explains the PHA's procedures for determination of rent-reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

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”. This amendment complete the merging of the Section 8 Certificate and Voucher Programs into one program, called the Housing Choice Voucher Program.

All leases, moves and new admissions taking effect on or after October 1, 1999 will be subject to the regulations of the New Housing Choice Voucher Program.

The PHA will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is the PHA’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 PHA’s procedures for determination of rent-reasonableness, payments to owner, adjustments to the Payment Standard, and rent adjustments.

A. OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM

The payment to the landlord, called the Housing Assistance Payment, is the rent to the owner approved by the PHA. *The Rent to Owner is limited by rent reasonableness. The PHA 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, 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 982.4511]

Once the HAP Contract is executed, the PHA 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 Automatically or manually to the HAP Register for the following month.

*Payments are disbursed by the Finance Department to the owner each month. Payments will be disbursed on the 1st (**elimination of the 15th payment**) of the month. Exceptions may be made with the approval of the Director of the Assisted Housing Department. The Owner's business address (es) will be made available to their tenant if requested by the tenant.*

The maximum subsidy for each family is determined by the Payment Standard for the *New Housing Choice Voucher* size issued to the family. The subsidy equals the lesser of:

1. The applicable Payment Standard minus the "TTP" or
2. The monthly Gross Rent minus the **TTP**

No shopping incentive for a family who rents a unit where gross rent < payment standard.

Payments are disbursed within the first five (5) working days of the month **or when funds are available. Payments that are not received will not be replaced until ten (10) business days have elapsed to allow for mail delivery and a stop payment has been put on the check.**

Proof of "mailed to" date will be the:

- date the HAP Register was run
- date of receipt of electronic deposit received by financial institution

Proof of "received by Owner" will be:

-5 calendar days after date of sending payment by PHA

The PHA will not be obligated to pay any late payment penalty if HUD determines that late payment is due to factors beyond the PHA's control, such as a delay in the receipt of program funds from HUD. The PHA will use admin fee income or the admin fee reserve as its only source for late payment penalty.

The PHA will make automatic monthly HAP deposits into the bank account of the owner. The date the bank shows as the deposit date, excluding computer error of the bank, will be the official date of record and will be the determining factor in cases involving late payment penalties if needed.

Excess Payments

The total of rent paid by the tenant plus the PHA housing assistance payment to the owner may not be more than the rent to owner. The owner must immediately *return any excess payment to the PHA.*

Owners who do not return excess payments will be subject to penalties as outlined in the Owner or Family Debts to PHA chapter of this Policy.

*The Tenant may not pay any amount of rents to the owner in excess of the agreed contract rent amount. This is a violation of the family obligation **and is considered fraud.***

C. RENT REASONABLENESS DETERMINATIONS [24 CFR 982.507]

The PHA will not approve a lease until the PHA determines that the initial rent to owner is a reasonable rent. The PHA must re-determine the reasonable rent before any increase in the rent to owner, and if there is a five 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 **no increase is approved.**

The PHA will re-determine rent reasonableness if directed by HUD and based upon a need identified by the PHA's auditing system, the PHA may elect to re-determine 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 PHA.

For the *Housing Choice Vouchers*, the PHA 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 **and in the immediate area.**

The owner will be advised that by accepting each monthly housing assistance payment she/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 PHA information on rents charged by the owner for other units in the premises or elsewhere. The PHA will only request information on the owner's units elsewhere if the PHA 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 area for rent reasonableness is defined by neighborhoods within the PHA's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items are factors, which will be used for rent reasonableness documentation:

- Size (number of Bedrooms/square footage)
- Location (using the Census tract in the city)
- Quality
- Amenities (bathrooms, dishwasher, air conditioning, etc.)
- Housing Services
- Age of Unit
- Unit Type
- Utilities
- Maintenance

Rent Reasonableness Methodology

The PHA maintained a 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 three months old. Comparability of each item listed above will be done by adjustment.

At least three (3) comparable units will be used for each rent determination. All comparables must be based on the rent that the unit would command if leased in the current market. Leased in the current market means that the unit has been leased within the last 180 days.

The PHA uses an “appraisal” method and tests the subject unit against selected units in the same area with similar characteristics. Adjustments are made for favorable and unfavorable differences between the subject unit and the comparables.

D. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM [24 CFR 982.503]

The maximum subsidy for each family is determined by the Payment Standard for the Voucher size issued to the family, less 30% of the family's Monthly Adjusted Income.

The actual subsidy level could be less if the family is required to pay the Minimum Total Tenant Payment (10% of the family's Monthly Income).

The Voucher size is issued to the family based on the PHA's Subsidy Standards.

The payment standard for the family is based on the lesser of the Payment Standard for the Voucher size issued and the Payment Standard for the unit selected.

The Housing Assistance Payment to the owner is the lesser of the subsidy described above or the rent charged by the owner. (new)

The PHA will establish a single Voucher Payment Standard amount for each FMR area in HA’s jurisdiction. For each FMR area, the PHA will establish payment standard amounts for each unit size. The PHA may have a higher payment Standard within the PHA’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.

The PHA may approve a higher payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities.

E. ADJUSTMENTS TO PAYMENT STANDARDS [24 CFR 982.503]

Payment Standards may be adjusted to increase Housing Assistance Payments in order to keep families' rents affordable. The PHA will not raise the Payment Standards solely to make “high end” units available to Voucher holders. *The PHA may use some or all the measures below in making its determination whether an adjustment should be made to the Payment Standards.*

The PHA will review the *Voucher payment* 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*. The Payment Standard will be reviewed according to HUD's requirements and this policy and if an increase is warranted, the payment standard will be adjusted within *90 – 110%* of the current Fair Market Range.

Assisted Families' Rent Burdens

If it is determined that particular unit sizes in The PHA jurisdiction have payment standard amounts that are creating rent burdens for families, the PHA will modify its payment standards for those particular unit sizes..

Availability of Suitable Vacant Units Below the Payment Standard

The PHA will review its rent reasonableness database and vacancy rate data to determine whether there is an ample supply of vacant units below the Payment Standard.

Quality of Units Selected

The PHA will review the quality of units selected by participant families before determining any change to the Payment Standard to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.

PHA Decision Point

The PHA will review the quality and size of units where the Rents to Owner are above the Payment Standard by more than **25%**. If more than **50%** of families have selected above-average units or have selected larger units than the Voucher size, the PHA may elect not to increase the Payment Standard or continue the analysis.

If the analysis continues, the PHA will divide those rents between contracts within the first year and after the first year. If the Rents to Owner are more than **25%** above the average, in any bedroom size, the PHA will continue the analysis. If not, the PHA may elect not to increase the Payment Standard for certain bedroom sizes.

Rent to Owner Increases

The PHA may review a sample of the units to determine how often owners are increasing rents after the first year of the lease and the average percent of increase by bedroom size.

Time to Locate Housing

The PHA may consider the average time period for families to lease up under the Voucher Program. If more than 50 percent of holders are unable to locate suitable housing within the term of the Voucher and PHA determine 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.

Rent Reasonableness Data Base/Average Contract Rents

The PHA will compare the Payment Standards to average rents in its Rent Reasonableness Data Base and to the average Contract Rents by unit size. The Payment Standards should be **on a par with** these amounts.

Lowering of the Payment Standard

Statistical analysis may reveal the Payment Standard should be lowered, in which case, the Payment Standard should not be set below 90% of the current FMR without authorization from HUD.

Financial Feasibility

Before increasing the Payment Standard, the PHA may review the budget and the project reserve, to determine the impact projected subsidy increases would have on funding available for the program and number of families served.

For this purpose, the PHA 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

The PHA will retain a file for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

F. PAYMENT STANDARDS FOR A FAMILY [24 CFR 982.505 (d)]

Regular Reexaminations

If the payment standard decreases during the HAP Contract term, the Payment Standard for the family is the higher of (1) the Payment Standard at the beginning of the lease minus any amount by which the initial rent to owner has decreased, or (2) the Payment Standard at the current or most recent annual exam.

Interim Examinations

If after the beginning of the term of the lease the family has a change in income, family size or composition that would require or allow for an interim adjustment based on the PHA's interim policy, the PHA will not apply any new or change in payment standard until the date of the next regular examination.

Moves

If the family moves into a different unit prior to their next re-certification and the PHA has had a change in the payment standard the new payment standards will be used. The applicable payment standard will be that which is the lower of either the certificate size issued or the unit size selected at the time of the move.

G. RENT ADJUSTMENTS [24 CFR 982.108]

Special Adjustments [24 CFR 982.510]

An owner may request a special adjustment based on substantial and general increases in real property taxes, special government assessments, or costs of utilities. The rent requested must be found to be reasonable and must be approved by HUD.

Disapproval of Requests for Adjustment

If the PHA rejects the owner's request for rent adjustment as exceeding rent reasonableness and the owner rejects the PHA's determination, the owner may offer the tenant a new lease (after receiving the PHA's approval) with a sixty-day notice to the tenant. If the tenant refuses or the owner does not offer a new lease, the owner may institute court action to terminate tenancy for a business or economic reason in accordance with the lease after giving 60 days notice to the PHA, HUD, and the family as required by law. The PHA will issue a transfer Voucher to the family.

After the tenant has begun searching for a new housing unit and/or after court action has been initiated, the owner may decide to accept the current lease. If the owner and tenant agree, the lease can continue.

If the tenant accepts the offer of a new lease, an **RFTA** must be submitted and the requested rent subjected to rent reasonableness, Payment Standard and the FMR limitations.

If a new lease is executed, a new Voucher Contract must also be executed.

Voucher and OFTO Program Rent Adjustments [24 CFR 982.505(b)(3)]

Owners may not request rent adjustments in the Voucher Program to be effective prior to the expiration of the first year of the lease. Rent adjustments are effective:

With a sixty-day notice to the family and a copy to the PHA. The PHA will advise the family as to whether the rent is reasonable and shall approve or disapprove the rent increase.

Chapter 12

RECERTIFICATIONS

INTRODUCTION

HUD requires that the PHA re-certify the income and household composition of all families at least annually. In addition, the PHA is required to inspect the assisted unit at least annually, and to process requests for rent adjustments. These activities must be coordinated to ensure that they are completed in accordance with the regulation. It is a HUD requirement that families report all changes in household composition, but the PHA decides what other changes must be reported, and the procedures for reporting them. This Chapter defines the PHA's policy for conducting annual re-certifications and coordinating the 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]

The PHA must conduct three activities on an annual basis. These activities will be coordinated whenever possible:

1. Re-certification of Income and Family Composition
2. HQS Inspection
3. Contract Rent Adjustment when requested by Owner

The PHA produces a monthly listing of units under contract to ensure that timely reviews of contract rent, housing quality, and factors related to Total Tenant Payment can be made. Requests for rent adjustments and other monetary changes will be transmitted to the **Assisted Housing Department**.

Annual activities for contracts that did not commence on the first of the month must be conducted no later than the first of the month in which the lease was effective.

Annual inspections: See Chapter 10, "Housing Quality Standards and Inspections"

Rent Adjustments: See Chapter 11, "Owner Rents, Rent Reasonableness and Payment Standards"

B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 982.516]

Families are required to be re-certified at least annually. At the first interim or annual certification on or after June 19, 1995, family members must report and verify their U.S. citizenship/eligible immigrant status.

When families move to another dwelling unit:

An annual re-certification will be scheduled (unless a re-certification has occurred in the last 120 days) and the anniversary date will be changed.

Income limits are not used as a test for continued eligibility at re-certification unless the family is moving under portability and changing their form of assistance.

Re-examination Notice to the Family

The PHA 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 to 120** days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the PHA will provide the notice in an accessible format. The PHA 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 PHA's procedure for conducting annual re-certifications will be:
Schedule the date and time of appointments and mail a notification to the family.

Persons with Disabilities

Persons with disabilities, who are unable to come to the PHA's office, will be granted an accommodation of conducting the interview **at the person's home**, upon verification that the accommodation requested meets the need presented by the disability.

Collection of Information

The PHA representative will interview the family and enter the information provided by the family on the re-certification form.

Requirements to Attend

The following family members will be required to attend the re-certification interview:

Head of Household/spouse
All Adult household members (18 years or older)

If the head of household is unable to attend the interview:

The appointment will be rescheduled

Failure to Respond to Notification to Re-certify

The written notification must state which family members are required to attend the interview. The family may call to request another appointment date **if the date given conflicts with their schedule** prior to the interview.

If the family does not appear for the re-certification interview, and has not rescheduled or made prior arrangements with the PHA, the PHA **will** reschedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the PHA will

Terminate assistance to the family, and offer them an informal hearing. Section Eight Supervisor or Director of Assisted Housing, may make exceptions to these policies if the family is able to document an emergency that prevented them from canceling or attending the appointment.

Documents Required From the Family

In the notification letter to the family, the PHA will include instructions for the family to bring the following:

**Documents to support any preference claims
Documentation of liquid and non-liquid assets
Documentation of any deductions/allowances**

Verification of Information

The PHA will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than 120 days old.

Tenant Rent Increases

If tenant rent increases, a thirty day notice is mailed to the family prior to the anniversary date.

If less than thirty days are remaining before the anniversary date, 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 anniversary date.

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 PHA.

C. REPORTING INTERIM CHANGES [24 CFR 982.16]

HUD requires program participants to report all changes in household composition to the PHA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must obtain PHA approval prior to all other additions to the household.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular re-certification after moving into the unit.

Interim Reexamination Policy

The PHA **will not** conduct interim reexaminations when families have an increase in income.

Families will not be required to report increases in income/assets between regular annual reexaminations.

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 PHA **must** calculate the change if a decrease in income is reported.

PHA Errors

If the RHA makes a calculation error at admission to the program or at an annual reexamination, or at an interim, or an underpayment of Housing assistance and Utility Allowance; an interim reexamination will be conducted, 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.

If the RHA error has caused an underpayment to the family, the PHA will immediately correct the error by sending the Landlord and the family a notice of it with the amount owed to the Landlord and the Family. An adjustment will be paid in the next month HAP Payout to correct the owed amount.

The Family may request the money owed to them from the Landlord (if no rent I owed to the Landlord) or have it credited for their next month rent payment.

Other Interim Reporting Issues

An interim reexamination does not affect the date of the annual re-certification.

An interim reexamination will be scheduled for families with **zero** income every **90** days.

If there is a change from benefit income to employment income, the PHA will defer the family's rent increase for six months, or until the annual reexamination, in order to encourage families to move to self -sufficiency.

This incentive will only be provided once to any family member.

If the family member leaves the job without good cause after six months and before twelve months, the rent will be calculated retroactively to include the employment income.

This incentive is not provided to persons who work seasonally.

Any changes reported by participants other than those listed in this section **will be notated in the file by the staff person but** will not be processed between regularly scheduled annual re-certifications.

D. NOTIFICATION OF RESULTS OF RECERTIFICATIONS

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 not** required by the PHA. If the family disagrees with the rent adjustment they may request an Informal Review.

E. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)

[24 CFR 982.516 (c)]

Standard for Timely Reporting of Changes

The PHA requires that families report required interim changes to the PHA within **thirty (30)** 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 **thirty (30)** days of the change.

If the change is not reported within the required time, 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 PHA 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 occurred. **However, no rent reductions will be processed until all the facts have been verified, even if a retroactive adjustment results. The change will not be made until the third party verification is received.**

Procedures when the Change is Not Reported by the Tenant 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 **make a lump sum payment**.

Decrease in Tenant Rent will be effective on the first of the month following completion of processing by the PHA and not retroactively.

Procedures when the Change is Not Processed by the PHA 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 PHA does not process the change 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 PHA.

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.

During an annual or interim reexamination, RHA may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. In addition, RHA may discover errors made by RHA. When

errors resulting in the overpayment or underpayment of subsidy are discovered, RHA will:

If client is owed money:

Send Letter to Client of the error (cc: to Client's file) and adjustment is made on the next month payouts.

If Client owes money to RHA:

Send Letter to Client of amount owed and when payment is due to RHA (cc: Client's file)

F. REPORTING OF CHANGES IN FAMILY COMPOSITION [24 CFR 982.516]

All changes in family composition must be reported within **thirty (30)** days of the occurrence.

Increases in Family Size

Increases other than by birth, adoption or court-awarded custody must have the prior approval of the owner and the PHA.

If an addition would result in overcrowding according to HQS maximum occupancy standards:

The PHA will not approve an addition other than birth, adoption or court-awarded custody. Families who need a larger Voucher because of voluntary additions will have lower priority on the Transfer List than other families who are required to change unit size.

If a change due to birth, adoption, court-awarded custody, or need for a live-in attendant requires a larger size unit due to overcrowding, the change in Voucher shall be made effective immediately. The PHA may determine whether to issue a Voucher in this instance based on funding availability. If there is no funding availability in either program, the family will be placed on the Transfer list.

G. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES
[24 CFR 5.518]

Under the Noncitizen Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

"Mixed" families who were participants on June 19, 1995, shall continue receiving full assistance if they meet the following criteria:

1. The head of household or spouse is a U.S. citizen or has eligible immigrant status;

AND

2. All members of the family other than the head, the spouse, parents of the head, parents of 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.

If they do not qualify for continued assistance, the member(s) that cause the family to be ineligible for continued assistance may move, the family may choose prorated assistance (See Chapter 6, “Factors Related to Total Tenant Payment Determination”), or the PHA may offer temporary deferral of termination (See Chapter 15, “Denial or Termination of Assistance”).

H. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES [24 CFR 982.516(c)]

(See “Subsidy Standards” chapter)

J. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The PHA will not reduce the family share of rent for families whose welfare assistance is reduced specifically because of:

fraud; or

failure to participate in an economic self-sufficiency program; or

noncompliance with a work activities requirement

However, the PHA will reduce the rent if the welfare assistance reduction is a result of:

The expiration of a lifetime limit on receiving benefits; or

A situation where the family has complied with welfare program requirements but cannot or has not obtained employment.

The PHA will notify affected families that they have the right to an Informal **Review** regarding these requirements.

I. COOPERATION AGREEMENTS

The PHA will execute a Cooperation Agreement with the local welfare agency to ensure timely and accurate verification of noncompliance.

The PHA has taken a proactive approach to culminating an effective working relationship between the PHA and the local welfare agency with the purpose of targeting economic self-sufficiency programs throughout the community that are available to HCV tenant-based assistance families.

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 PHA's jurisdiction, or to a unit outside of the PHA's jurisdiction under Portability procedures. The regulations also allow the PHA 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 PHA's jurisdiction, and the policies for restriction and limitations on moves.

A. ALLOWABLE MOVES

A family may move to a new unit if:

1. The assisted lease for the old unit has terminated because the PHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.
2. 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 (unless assistance to the family will be terminated).
3. The family has given proper notice of lease termination (if the family has a right to terminate the lease on notice to owner).
4. *The Family will be given or mailed a copy of the Transfer Policy to move to another unit (see Transfer Policy and Procedure). If they plan to move outside the PHA's jurisdiction (Portability), additional information will be given when the Client meets with the Specialist.*

B. RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552]

Families will not be permitted to move within the PHA's jurisdiction during the initial year of assisted occupancy.

Families will not be permitted to move outside the PHA's jurisdiction under portability procedures during the initial year of assisted occupancy.

Families will not be permitted to move more than once in a 12-month period.

The PHA will deny permission to move if there is insufficient funding for continued assistance.

If the cost of portability will cause a monthly overrun of per unit cost, it will be denied. The Client will be briefed that they may not move unless the new unit has an equal to, or less than the current payment standard and HAP payment. The initial HA (RHA) will contact the Receiving HA to if they will absorb before porting the Client to the area.

The PHA **will** deny permission to move if:

**The family has violated a Family Obligation.
The family owes the PHA money or owes money to any other Housing Authority.
The family has moved or been issued a Voucher within the last twelve months.**

The Assisted Housing Director or designee may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.

C. PROCEDURE FOR MOVES

Issuance Voucher

Subject to the restrictions on moves, if the family has not been recertified within the last 120 days, the PHA 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. In accordance with the issue date of the Housing Choice Voucher, the Family will have an initial 60 days to submit a request for Tenancy Approval. The Voucher will expire on the date stated in item 3 on the front of page, unless the Family requests an extension in writing and the PHA grants a written extension; in which case the Voucher will expire on the date stated in item 4. At its discretion, the PHA may grant a Family's request for one or more extension of the initial term.

The annual recertification date will be changed to coincide with the new lease-up date.

Notice Requirements

Briefing sessions emphasize the family's responsibility to give the owner and the PHA 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 PHA 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. ***Due to hardship or error by the PHA overlapping assistance will be allowed.***

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 lease and contract.

D. PORTABILITY [24 CFR 982.353]

Portability applies to families moving out of or into the PHA's jurisdiction within the United States and its territories. Under portability, families are eligible to receive assistance to lease a unit outside of the initial PHA's jurisdiction.

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 PHA's jurisdiction, anywhere in the United States, in the jurisdiction of a PHA with a tenant-based program. When a family requests to move outside of the PHA's jurisdiction, the request must specify the area to which the family wants to move.

If there is more than one PHA in the area in which the family has selected a unit, the PHA will choose the receiving PHA.

Restrictions on Portability *(See Section B of this Chapter)*

Applicants

If neither the head or spouse had a domicile (legal residence) in the PHA's jurisdiction at the date of their initial application for assistance, the family will not be permitted to exercise portability upon initial issuance of a Voucher, unless the PHA approves such move.

Upon initial issuance of a Voucher the family must be income eligible under the receiving PHA income limits during the initial 12-month period after admission to the program.

Participants

The PHA will not permit families to exercise portability:

If the family is in violation of a family obligation.

If the family owes money to the PHA

If the family has moved out of its assisted unit in violation of the lease.

See Section B in this Chapter

Receiving PHA's will be required to submit Hearing Determinations to the PHA within 60 days.

Outgoing Portability Procedures

The PHA will provide pre-portability counseling for those families who express an interest in portability. If the family is utilizing portability for their initial lease-up, the PHA will determine if the family is within the very low-income limit of the receiving PHA and if the receiving PHA will absorb the family and advise the family accordingly.

The PHA will notify the Receiving PHA that the family wishes to relocate into its jurisdiction.

The PHA will advise the family how to contact and request assistance from the receiving PHA.

The PHA will notify the receiving PHA that the family will be moving into its jurisdiction.

The PHA will provide the following documents and information to the Receiving PHA:

1. A copy of the *family's Voucher* filled out and the **required HUD Portability form HUD52665 (Part 1)**
2. The most recent HUD 50058 form and verifications.
3. Declarations and verifications of U.S. citizenship/eligible immigrant status.
4. The Administrative Fee Schedule for billing purposes.

The Receiving PHA must notify the PHA within **thirty (30)** days of the following:

1. The Receiving PHA decides to absorb the family into their own program.
2. The family leases up or fails to submit a Request for Lease Approval by the required date.
3. If assistance to a portable family is terminated by the Receiving PHA.
4. The family requests to move to an area outside the Receiving PHA's jurisdiction.

Payment to the Receiving PHA

The PHA will requisition funds from HUD based on the anticipated lease-ups of portable Vouchers in other PHA's jurisdictions. Payments for families in other jurisdictions will be made to other HAs when billed or in accordance with other HUD approved procedures for payment.

When billed, the PHA will reimburse the Receiving PHA for 100% of the Housing Assistance Payment and 80% of the Administrative Fee (at the initial PHA's rate), and any other HUD-approved fees.

Claims

The PHA will be responsible for collecting amounts owed by the family and for monitoring the repayment. The PHA will notify the Receiving PHA if the family is in arrears or if the family has refused to sign a Repayment Agreement, and the Receiving PHA will be asked to terminate assistance to the family as allowed by this Administrative Plan.

Receiving PHA's will be required to submit hearing determinations to the PHA within **sixty (60)** days.

F. INCOMING PORTABILITY [24 CFR 982.354, 982.355]

Absorption or Administration

*The PHA 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 PHA with the same start date. The term of the Voucher will not expire before the expiration date of any initial PHA Voucher. The family must submit a request for approval of tenancy for an eligible unit to the receiving PHA during the term of the receiving PHA Voucher. The Receiving PHA may grant extensions in accordance with this Administrative Plan **but they must inform the initial PHA of the extension and should bear in mind the billing deadline provided by the***

initial PHA. Unless willing and able to absorb the family, the Receiving PHA should ensure that any Voucher expiration date would leave sufficient time to process a Request for Tenancy Approval (RFTA) If the family decides not to lease-up in the PHA's jurisdiction, they (Receiving PHA) must contact the initial PHA to request an extension.

A Receiving PHA should not process the family if the initial PHA Voucher has already expired when it receives the paperwork from the initial PHA, but should refer the family back to the initial PHA. The initial PHA would have to decide to extend the term of the initial PHA Voucher (and the billing deadline) before the receiving PHA would process the Portability move in such an instance. (PIH Notice 2004-12)

The PHA will absorb (when the receiving PHA executes a HAP Contract on behalf of the family in the receiving PHA jurisdiction all incoming portable families provided that there is funding available.

When the receiving PHA does not absorb the incoming Voucher, it will administer the Initial PHA's Voucher and the receiving PHA'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 PHA does not re-determine eligibility for a portable family that was already receiving assistance in the initial PHA HCV tenant-based program.

The PHA 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 PHA will change to the proper size based on its own Subsidy Standards.

The PHA's policy on suspensions will apply. However, if the Family decides not to lease-up in the Receiving PHA's jurisdiction, the Receiving PHA must refer the Family back to the initial PHA.

Income and TTP of Incoming Portables

As Receiving PHA, the PHA will conduct a recertification interview but only verify the information provided if the documents are missing or are over 120 days old, whichever is applicable, or there has been a change in the family's circumstances.

If the PHA 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 PHA's jurisdiction, the PHA will refuse to enter into a contract on behalf of the family at \$0 assistance.

Requests for Approval of Tenancy

When the Family submits a Request for Approval of Tenancy it will be processed using the PHA's policies. If the Family does not submit a Request for Lease Approval within the term of the Voucher or does not execute a lease, the Initial PHA will be notified within **thirty (60)** days by the PHA.

If the Family leases up successfully, the PHA will notify the Initial PHA within **thirty (60)** days, and the billing process will commence. **The initial PHA makes payment within 30 days of receipt of Part 11 of the Form HUD 50058 indicating billing amount and subsequent billing amounts are received not later than the fifth working day of each month for which the billing amount is due unless Funds have not been received from HUD.**

Notification of Change in Billing or Other Action

The receiving PHA notifies the initial PHA of any change in the billing amount as soon as possible (preferably before the effective date to avoid retroactive adjustments) but in no circumstance any later than 10 working days following the effective date of the change.

If the PHA denies assistance to the family, the PHA will notify the Initial PHA within **thirty (30)** days **from the date of denial** and the family will be offered a review or hearing.

The Receiving PHA will notify the Family of its responsibility to contact the Initial PHA if the Family wishes to move outside the PHA's jurisdiction under continued portability.

REGULAR PROGRAM FUNCTIONS

The PHA will perform all program functions applicable the tenant-based assistance program, such as:

Annual re-examinations of family income and composition;

Annual inspection of the unit; and

Interim Examinations when requested or deemed necessary by the PHA

Terminations

The PHA will notify the Initial PHA in writing of any termination of assistance within **thirty (30)** days of the termination. If an Informal Hearing is required and requested by the Family, the hearing will be conducted by the PHA, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the Initial PHA.

Required Documents

As Receiving PHA, the PHA will require the documents listed on the HUD Portability Billing Form from the Initial PHA and **Persons designated for inquiries on eligibility and billing.**

Notification of Change in Billing or Other Action

As Receiving PHA, the PHA will bill the Initial PHA monthly for Housing Assistance Payments. The billing cycle for amounts, including Administrative Fees will be monthly. Notification of Change in Billing or Other Action

The receiving PHA notifies the initial PHA of any change in the billing amount as soon as possible (preferably before the effective date to avoid retroactive adjustments) but in no circumstance any later than 10 working days following the effective date of the change. (Notice 2004-12) The Initial PHA will notify the PHA of changes in the Administrative Fee amount to be billed.

The PHA will bill 100% of the Housing Assistance Payment and 80% of the Administrative Fee (at the Initial PHA's rate) and any other HUD-approved fees, for each "Portability Voucher" leased as of the first day of the month.

Chapter 14

CONTRACT TERMINATION'S

INTRODUCTION

The Housing Assistance Payments (HAP) Contract is the contract between the owner and the PHA, which defines the responsibilities of both parties. This Chapter describes the circumstances under which the contract can be terminated by the PHA 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 owner or tenant terminating the lease may terminate by the PHA, or the Contract between the owner and the PHA.

No future subsidy payments on behalf of the family will be made by the PHA to the owner after the month in which the Contract is terminated. The owner must reimburse the PHA for any subsidies paid by the PHA for any period after the contract termination date.

If the family continues to occupy the unit after the **HCV** contract is terminated, the family is responsible for the total amount of rent due to the owner.

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.

B. TERMINATION BY THE FAMILY: MOVES [24 CFR 982.314(c)(2)]

The Family termination of the lease must be in accordance with the terms of the lease.

C. TERMINATION BY THE OWNER: EVICTIONS [24 CFR 982.310, 982.455]

If the owner wishes to terminate the lease, the owner is required to evict, using the notice procedures in the HUD regulations and State/local law. The owner must provide the PHA with a copy of the eviction notice.

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 contract and lease require that the owner may only evict for the following reasons:

1. Serious or repeated violation of the terms and conditions of the lease,
2. Violation 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.**
3. **Other good cause, including:**
 - Any drug-related criminal activity on or near the premises,
 - Tenant history of disturbance of neighbors, destruction of property, or behavior resulting in damage to the premises.
4. **Other good cause, after the first year of the lease, includes:**
 - Business or economic reason for regaining possession of the unit;
 - Owner's desire to repossess the unit for personal use;
 - Tenant's refusal to accept offer of a new lease.

The eviction notice must specify the cause for the eviction.

The PHA 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 PHA 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 PHA 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 PHA 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 PHA with the documentation, including notice of the lock-out date

If the owner opts out for business or economic reasons, the tenant must be given *one year* notice, with a copy to the PHA and the local HUD office. Such reasons include desire to sell the property, renovation of the unit, or desire to obtain a higher rent than the PHA will approve.

The PHA 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 PHA, the owner certifies that the tenant is still in the unit and s/he is in compliance with the contract.

If the eviction is not due to a serious or repeated violation of the lease, and if the PHA has no other grounds for termination of assistance, the PHA will issue a voucher so that the family can move with continued assistance.

D. TERMINATION OF THE CONTRACT BY PHA

[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 PHA terminates program assistance for the family, and when the owner has breached the HAP contract.

Any of the following actions will be considered a breach of contract by the owner:

1. **The owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit to HQS standards, including any standards the PHA has adopted in this policy.**
2. **The owner has violated any obligation under any other housing assistance payments contract under rental assistance of the 1937 Act (42 U.S.C. 1437f).**
3. **The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.**
4. **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.**
5. **The owner has engaged in drug-related or violent criminal activity**
6. **The owner has history of failing to terminate tenancy for drug-related or violent criminal activity or other threatening activity.**

The PHA may also terminate the contract if:

The PHA terminates assistance to the family.

The family is required to move from a unit when the subsidy is too big for the family size or 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 PHA terminates the HAP contract under the violation of HQS space standards, the PHA 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 PHA gives such notice to the owner.

E. TERMINATION'S DUE TO INELIGIBLE IMMIGRATION STATUS

[24 CFR 812.9]

For families who were participants on June 19, 1995, termination's due to the ineligible immigration status of all members of the family, or because a “mixed” family chooses not to accept Proration of assistance, may be temporarily deferred for intervals not to exceed six months (up to a maximum of three years) if necessary to permit the family additional time for transition to affordable housing.

The family will be notified in writing at least 60 days in advance of the expiration of the deferral period that termination of assistance will not be deferred because:

- a) granting another deferral will result in an aggregate deferral period of longer than three years, or
- b) a determination has been made that other affordable housing is available.

F. TERMINATION DUE TO OWNER DISAPPROVAL [24 CFR 882.453]

If the PHA terminates the contract due to owner disapproval (See Chapter 9, “Request for Lease Approval and Contract Execution”), the PHA will provide the owner and family with at least thirty days written notice of termination of the contract.

Chapter 15

DENIAL OR TERMINATION OF ASSISTANCE

[24 CFR 982.552, 982.553]

INTRODUCTION

The PHA may deny or terminate assistance for a family because of the family's action or failure to act. The PHA will provide families with a written description of the Family Obligations under the program, the grounds under which the PHA can deny or terminate assistance, and the PHA's informal hearing procedures. This Chapter describes when the PHA is required to deny or terminate assistance, and the PHA'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 982.552, 982.553]

If denial or termination is based upon behavior resulting from a disability, the PHA will delay the denial or termination in order to determine if there is an accommodation which would meet the 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:

1. Denial for placement on the PHA waiting list
2. Denying or withdrawing a Voucher
3. Refusing to enter into a HAP contract or approve a lease
4. Refusing to process or provide assistance under portability procedures

Termination of assistance for a participant may include any or all of the following:

1. Refusing to enter into a HAP contract or approve a lease
2. Terminating housing assistance payments under an outstanding HAP contract
3. Refusing to process or provide assistance under portability procedures

Mandatory Denial and Termination [24CFR 982.552 (10)(d)]

The PHA must deny assistance to applicants, and terminate assistance for participants:

1. If any member of the family fails to sign and submit HUD or PHA required consent forms for obtaining information.
2. If no member of the family is a U.S. citizen or eligible immigrant.
3. If the family is under contract and 180 days have elapsed since the PHA's last housing assistance payment was made.
4. If the family (head or spouse) owes monies to any other Housing Authority.

The PHA must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine in violation of any Federal or State law.

If any member of the family has been evicted from federally assisted housing for a serious Lease violation, the PHA must deny admission for 36 months after the eviction occurred.

The PHA must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.

The PHA 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 PHA 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 [24CFR 982.552 (b)]

The PHA may at any time deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

1. The family violates any family obligation under the program as listed in 24 CFR 982.551.
2. Any member of the family has ever been evicted from public housing.

3. The family currently owes rent or other amounts to the PHA or to another PHA in connection with **HCV Program (formerly known as Section 8)** or public housing assistance under the 1937 Act.
4. The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, or other amounts owed by the family under the lease.
5. The family breaches an agreement with an PHA to pay amounts owed to an PHA, or amounts paid to an owner by an PHA.
6. The family has engaged in or threatened abusive or violent behavior toward PHA personnel.
7. **“Abusive or violent behavior towards PHA 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.
8. Any family member has engaged in illegal use of drugs or abuse of alcohol.
9. If any PHA has ever terminated assistance under the Voucher program for any member of the family. If any member of the family commits drug related criminal activity, or violent criminal activity.
10. If any member of the family commits drug related criminal activity, or violent criminal activity.

Family Self Sufficiency (FSS)

The PHA **will not** terminate assistance for FSS families who fail to comply with the FSS Contract of Participation without good cause.

B. "ONE STRIKE " POLICY

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 terrorizes neighbors. It is the intention of the RHA to fully endorse and implement a policy, which is 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.

Administration

All screening and eviction 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.

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 the Notice 96-27, the PHA will endeavor to screen applicants as thoroughly and fairly as possible for drug-related and violent criminal behavior.

Such screening will apply to any member of the household who is 18 years of age or older or is an emancipated minor.

HUD Definitions

Drug related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance. Drug related criminal activity means on or off the premises, not just on or near the premises.

Violent criminal activity includes any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property, and the activity is being engaged in by any family member.

Standard for Violation

"Engaged in or engaging in" violent criminal activity means any act within the past *five years* by applicants or participants, household members, or guests which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person of another, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

The activity is being engaged in by any Family member.

The PHA will deny participation in the program to applicants and terminate assistance to participants in cases where the PHA determines there is reasonable cause to believe that the person is illegally using a controlled substance 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 PHA determines that there is a pattern of illegal use of a controlled substance or pattern of alcohol abuse. (new)

Drug Related and Violent Criminal Activity

Ineligibility if Evicted for Drug Related Activity

Persons evicted from public housing, Indian housing, Section 23 or any HCV program because of drug related criminal activity are ineligible for admission to the HCV program for a three year period beginning on the date of such eviction.

Applicants will be denied assistance if they have been:

Evicted from a unit assisted under the Housing Act of 1937 due to violent criminal activity within the last three years prior to the date of the certification interview.

Participants will be terminated who have been:

Evicted from a unit assisted under the Housing Act of 1937 due to drug related or violent criminal activity within the last three years prior to the date of the notice to terminate assistance, and whose activities have created a disturbance in the building or neighborhood.

If the family violates the lease for drug related criminal activity, the PHA will terminate assistance.

Termination of Assistance for Participants

If the family violates the lease for drug related or violent criminal activity, the PHA will terminate assistance.

Notice of Termination of Assistance

In any case where the PHA decides to terminate assistance to the family, the PHA 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 PHA.

The PHA 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.

Confidentiality of Criminal Records

The PHA will ensure that any criminal record is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

C. FAMILY OBLIGATIONS [24 CFR 982.551]

- A. **When the family's unit is approved and the HAP contract is executed, the family must follow the rules listed below in order to continue participating in the Housing Choice Voucher Program.**
- B. **The Family must:**
 - 1. The family must supply any information that the PHA 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 part 812). "Information" includes any requested certification, release or other documentation.

2. The family must supply any information requested by the PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
3. The family must disclose and verify Social Security Numbers (as provided by 24 CFR part 750) and must sign and submit consent forms for obtaining information in accordance with 24 CFR part 760 and 24 CFR part 813.
4. All information supplied by the family must be true and complete.
5. The family is responsible for an HQS breach caused by the family as described in 982.404(b).
6. The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice.
7. The family may not commit any serious or repeated violation of the lease.
8. The family must notify the owner and, at the same time, notify the PHA before the family moves out of the unit or terminates the lease on notice to the owner.
9. The family must promptly give the PHA a copy of any owner eviction notice.
10. The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
11. The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly inform the PHA of the birth, adoption or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.
12. The family must promptly notify the PHA if any family member no longer resides in the unit.
13. If the PHA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or PHA denies, the family may not allow a foster child or live-in aide to reside with the assisted family.
14. 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.
15. The family must not sublease or let the unit.
16. The family must not assign the lease or transfer the unit.

17. The family must supply any information or certification requested by the PHA to verify that the family is living in the unit, or relating to family absence from the unit, including any PHA requested information or certification on the purposes of family absences. The family must cooperate with the PHA for this purpose. The family must promptly notify the PHA of absence from the unit.
18. The family must not own or have any interest in the unit.
19. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
20. The members of the family may not engage in drug-related criminal activity or violent criminal activity.
21. An assisted family, or members of the family, may not receive tenant-based rental 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.
22. The family must not receive Housing Choice Voucher Program housing assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of *any* member of the family, unless the PHA has determined (and has notified the Owner and family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is person with disabilities.

Housing Authority Discretion

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the PHA has discretion to consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, the length of time since the violation occurred and more recent record of compliance, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure to act.

The PHA 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 will not reside in the unit. The PHA 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 **three (3) days.**” Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach:

After reviewing the recommendation of the **HQS Inspector, the Director of Assisted Housing or designee** 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 the Director of Assisted Housing or designee.

Lease Violations:

The following criteria will be used to decide if a serious or repeated violation of the lease will cause a 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 assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the PHA determines that the cause is a serious or repeated violation of the lease based on available evidence.

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 PHA of an eviction within fourteen (14) days of receiving the Notice of Lease Termination, the move will be denied.

Proposed additions to the family **may** be denied to:

Persons who have been evicted from public housing.

Persons who have previously violated a family obligation listed in 24CFR 982.51 of the HUD regulations.

Persons who commit drug-related criminal activity or violent criminal activity.

Persons who do not meet the PHA'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 PHA or to another PHA in connection with **Housing Choice Voucher Program or public housing assistance under the 1937 Act.**

Persons who have engaged in or threatened abusive or violent behavior toward PHA personnel.

Family Member Moves Out:

Families are required to notify the PHA if any family member leaves the assisted household **within 30 days from the actual move out**. When the family notifies the PHA, 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 PHA determines that the use of the unit as a business is not incidental to its use as a dwelling unit.

If the PHA 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 under the **HCV** Program.

Fraud:

In each case, the PHA will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent members.

D. PROCEDURES FOR NON-CITIZENS [24 CFR 812.9 (c)(d), 812.10 (d)]

Termination due to Ineligible Immigrant Status

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

Participant families in which all members are neither U.S. citizens nor eligible immigrants must have their assistance terminated. They must be given an opportunity for a hearing.

Temporary Deferral of Termination of Assistance

Ineligible families who were participants as of June 19, 1995, may request a temporary deferral of termination of assistance in order to allow time to locate affordable housing and thereby preserve the family.

Temporary deferral of termination of assistance is also available to mixed families who were participants on June 19, 1995, who elect not to accept prorated assistance, and are not eligible for Continued Assistance. (See Chapter 14, "Contract Terminations.") The PHA must allow the mixed family time to find housing for ineligible members or for the entire family by deferring the termination.

Mixed families who choose temporary deferral of termination of assistance may change to prorated assistance at the end of any deferral period, if they have made a good-faith effort to locate housing.

Criteria for Approving Temporary Deferral of Termination of Assistance

The PHA will grant temporary deferral so long as the family makes reasonable efforts to find affordable housing.

Affordable housing is defined as housing that is standard **based on HQS**, of appropriate size **based on HQS**, and for which the rent plus utilities is no more than 30 – 40% greater than the PHA calculated Total Tenant Payment.

To determine whether a family is eligible for temporary deferral of termination of assistance, or for a renewal of temporary deferral of termination of assistance, the PHA will:

Require a search record to document the family's efforts to locate housing before granting or extending temporary deferral of termination of assistance.

Length of Deferral

The initial temporary deferral is granted for an interval not to exceed six months. Additional deferrals can be made up to a maximum of three years. A notice is sent to the family at the beginning of each deferral period reminding them of their ineligibility for full assistance and their responsibility to seek other housing.

The family will be notified in writing sixty days before the end of the three year maximum deferral period that there cannot be another deferral, and will be offered the option of prorated assistance if they are a mixed family and have made a good-faith effort to locate affordable housing.

False or Incomplete Information

When the PHA 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 given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the PHA may give him/her an opportunity to provide a new declaration as an eligible immigrant or to elect not to contend their status. The PHA will then verify eligible status, deny, terminate, or prorate as applicable.

The PHA will deny or terminate assistance based on the submission of false information or misrepresentations.

Procedure for Denial or Termination

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with the PHA either after the INS appeal or in lieu of the INS appeal.

After the PHA 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) or, for participants who qualify, for Temporary Deferral of Termination of Assistance.

E. ZERO (\$0) ASSISTANCE TENANTS [24 CFR 982.455 (a)]

HAP Contracts On or After 10/01/95 [24 CFR 982.455 (a)]

For contracts effective after 10/2/95, the PHA 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 cause the family to be eligible for a housing assistance payment, the PHA 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 PHA to overpay assistance, the PHA 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 PHA in full.

The misrepresentation cannot have cause the PHA to overpay assistance by \$3000. If it does, the PHA will be terminating the Client from the HCV Program.

G. MISREPRESENTATION IN COLLUSION WITH OWNER

[24 CFR 982.551, 982.552 (c)]

If the family is willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, the PHA **will** deny or terminate assistance.

In making this determination, the PHA 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 PHA to fulfill its responsibilities. The PHA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the PHA 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 PHA may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the PHA 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:

1. Eligibility for Admissions
2. Verification Procedures
3. Certificate/Voucher Issuance and Briefings
4. Housing Quality Standards and Inspections
5. Re-certifications
6. Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

Medical emergency

Family emergency

Procedure when Appointments are Missed or Information not Provided

For most purposes in this Plan, the family will be given **two (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 notice will not be rescinded even if the family offers to cure the breach.

Chapter 16

OWNER DISAPPROVAL AND RESTRICTION

[24 CFR 982.54, 982.306, 982.453]

INTRODUCTION

It is the policy of the HA to and recruit owners to participate in the program, and to provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of the HA. The regulations define when the HA must disallow an owner participation in the program, and they provide the HA 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 HA will disapprove the owner for the following reasons:

HUD has informed the HA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

HUD has informed the HA 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 HA that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other federal equal opportunity requirements.

The owner has violated obligations under a housing assistance payments contract under **HCV Program** 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 trafficking.

The owner has a history or practice of renting units that fail to meet State or local housing codes.

The owner has not paid local real estate taxes, fines or assessments.

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 rental assistance or leased under any other federal housing program.

If tenant was leased in the unit after June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA will waive this restriction as a reasonable accommodation for a family member who is a person with disability.

B. OWNER RESTRICTIONS AND PENALTIES [24 CFR 982.302 (a)(8), 982.453]

If an owner commits fraud or abuse or is guilty of frequent or serious contract violations, the HA will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The HA may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner the HA 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.

The HA guidelines for restrictions are contained in the table below:

DISAPPROVAL OF OWNERS/PARTICIPATION RESTRICTIONS	
BREACH	Penalty
<input type="checkbox"/>	
HUD notification of owner debarment/suspension	Termination
HUD notification of violation of fair housing/federal equal opportunity	Termination
Violation of contract obligations	Termination
Owner fraud, bribery or other corrupt act in federal housing program	Termination
Owner engaged in drug trafficking	Termination
History of noncompliance with HQS	Termination
History of renting units below code	Termination
State/local real estate taxes, fines or assessments	N/A

C. OTHER REMEDIES FOR OWNER VIOLATIONS

Overpayments

If the landlord has been overpaid as a result of fraud, misrepresentation or violation of the Contract, the HA may terminate the Contract and arrange for restitution to the HA and/or family as appropriate.

The HA 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 HA or the tenant, as applicable.

D. CHANGE IN OWNERSHIP

A change in ownership does require execution of a new contract.

The HA may approve the assignment of the HAP contract at the owner's request. The HA may approve the assignment, since they are a party to the contract. The HA may deny approval of assignment of the contract, for any of the reasons listed in Section A of this Chapter. The HA will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title and the Employee Identification Number or Social Security number of the new owner.

Chapter 17

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

INTRODUCTION

This Chapter describes the PHA's policies, procedures and standards for servicing Contracts **that are under the Moderate rehabilitation** Voucher Program. This category has provisions for the PHA's liability to owners when families move out. **The provision is** for vacancy loss.

A. OWNER CLAIMS

Owner claims for payment for vacancy loss will be reviewed for accuracy and completeness and compared with records in the file. The PHA establishes standards by which to evaluate claims, but the burden of proof rests with the owner.

If vacancy loss is claimed, the PHA will ascertain whether or not the family gave proper notice of its intent to move. The file will also be reviewed to verify owner compliance at the time the contract was terminated.

The PHA will pay properly filed claims to the owner as a function of the contract.

B. UNPAID RENT [24 CFR 887.215, 882.112 (d)]

Unpaid rent only applies to the tenant's portion of rent while the tenant is in residence under the assisted lease. It does not include the tenant's obligation for rent beyond the termination date of the HAP Contract.

Separate agreements are not considered a tenant obligation under the lease and the PHA will not reimburse the owner for any claims under these agreements.

C. VACANCY LOSS IN THE **MODERATE REHABILITATION PROGRAM** [24 CFR 887.105]

Vacancy Loss is applicable to the **Moderate Rehabilitation** Program only. Vacancy loss is paid if the move was in violation of the notice requirements in the lease, or the result of an eviction.

In order to claim vacancy loss, the unit must be available for leasing and the landlord must:

1. Notify the PHA within **forty eight (48)** hours upon learning of the vacancy, or prospective vacancy, and
2. Pursue all possible activities to fill the vacancy, including, but not limited to:
 - a. Contacting applicants on the owner's waiting list, if any,
 - b. Seeking eligible applicants by listing the unit with the PHA,
 - c. Advertising the availability of the unit, and
 - d. Not rejecting potentially eligible applicants except for good cause.

In the event that a unit becomes vacant because of death, the PHA will permit the owner to keep the HAP for the month in which the tenant died.

If the tenant moves *after* the date given on their notice of intent to vacate, the landlord may claim vacancy loss by providing acceptable documentation that there was a bona fide prospective tenant to whom the unit could have been rented.

D. DAMAGES

The PHA is not responsible for damages caused by the Participant.

There will be no move-out inspections of units with contracts effective on or after October 2, 1995.

Tenant in the Program is responsible for only damages beyond normal wear and tear.

E. PROCESSING CLAIMS

If the owner claims vacancy loss, the security deposit that s/he collected or could have collected **will** be deducted from the vacancy loss claim.

Other Requirements for Claims Processing

No claims will be paid for a unit, which is vacant as the result of the landlord voluntarily moving a family to another unit owned by the same landlord.

All vacancy loss claim forms must be fully complete when they are submitted, and to be considered for payment they must be submitted within **ninety (90)** days of the date the owner learned of the move-out.

Chapter 18

OWNER OR FAMILY DEBTS TO THE PHA

[24 CFR 982.552]

INTRODUCTION

This Chapter describes the PHA's policies for the recovery of moneys, which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of moneys and the guidelines for different types of debts. It is the PHA'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 PHA'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 PHA, the PHA will make every effort to collect it. The PHA will use a variety of collection tools to recover debts including, but not limited to:

Requests for lump sum payments

Civil suits

Repayment agreements

Abatements

Reductions

Collection agencies

A. REPAYMENT AGREEMENT FOR FAMILIES

[24 CFR 982.552 (b)(6-8)]

A Repayment Agreement as used in this Plan is a document entered into between the PHA and a person who owes a debt to the PHA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of repayment, any special provisions of the agreement, and the remedies available to the PHA upon default of the agreement.

The maximum length of time the PHA will enter into a repayment agreement with a family is **18** months.

The minimum monthly amount of monthly payment for any repayment agreement is \$25 **or the total or partial amount received from the PHA for utility re-imbursement (UAP).**

The PHA will use a sliding scale system to determine the monthly payment.

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 repayment agreement is in arrears, the PHA may seek the following remedies:

- Require the family to pay the balance in full
- Pursue civil collection of the balance due
- Terminate the housing assistance
- Grant an extension of ten (10) days

Repayment Schedule for Moneys Owed to the PHA

<u>Initial Payment Due (% of Total Amount)</u>	<u>Amount Owed</u>	<u>Maximum Term</u>
17% to 33%	0 - \$500	3 - 6 months
10% to 20%	\$501 - \$1,000	6 - 10 months
6% to 8%	\$1,001 - and over	12 - 18 months

The PHA in establishing a repayment agreement with a Section Eight participant will require that the terms and conditions of the agreement be complied with in full by the participant.

Therefore the repayment agreement will include a provision, which stipulates that if the initial payment or any subsequent payment is not received on or before the due date, the client's **rental** assistance will be terminated.

There are some circumstances in which the PHA will not enter into a repayment agreement.

They are:

- If the family already has a Repayment Agreement in place.

- If the PHA determines that the family committed program fraud.

Guidelines for Repayment Agreements

Repayment Agreements will be executed between the PHA and the head of household.

No move will be approved until the debt is paid in full unless the move is the result of the following causes, and the Repayment 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 Moneys Owed:

If the family has a Repayment Agreement in place and incurs an additional debt to the PHA:

The PHA will not enter into more than one Repayment Agreement at a time with the same family

B. DEBTS DUE TO FRAUD/NON-REPORTING OF INFORMATION

[24 CFR 982.163]

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 HCV program funds in violation of the program requirements.

Family Error/Late Reporting

Families who owe money to the PHA due to the family's failure to report increases in income will be required to repay in a lump sum within thirty (30) days. If the family pays the amount in full within this time period, the PHA may continue assistance to the family.

Program Fraud

Families who owe money to the PHA due to program fraud will be required to repay the amount in full within thirty (30) days. If the full amount is paid within this time period, and the family is still eligible, the PHA may continue assistance to the family.

If a family owes an amount, which equals or exceeds \$3000 as a result of program fraud, the case will be referred to Inspector General. Where appropriate, the PHA will refer the case for criminal prosecution.

C. OWNER DEBTS TO THE PHA

If the PHA determines that the owner has retained Housing Assistance Payments the owner is not entitled to, the PHA may reclaim the amounts from future Housing Assistance Payments owed the owner for any other units under contract.

If future Housing Assistance Payments are insufficient to reclaim the amounts owed, the PHA will:

Require the owner to pay the amount in full within thirty (30) days, pursue collections through the local court system, and restrict the owner from future participation.

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 PHA. This Chapter describes the policies, procedures and standards to be used when families disagree with an PHA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the PHA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE PHA

The PHA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The PHA **does** require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone.

Categories of Complaints

1. Complaints from families: If a family disagrees with an action or inaction of the PHA or owner.

Complaints from families will be referred to the Director of Assisted Housing or designee

2. Complaints from Owners: If an owner disagrees with an action or inaction of the PHA or a family.

Complaints from owners will also be referred to the Director of Assisted Housing or designee

3. Complaints from staff: If a staff person reports an owner or family either violating or not complying with program rules.

Complaints from staff will be referred to the Director of Assisted Housing or designee

4. Complaints from the general public: Complaints or referrals from persons in the community in regard to the PHA, a family or an owner.

Complaints from the general public will be referred to Director of Assisted Housing or designee

B. PREFERENCE DENIALS [24 CFR 982.210 (d)]

When the PHA 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 PHA staff to discuss the reasons for the denial and to dispute the PHA's decision..

The person who conducts the meeting must be:

Any officer or employee of the PHA including the person who made the decision.

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 citizen or eligible immigrant status, the applicant is entitled to an informal hearing.

When the PHA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. **This notice will be mailed certified.** 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.

The PHA must provide applicants with the opportunity for an Informal Review of decisions denying:

Listing on the PHA's waiting list
Issuance of a Voucher
Participation in the program

Informal Reviews are not required for established policies and procedures and PHA determinations such as:

1. Discretionary administrative determinations by the PHA
2. General policy issues or class grievances
3. A determination of the family unit size under the PHA subsidy standards
4. Refusal to extend or suspend a Certificate or Voucher
5. Disapproval of lease
6. Determination that unit is not in compliance with HQS
7. 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 **ten (10)** days from the date of the PHA's notification of denial of assistance. The informal review will be scheduled within **fifteen (15)** 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 who is not a subordinate of the person who approved the decision
An individual from outside the PHA**

The applicant will be given the option of presenting oral or written objections to the decision. Both the PHA 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 **five (5) working** days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the 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)]

The PHA will provide a copy of the hearing procedures in the family briefing packet.

When the PHA makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The PHA will give the family prompt notice of such determinations, which will include:

- The proposed action or decision of the PHA;
- The date the proposed action or decision will take place;
- The family's right to an explanation of the basis for the PHA's decision.
- The procedures for requesting a hearing if the family dispute the action or decision;
- The time limit for requesting the hearing.

To whom the hearing request should be addressed

The PHA must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following PHA determinations:

1. Determination of the family's annual or adjusted income and the computation of the housing assistance payment
2. Appropriate utility allowance used from schedule
3. Family unit size determination under PHA subsidy standards
4. Determination that HCV program family is under occupied in their current unit and a request for exception is denied
5. Determination to terminate assistance for any reason.
6. Determination to terminate a family's FSS Contract, withholds supportive services, or proposes forfeiture of the family's escrow account.
7. Determination to pay an owner claim for vacancy loss.

The PHA must always provide the opportunity for an informal hearing before termination of assistance.

Informal Hearings are not required for established policies and procedures and PHA determinations such as:

1. Discretionary administrative determinations by the PHA
2. General policy issues or class grievances

3. Establishment of the PHA schedule of utility allowances for families in the program
4. An PHA determination not to approve an extension or suspension of a Voucher term
5. An PHA determination not to approve a unit or lease
6. An PHA determination that an assisted unit is not in compliance with HQS (PHA must provide hearing for family breach of HQS because that is a family obligation determination)
7. An PHA determination that the unit is not in accordance with HQS because of the family size
8. An PHA determination to exercise or not exercise any right or remedy against the owner under a HAP contract

Notification of Hearing

It is the PHA'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 PHA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When the PHA receives a request for an informal hearing, a hearing shall be scheduled within **fifteen (15)** days. The notification of hearing will contain:

1. The date and time of the hearing
2. The location where the hearing will be held
3. The family's right to bring evidence, witnesses, legal or other representation at the family's expense
4. The right to view any documents or evidence in the possession of the PHA upon which the PHA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing

The PHA'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 PHA within twenty four (24) hours **of the scheduled Hearing**, excluding weekends and holidays. The PHA 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 PHA's determination.

Examine the documents in the file, which are the basis for the PHA'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 PHA 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 his or her own expense.

If the family requests copies of documents relevant to the hearing, the PHA 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 file from the PHA's office.

In addition to other rights contained in this Chapter, the PHA 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 PHA who is neither the person who made or approved the decision, nor a subordinate of that person. The PHA appoints hearing officers who:

Is PHA staff

Are citizens residing within the jurisdictional boundaries of the PHA

The hearing shall concern only the 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, three (3) 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 PHA shall take effect and another hearing will not be granted.

The Hearing Officer will determine whether the action, inaction or decision of the PHA 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 PHA and the family within **five (5) working** 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

The date the decision goes into effect.

The PHA is not bound by hearing decisions:

Which concern matters in which the PHA 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 PHA shall send a letter to the participant if it determines the PHA is not bound by the Hearing Officer's determination within **five (5) working** days. The letter shall include the PHA'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]

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 INS appeal.

Assistance to a family may not be terminated or denied while the PHA hearing is pending but assistance to an applicant may be delayed pending the PHA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the PHA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the PHA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the PHA a copy of the appeal and proof of mailing or the PHA may proceed to deny or terminate. The time period to request an appeal may be extended by the PHA for good cause.

The request for an PHA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in section D of 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 PHA 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 PHA 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, 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

When applicants are denied placement on the waiting list, or the PHA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.

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

Chapter 20

HOMEOWNERSHIP

A. Homeownership [24 CFR 982.625]

The homeownership option is used to assist qualified families in the purchase of a home.

The RHA will limit the number of families it will assist through the homeownership program to a maximum of 45 per fiscal year.

Homeownership assistance will not be made available at initial admission to the Section Eight program. This will allow time for participants to receive proper counseling before entering the program.

The RHA 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.

The RHA will offer the homeownership option only to participation families who:

Are currently enrolled in the Rockford Housing Authority's Family Self-Sufficiency (FSS)

- Program and are in compliance with the FSS contract
- Are graduates of the RHA's Family Self-Sufficiency
- Elderly and Disabled Families

B. 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.
- The family must qualify as a first-time homeowner, or may be a co-operative member.
- The family must meet the Federal minimum income requirement (\$10,300). The family must have a gross annual income equal to the Federal minimum wage multiplied by 2000, based on the income of adult family members who will own the home. 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 has been the only break in employment within the past 12 calendar months and no fault of the family.

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 40% initial rent burden cap does not apply to families under the Section Eight Homeownership Program.

The RHA will impose the following additional initial requirements:

- The family has had no family-caused violations of HUD’s Housing Quality standards within the last year.
- The family is not within the initial 1-year period of a HAP contract.
- The family does not owe money to the RHA
- The family has not committed any serious or repeated violations of a RHA-assisted lease within the past 3 years.

C. Homeownership Counseling Requirements [24 CFR 982.630]

When the family has been determined eligible, they must attend and complete homeownership counseling sessions. The Rockford Area Affordable Housing Coalition and the RHA Family Self Sufficiency staff conducts these counseling sessions. This 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 pre-approvals, 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 RHA 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;

D. 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;
- Located on the grounds of penal, reformatory, medical, mental, or similar public or private institution.
- A duplex.

The unit was already in existence or under construction at the time the family was determined eligible for homeownership assistance.

The unit is a one-unit property or a single dwelling unit in a cooperative or condominium.

The unit has been inspected by the RHA and by an independent inspector designated by the family.

The unit meets HUD Housing Quality Standards.

A unit owed by the Public Housing Agency.

The RHA will not approve the seller of a unit if the RHA has been informed that the seller is debarred, suspended, or subject to a limited denial of participation.

E. RHA Search and Purchase Requirements [24 CFR 982.629]

The RHA 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 90 days from the date the family’s eligibility for the homeownership option is

determined. The family must obtain financing for the home within 30 days of the date eligibility for the homeownership program is determined. The family must purchase the home within 30 calendar working days of locating a home to purchase. The RHA will require periodic reports on the family's progress in finding and purchasing a home. The family will provide such reports at intervals of 60 days. If the family is unable to purchase a home within the maximum time limit, the RHA will issue the family a Voucher to lease a unit.

Inspection and Contract [24 CFR 982.631]

The unit must meet Housing Quality Standards, and must also be inspected by an independent professional inspector selected and paid for 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 RHA employee or contractor. The RHA will not require the family to use an independent inspector selected by the RHA, but the RHA 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 RHA. Based on the information in this report, the family and the RHA will determine whether any pre-purchase repairs are necessary.

The RHA 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 RHA. 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 is not subject to a limited denial of participation.

F. **Financing** [24 CFR 982.632]

The family is responsible for securing financing. The RHA has established financing requirements, listed below, and may disapprove proposed financing if the RHA determines that the debt is unaffordable. Lenders will apply their underwriting criteria for financing of homes to be purchased under the Section Eight Homeownership Program.

The RHA will prohibit the following forms of financing:

- Balloon payment mortgages
- Variable interest rate loans
- Seller financing (Lease Purchase)
- Seller financing on a case-by-case basis

The RHA will require a minimum cash down payment of five (5) percent of the purchase price to be paid from the family's own resources. A family must use a minimum of \$1000 for a down payment from their own funds.

G. **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 RHA or HUD as specified in CFR 982.551(b). The family must further supply any information required by the RHA or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
- The family must notify the RHA before moving out of the home.
- The family must notify the RHA if the family defaults on the mortgage used to purchase the home.

- No family member may have any ownership interest in any other residential property.
- The family must attend and complete ongoing homeownership counseling as required by the Housing Authority.
- The home must pass an initial Housing Quality Standards inspection.

Before the commencement of homeownership assistance, the family must execute a statement in that the family agrees to comply with all family obligations under the homeownership option.

H. **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.

The elderly exception only applied if the family qualified as elderly at the start of homeownership assistance. The disabled exception applied 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 PHA's, the total is subject to the maximum term limitations.

I. **Homeownership Assistance Payments and 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 RHA 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 RHA will pay the homeownership assistance payment to the family. The assistance will be viewed as family income when determining the family's ability to secure a mortgage.

Some homeownership expenses are allowances or standards determined by the RHA 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.

APPENDIX
INCOME FOR ADMISSION*

SIZE OF FAMILY	EXTREMELY LOW INCOME LIMIT	VERY LOW INCOME LIMIT	LOW INCOME LIMIT
One Person	\$13850	\$23050	\$36900
Two Persons	\$15800	\$26350	\$42200
Three Persons	\$17800	\$29650	\$47450
Four Persons	\$19750	\$32950	\$52700
Five Persons	\$21350	\$35600	\$56950
Six Persons	\$22950	\$38200	\$61150
Seven Persons	\$24500	\$40850	\$65350
Eight Persons	\$26100	\$43500	\$69600

* Effective 02/2005

APPENDIX
FAIR MARKET RENTS

0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
\$420	\$474	\$599	\$781	\$804

Effective 10/1/04
Federal Register

APPENDIX
APPLICABLE PAYMENTS STANDARD

<u>BEDROOM SIZE</u>	<u>PAYMENT STANDARD</u>
1 Bedroom	\$521
2 Bedroom	\$615
3 Bedroom	\$738
4 Bedroom	\$884

*Effective 11/01/04 Approved by the Board

APPENDIX

ELIGIBILITY

Congratulations! Your family has been determined to be eligible for "**Housing Choice Voucher**" subsidy based upon your current financial status and your family composition. Your name has therefore been placed on the Rockford Housing Authority **HCV Program** waiting list.

When your name comes to the top of this list and a Voucher is available, you will be contacted by the Office. If **sixty** days has elapsed from the time of your original application, your income and family status will again be reviewed to verify your continued eligibility.

Please remember that you are required to report any change of address to the **Assisted Housing Department** Office in writing. Should you have any questions regarding your application please contact the Office at 987-3890. Questions regarding your position on the waiting list are taken each Friday from 1:00 P.M. to 4:30 P.M..

Sincerely,

Carol L. Washington, Director
Assisted Housing Department

cc: Applicant File

GLOSSARY

A. ACRONYMS USED IN SUBSIDIZED HOUSING

ACC	Annual Contributions Contract
BR	Bedroom
CDBG	Community Development Block Grant
CFP	Certificate of Family Participation
CFR	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.
CPI	Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
CR	Contract Rent
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FICA	Federal Insurance Contributions Act - Social Security taxes
FmHA	Farmers Home Administration
FY	Fiscal Year
FYE	Fiscal Year End
GAO	Government Accounting Office
GFC	Gross Family Contribution. Note: Has been replaced by the term Total Tenant Payment (TTP).
GR	Gross Rent
HA	Housing Agency.

HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	The Department of Housing and Urban Development or its designee.
HURRA	Housing and Urban/Rural Recovery Act of 1983
IG	Inspector General
IGR	Independent Group Residence
IPA	Independent Public Accountant
IRA	Individual Retirement Account
MSA	Metropolitan Statistical Area established by the U.S. Census Bureau
PHA	Public Housing Agency
PMSA	A Primary Metropolitan Statistical Area established by the U.S. Census Bureau
QC	Quality Control
RLA	Request for Lease Approval (see also RFLA)
RFP	Request for Proposals
RRP	Rental Rehabilitation Program
SRO	Single Room Occupancy
SSMA.	Standard Statistical Metropolitan Area. Has been replaced by MSA, Metropolitan Statistical Area.
TR	Tenant Rent
TTP	Total Tenant Payment
UA	Utility Allowance
URP	Utility Reimbursement Payment

B. GLOSSARY OF TERMS

ADJUSTED INCOME. Annual income, less allowable HUD deductions.

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.

ANNUAL CONTRIBUTIONS CONTRACT (ACC). A written contract between HUD and an HA. Under the contract HUD agrees to provide funding for operation of the program, and the HA agrees to comply with HUD requirements for the program

ANNUAL INCOME. The anticipated total Annual Income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

ANNUAL INCOME AFTER ALLOWANCES. The Annual Income (described above) less the HUD-approved allowances.

APPLICANT. (or applicant family). A family that has applied for admission to a program, but is not yet a participant in the program.

“AS-PAID” STATES. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS. (See Net Family Assets.)

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.

BUDGET AUTHORITY. An amount authorized and appropriated by the Congress for payment to HAs under the program. For each funding increment in an HA program, budget authority is the maximum amount that may be paid by HUD to the HA over the ACC term of the funding increment.

CERTIFICATE OF FAMILY PARTICIPATION. A Certificate issued by the PHA under the Section 8 Rental Assistance Program, declaring a family to be eligible for participation in this program and stating the terms and conditions for such participation.

CERTIFICATE OR VOUCHER HOLDER. A family holding a voucher or certificate with unexpired search time.

CERTIFICATE PROGRAM. Rental certificate program.

CHILD CARE EXPENSES. Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable a family member to be employed or for a household member to further his/her education.

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 HA 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 certificate or voucher program.

CONTRACT. (See Housing Assistance Payments Contract.)

CONTRACT AUTHORITY. The maximum annual payment by HUD to an HA for a funding increment.

CONTRACT RENT. In the Section 8 Certificate Program, Contract Rent is the total rent paid to the owner, including the tenant payment and the HAP payment from the PHA.

DEPENDENT. A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or over.

DISABLED PERSON. A person who is any of the following:

- (1) A person who has a disability as defined in section 223 of the Social Security Act. (42 U.S.C.423).
- (2) A person who has a physical, mental, or emotional impairment that:
 - (i) Is expected to be of long-continued and indefinite duration;
 - (ii) Substantially impedes his or her ability to live independently; and
 - (iii) Is of such a nature that ability to live independently could be improved by more suitable housing conditions.
- (3) A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

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 under federal disaster relief laws.

DOMICILE. The legal residence of the household head or spouse as determined in accordance with State and local law.

DRUG-RELATED CRIMINAL ACTIVITY. Term means:

- (1) Drug-trafficking; or
- (2) 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)).

DRUG TRAFFICKING. The illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

ELDERLY HOUSEHOLD. A family whose head or spouse or whose sole member is at least 62 years of age or a Disabled Person as defined in this section or a Handicapped Person as defined in this section or may include two or more elderly, disabled or handicapped persons living together or one or more such persons living with another person who is determined to be essential to his/her care and wellbeing.

ELDERLY PERSON. A person who is at least 62 years old.

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 HA 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 certificate program an initial rent (contract rent plus any utility allowance) in excess of the published FMR. In the certificate program the exception rent is approved by HUD, or the HA under prescribed conditions, and is used in determining the initial contract rent. In the voucher program the HA may adopt a payment standard up to the exception rent limit approved by HUD for the HA certificate program.

EXCESS MEDICAL EXPENSES. Any medical expenses incurred by elderly families only in excess of 3% of Annual Income which are not reimbursable from any other source.

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** in accordance with 24 CFR part 882.

FAMILY. The applicant must qualify as a family as defined by the HA.

FAMILY OF VETERAN OR SERVICEPERSON. A family is a “family of veteran or serviceperson” when:

1. The veteran or serviceperson (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.
2. The veteran or serviceperson, 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 SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). The program established by an HA to promote self-sufficiency of assisted families, including the provision of supportive services.

FMR/EXCEPTION RENT LIMIT. The section 8 existing housing fair market rent published by HUD headquarters or any exception rent. In the certificate program the initial contract rent for a dwelling unit plus any utility allowance may not exceed the FMR/exception rent limit (for the dwelling unit or for the family unit size). In the voucher program the HA may adopt a payment standard up to the FMR/exception rent limit.

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 carrying a subject load that is considered full time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

FUNDING INCREMENT. Each commitment of budget authority by HUD to an HA under the consolidated annual contributions contract for the HA program.

GROSS FAMILY CONTRIBUTION. Changed to Total Tenant Payment.

GROSS RENT. The sum of the Contract Rent and the utility allowance. If there is no utility allowance, Contract Rent equals Gross Rent.

HANDICAP ASSISTANCE. Anticipated costs for care attendants and auxiliary apparatus for handicapped or disabled family members which enable a family member (including the handicapped family member) to work.

HANDICAPPED PERSON. [Referred to as a Person with a Disability]. A person having a physical or mental impairment which:

- (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 such ability could be improved by more suitable housing conditions.

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.

HOUSING AGENCY. A state, country, municipality or other governmental entity or public body authorized to administer the program. The term “HA” includes an Indian housing authority (IHA). (“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 an HA. The total assistance payment consists of:

- (1) A payment to the owner for rent to owner under the family's lease.
- (2) 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 an HA and an owner in the form prescribed by HUD headquarters, in which the HA agrees to make housing assistance payments to the owner on behalf of an eligible family.

HOUSING ASSISTANCE PLAN. (1) A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. (2) A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

HOUSING QUALITY STANDARDS (HQS). The HUD minimum quality standards for housing assisted under the tenant-based programs.

HUD REQUIREMENTS. HUD requirements for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations. Federal Register notices or other binding program directives.

HURRA. The Housing and Urban/Rural Recovery Act of 1983 legislation that resulted in most of the 1984 HUD Regulation changes to the definition of income, allowances, and rent calculations.

IMPUTED ASSET. Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

IMPUTED INCOME. HUD passbook rate x total cash value of assets. Calculation used when assets exceed \$5,000.

INCOME. Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INCOME FOR ELIGIBILITY. Annual Income.

INDIAN. Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA). A housing agency established either:

- (1) By exercise of the power of self-government of an Indian Tribe, independent of State law, or
- (2) By operation of State law providing specifically for housing authorities for Indians.

INTEREST REDUCTION SUBSIDIES. The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

INVOLUNTARILY DISPLACED PERSON. Involuntarily Displaced Applicants are applicants who meet the HUD definition for the federal preference.

LANDLORD. This term means either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

LARGE VERY LOW INCOME FAMILY. Prior to the 1982 regulations, this meant a very low income family which included six or more minors. This term is no longer used.

LEASE. A written agreement between an owner and an eligible family for the leasing of a housing unit.

The Section 8 Certificate and Voucher program have an Addendum to Lease that has mandatory language which must be incorporated into any lease the HA uses. The Addenda are different for the Certificate and Voucher Programs.

LIVE-IN AIDE. A person who resides with an elderly person or disabled person and who:

- (1) Is determined to be essential to the care and well-being of the person.
- (2) Is not obligated for the support of the person.
- (3) Would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE. A preference used by the HA to select among applicant families.

LOW-INCOME FAMILY. A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. For admission to the certificate program, HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

MARKET RENT. The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

MEDICAL EXPENSES. Those total medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance. A deduction for Elderly Households only. These allowances are given when calculating adjusted income for medical expenses in excess of 3% of Annual Income.

MINOR. A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MONTHLY ADJUSTED INCOME. 1/12 of the Annual Income after Allowances or Adjusted Income.

MONTHLY INCOME. 1/12 of the Annual Income.

NEGATIVE RENT. Now called Utility Reimbursement. A negative Tenant Rent results in a Utility Reimbursement Payment (URP).

NET FAMILY ASSETS. 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 is excluded from the definition.

NET FAMILY CONTRIBUTION. Former name for Tenant Rent.

OCCUPANCY STANDARDS. [Now referred to as Subsidy Standards] Standards established by an HA to determine the appropriate number of bedrooms for families of different sizes and compositions.

OWNER. Any persons or entity having the legal right to lease or sublease housing.

PARTICIPANT. A family that has been admitted to the HA's certificate program or voucher program. The family becomes a participant on the effective date of the first HAP contract executed by the HA for the family (First day of initial lease term).

PAYMENT STANDARD. The amount used to calculate the housing assistance a family will receive in the HA's Housing Voucher Program.

PUBLIC ASSISTANCE. Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

PUBLIC HOUSING AGENCY (PHA). A state, county, municipality, or other governmental entity or public body authorized to administer the programs. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "HA" mean the same thing.) In this rule, a "PHA" is referred to as a "housing agency" (HA).

RECERTIFICATION. Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported. There are annual and interim recertifications.

REMAINING MEMBER OF TENANT FAMILY. Person left in assisted housing after other family members have left and become unassisted.

RENT TO OWNER. This is called Contract Rent in the Certificate Program and Rent to Owner in the Voucher Program. It is the total amount of rent payable to the owner by the family and the HA per month for an assisted unit.

RESIDENT ASSISTANT. A person who lives in an Independent Group Residence and provides on a daily basis some or all of the necessary services to elderly, handicapped, and disabled individuals receiving Section 8 housing assistance and who is essential to these individuals' care or wellbeing. A Resident Assistant shall not be related by blood, marriage or operation of law to individuals receiving Section 8 assistance nor contribute to a portion of his/her income or resources towards the expenses of these individuals. (See Sections 882.109(n), 882.106(c) and 882.102 definitions in Appendix 1 of 7420.7.)

SECRETARY. The Secretary of Housing and Urban Development.

SECURITY DEPOSIT. A dollar amount which can be applied to unpaid rent, damages or other amounts to the owner under the lease.

SERVICEPERSON. A person in the active military or naval service (including the active reserve) of the United States.

SINGLE PERSON. A person living alone or intending to live alone.

SPOUSE. The husband or wife of the head of the household.

SUBSIDIZED PROJECT. A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which receives the benefit of subsidy in the form of:

- (1) Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or
- (2) Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or
- (3) Direct loans pursuant to Section 202 of the Housing Act of 1959; or
- (4) Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;

- (5) Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency;
- (6) A Public Housing Project.

TENANT RENT. (Formerly called Net Family contribution.) The amount payable monthly by the family as rent to the owner (including a PHA in other programs). Where all utilities (except telephone) and other essential housing services are supplied by the owner, Tenant Rent equals Total Tenant Payment. Where some of all utilities (except telephone) and other essential housing services are not supplied by the owner and the cost thereof is not included in the amount paid as rent to the owner, Tenant Rent equals Total Tenant Payment less the Utility Allowance in the Certificate Program. In the Voucher Program, Tenant Rent is Rent to Owner less HAP.

TOTAL TENANT PAYMENT (TTP). The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

UNIT. Residential space for the private use of a family.

UNUSUAL EXPENSES. Prior to the change in the 1982 regulations, this was the term applied to the amounts paid by the family for the care of minors under 13 years of age or for the care of disabled or handicapped family household members, but only where such care was necessary to enable a family member to be gainfully employed.

UTILITIES. Utilities means water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

UTILITY ALLOWANCE. If the cost of utilities (except telephone) including range and refrigerator, and other housing services for an assisted unit is not included in the Contract Rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD 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 healthy living environment.

UTILITY REIMBURSEMENT PAYMENT. 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.

VACANCY LOSS PAYMENTS. (For contracts effective prior to 10/2/95) When a family vacates its unit in violation of its lease, the owner is eligible for 80% of the Contract Rent for a vacancy period of up to one additional month, (beyond the month in which the vacancy occurred) if s/he notifies the PHA as soon as s/he learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.

VERY LARGE LOWER-INCOME FAMILY. Prior to the change in the 1982 regulations this was described as a lower-income family which included eight or more minors. This term is no longer used.

VERY LOW INCOME FAMILY. A Lower-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the Certificate and Voucher Programs.

VETERAN. A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

WAITING LIST. A list of families organized according to HUD regulations and HA policy who are waiting for subsidy to become available.

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.

WELFARE RENT. This concept is used ONLY for Section 8 Certificate tenants who receive welfare assistance on an "AS-PAID" basis. It is not used for the Housing Voucher Program.

- (1) If the agency does NOT apply a ratable reduction, this is the maximum a public assistance agency COULD give a family for shelter and utilities, NOT the amount the family is receiving at the time the certification or recertification is being processed.
- (2) If the agency applies a ratable reduction, welfare rent is a percentage of the maximum the agency could allow.

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. Evidence of citizenship or eligible immigration status means 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.

INS. The U.S. Immigration and Naturalization 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 nation 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.

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.