

DALLAS COUNTY PUBLIC HOUSING AGENCY
OZARKS AREA COMMUNITY ACTION CORPORATION – ADMINISTRATIVE AGENCY

ADMINISTRATIVE PLAN

Revised 11/30/2016

Revision approved by Area Board of Directors 11/29/2016

CHAPTER 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which recodified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the Section 8 Tenant-Based Assistance Program, is described in and implemented throughout this Administrative Plan. The Section 8 tenant-based assistance programs are federally funded and administered for the **Counties of Barry, Christian, Dade, Dallas, Greene (outside Springfield city limits), Lawrence, Polk, Stone, Taney and Webster** by the **Dallas County PHA**.

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

MISSION STATEMENT: The mission of the Dallas County PHA is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination for the very low income citizens of the ten-county region served by the PHA. The mission of the PHA Contract Administrator, Ozarks Area Community Action Corporation, is to enrich the lives of families and individuals within our communities by providing opportunities, offering assistance, and empowering people to make positive change. OACAC fulfills the mission by assisting individuals and families in need, building effective partnerships, generating, maximizing and distributing resources, investing in children, listening to the community, providing educational and employment opportunities, and encouraging self-sufficiency.

GOALS AND OBJECTIVES:

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

PHA Goal: Expand the supply of assisted housing

* Apply for additional rental vouchers to serve the growing waiting list in the ten-county region.

*Leverage private or other public funds to create additional housing opportunities.

*Achieve 100% utilization of HUD Section 8 Housing Choice Voucher Budget Authority to assist the maximum number of households authorized under the HUD ACC which is 588 units..

*Continue to administer 40 HUD Shelter Plus Care vouchers for the Missouri Dept. of Mental Health.

*Continue to administer the 20 housing vouchers funded by the Missouri Dept. of Mental Health Rental Assistance Program (RAP).

*Strive for 100% score on the HUD Section 8 Management Assessment Program (SEMAP).

* Increase customer satisfaction through improved processing of tenant applications and Housing Assistance Payments Contracts with Owners.

* Increase supervisor Quality Control measures to maximize program performance and reduce processing errors.

PHA Goal: Improve the quality of assisted housing

* Continue aggressive housing quality enforcement.

* Continue aggressive enforcement of Family and Owner responsibilities, including zero tolerance of illegal drug activity and violent criminal behavior.

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

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

* Refer Families to supportive services to increase employability, access to employment and to other resources to improve quality of life and level of self-reliance.

PHA Goal: Increase assisted housing choices

* Continue to participate in local housing collaborative initiatives to improve access to housing opportunities for low income households.

* Continue to participate in the local and state Continuum of Care effort to reduce homelessness in the ten-county region.

*Continue outreach to property owners to secure ongoing participation in all tenant-based housing voucher programs.

* Continue to provide consumer information on affordable housing opportunities in the ten-county region.

* Continue to provide all services in compliance with Fair Housing Law and to affirmatively further access to housing regardless of race, color, religion, national origin, sex, familial status or disability.

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

PHA Goal: Ensure equal opportunity and affirmatively further fair housing

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

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

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

The PHA has the following goals for the program:

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

***To encourage self- sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human services needs.**

***To create positive public awareness and expand the level of family, owner, and community support in accomplishing the PHA's mission.**

***To attain and maintain a high level of standards and professionalism in our day-to-day management of all program components.**

***To administer an efficient, high-performing agency through continuous improvement of the PHA's support systems and commitment to our employees and their development.**

***To provide decent, safe, and sanitary housing for very low income families while maintaining their rent payments at an affordable level.**

***To ensure that all units meet Housing Quality Standards and families pay fair and reasonable rents.**

***To promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.**

***To promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low income families.**

*** To promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families.**

PURPOSE OF THE PLAN [24 CFR 982.54]

The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the Agency Plan. The Housing Choice Voucher Program was implemented on 10/1/99, and pre-merger Housing Voucher tenancies and Over Fair Market Rent tenancies converted automatically to Housing Choice Voucher tenancies on that date.

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

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

Applicable regulations include:

24 CFR Part 5: General Program Requirements

24 CFR Part 8: Nondiscrimination

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

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

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

Expenditures from the Administrative Reserve (Operating Reserve) for other housing purposes shall not exceed \$1,000 per occurrence nor more than \$5,000 in the aggregate for each fiscal year without the prior approval of the OACAC Area Board of Directors.

E. RULES AND REGULATIONS [24 CFR 982.52]

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

designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

F. TERMINOLOGY

The Dallas County Housing Agency is referred to as "PHA" or "Housing Authority" throughout this document.

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

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

"Landlord" and "owner" are used interchangeably.

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

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

The Section 8 program is also known as the Housing Choice Voucher 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 "Denial or Termination of Assistance" chapter.

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

See Glossary for other terminology.

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

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

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

To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to Voucher holders regarding unlawful discrimination and any recourse available to families who believe they are victims of a discriminatory act. Such information will be made available during the family briefing session, and all applicable Fair

Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder's briefing packet and available upon request at the front desk.

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

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

The Dallas County PHA office is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the use of a dedicated phone line and TTY machine.

REASONABLE ACCOMMODATIONS POLICY [24 CFR 100.202]

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

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

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

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

A record of such impairment; or

Being regarded as having such an impairment

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

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

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

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

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

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

The PHA will provide a written decision to the person requesting the accommodation **within 30 days**. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review the PHA's decision.

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

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

Verification of Disability

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

Applying for Admission

All persons who wish to apply for any of the PHA's programs must submit a pre-application **in writing**. Applications will be made available in an accessible format upon request from a person with a disability.

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

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

TRANSLATION OF DOCUMENTS

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

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

MANAGEMENT ASSESSMENT OBJECTIVES

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

Selection from the Waiting List

Reasonable Rent

Determination of Adjusted Income

Utility Allowance Schedule

HQS Quality Control Inspections

HQS Enforcement

Expanding Housing Opportunities

Payment Standards

Annual Re-examinations

Correct Tenant Rent Calculations

Pre-Contract HQS Inspections

Annual HQS Inspections

Lease-up

Family Self-Sufficiency Enrollment and Escrow Account Balances

Bonus Indicator Deconcentration

***INSTRUCTION:** FSS indicator only applies to PHAs required to administer an FSS program, and to receiving PHAs under portability who submit HUD-50058-FSS for any FSS families enrolled in the initial PHA's FSS program. The new PH Reform Act decreases the required size of the PHA's FSS program by one for each family that fulfills its obligations under the contract of participation. (The Dallas County PHA does not have FSS vouchers.) The Expanding Housing Opportunities indicator only applies to PHAs who operate within a Metropolitan Statistical Area (MSA.)*

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

Selection from the waiting list

Rent reasonableness

Determination of adjusted income

HQS Enforcement

HQS Quality Control

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

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

RECORDS FOR MONITORING PHA PERFORMANCE

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

PRIVACY RIGHTS [24 CFR 982.551 and 24 CFR 5.212]

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

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

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

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

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

M. FAMILY OUTREACH

The PHA will publicize and disseminate information to make known the availability of housing assistance and related services for very low income families on a regular basis. When the PHA's waiting list is low, 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, and advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance.**

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

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

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

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

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

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

*** The PHA 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 front desk/mailed on request and provided at briefings.

- * The staff of the PHA initiates personal contact with private property owners and managers by conducting informal discussions.
 - * Printed material is offered to acquaint owners and managers with the opportunities available under the program.
 - * The PHA has active participation in a community based organization which includes participants from owners of private property and apartment owners/managers.
 - * The PHA will actively recruit property owners with property located outside areas of minority and poverty concentration and apply for exception payment standards if the PHA determines it is necessary to make the program more accessible in the PHA's jurisdiction.
 - * The PHA encourages program participation by owners of units located outside areas of poverty or minority concentration. The PHA periodically evaluates the demographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choices and better housing opportunities to families. Voucher holders are informed of a broad range of areas where they may lease units inside the PHA's jurisdiction and given a list of landlords or other parties who are willing to lease units or help families who desire to live outside areas of poverty or minority concentration.
- * The PHA shall periodically:
- * Develop working relationships with owners and real estate broker associations.
 - * Establish contact with civic, charitable or neighborhood organizations which have an interest in housing for low-income families and public agencies concerned with obtaining housing for displacements.
 - * Explain the program, including equal opportunity requirements and nondiscrimination requirements, including Fair Housing Amendments Act of 1988 and Americans with Disabilities Act, to real estate agents, landlords, and other groups that have dealings with low-income families or are interested in housing such families.
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Chapter 2

ELIGIBILITY FOR ADMISSION

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

INTRODUCTION

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

A. ELIGIBILITY FACTORS [982.201(b)]

The PHA approves applications only from families whose head or spouse is at least 18 years of age **or emancipated minors under State law**.

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

The HUD eligibility criteria are:

An applicant must be a "family"

An applicant must be within the appropriate Income Limits

An applicant must furnish Social Security Numbers for all family members

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

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

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

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors. Final eligibility for program participation will be made when an offer of assistance is made.

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

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

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

A single person family may be:

An elderly person

A displaced person

A person with a disability

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

Any other single person

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

*** A family also includes:**

*** Two or more persons who intend to share residency whose income and resources are available to meet the family's needs.**

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

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

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.]*

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 who, in order to dissolve the relationship, would have to be divorced. It includes the partner in a common law marriage. The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads.

Co-Head

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

Live-in Attendants

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

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

- Is not obligated for the support of the person(s), and would not be living in the unit except to provide care for the person(s).

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

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

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

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

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

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

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

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

- *The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;**
- *The person commits drug-related criminal activity or violent criminal activity; or**
- *The person currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.**

Split Households Prior to Voucher Issuance

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

- * Which family member applied as head of household.**
 - * Which family unit retains the children or any disabled or elderly members.**
 - * Restrictions that were in place at the time the family applied.**
 - * Role of domestic violence in the split.**
 - * Recommendations of social service agencies or qualified professionals such as children's protective services.**
- * 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 PHA.**
- *In cases where domestic violence played a role:**
- * The PHA will require evidence that the family has been displaced as a result of fleeing violence in the home.**

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

*** When both parents are on the Waiting List and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.**

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

To be eligible for assistance, an applicant must qualify according to the HUD published Income Limits as a Very Low Income household.

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

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

A very low income family.

A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within **120** days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act.

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

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

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

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

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

CHANGE IN THE DEFINITION OF EXTREMELY LOW-INCOME

Section 238 of the 2014 Appropriations Act amends section 3 of the 1937 Act (42 U.S.C. 1437a) to add a definition of extremely low-income (ELI) families. ELI families are defined as very low-income families whose incomes do not exceed the higher of the Federal poverty level or 30 percent of Area Median Income. This provision affects the ELI targeting requirements in section

16 of the 1937 Act (42 U.S.C. 1437 n) for the Housing Choice Voucher and other public housing programs. As of the effective date of this notice (June 12, 2014), compliance with the targeting requirements under each of these programs must take into account the new definition of ELI. Beginning with the effective date of this notice, a PHA shall meet its targeting requirements through a combination of ELI admissions prior to the effective date (using the old definition) and ELI admissions after the effective date (using the new statutory definition). A PHA may not skip over a family on the waiting list if that family meets the new definition of ELI as enacted by this section. For the HCV program, compliance with targeting requirements is determined for each of the PHA's fiscal years based on new admissions to the program. Not less than 75 percent of such admissions shall be ELI families

To determine if the family is income-eligible, the PHA 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 used for initial issuance of a voucher is the highest income limit within the PHA's jurisdiction. The family must then select a unit within an area of the PHA's jurisdiction with an income limit equal to or greater than the family's annual income.**

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

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

Families are required to provide verification of Social Security Numbers for all family members 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.

Persons who have not been issued a Social Security Number must sign a certification that they have never been issued a Social Security Number.

Persons who disclose their Social Security Number but cannot provide verification must sign a certification and provide verification within 60 days. Elderly persons must provide verification within 120 days.

Required documentation—(1) SSN.

The documentation necessary to verify the SSN of an individual who is required to disclose his or her SSN under paragraphs (a) through (e) of this section is:

(i) A valid SSN card issued by the SSA;

(ii) An original document issued by a federal or state government agency, which contains the name of the individual and the SSN of the individual, along with other identifying information of the individual; or

(ii) Such other evidence of the SSN as HUD may prescribe in administrative instructions.

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

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

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

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

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

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

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

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

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

A family will be denied admission to the program if any member of the family fails to sign and submit consent forms for obtaining information required by the PHA, including Form HUD9886.

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

*** The family must not have violated any family obligation during a previous participation in the Section 8 program.**

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

*** The family must pay any outstanding debt owed the PHA or another PHA as a result of prior participation in any federal housing program or the family must be in good standing regarding any current payment agreement made with another PHA**

for a previous debt incurred, before this PHA will allow participation in its Section 8 program.

*** The PHA will check criminal history for all adults in the household to determine whether any member of the family has violated any of the prohibited behaviors as referenced in the section on screening and terminations policy in the "Denial or Termination of Assistance" chapter.**

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

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

G. TENANT SCREENING [24 CFR 982.307]

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

The PHA **will not** screen family behavior or suitability for tenancy. The PHA will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

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

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

Payment of rent and utility bills

Caring for a unit and premises

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

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

Compliance with other essential conditions of tenancy.

The PHA will give the owner:

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

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

The PHA will 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 issuance of a voucher and lease up may affect the family's eligibility or share of the rental payment.

I. INELIGIBLE FAMILIES

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

J. PROHIBITED ADMISSIONS CRITERIA [982.202(b)]

Admission to the program may not be based on where the family lives before admission to the program.

Admission to the program may not be based on:

Where a family lives prior to admission to the program.

Where the family will live with assistance under the program.

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

Discrimination because a family includes children.

Whether a family decides to participate in a family self sufficiency program (*this PHA does not have an FSS program*); or

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

Chapter 3

APPLYING FOR ADMISSION

[24 CFR 982.204]

INTRODUCTION

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

A. OVERVIEW OF THE APPLICATION TAKING PROCESS

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

Families who wish to apply for any one of the PHA's programs must **complete a written application form and submit it with copies of Social Security cards for all household members**. Applications will be made available in an accessible format upon request from a person with a disability.

Any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an application.

***Applications are available at each OACAC Neighborhood/Community center or at the OACAC Central Office. Applications may be mailed to interested families upon request.**

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

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

*** The second phase is the "final determination of eligibility" (referred to as the full application). The full application takes place when the family reaches the top of the waiting list. At this time the PHA ensures that verification of all HUD and PHA eligibility factors is current in order to determine the family's eligibility for the issuance of a voucher.**

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

The Dallas County PHA maintains an open waiting list at all times. The waiting list will be updated periodically to ensure the contact information for the pool of applicants remains current. Applicants who do not respond to the waiting list update will have their names removed from the list.

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

When the application is submitted to the PHA:

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

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

The PHA will utilize a **pre-application form**. The information is to be filled out by the applicant whenever possible. To provide specific accommodation for persons with disabilities, the information may be completed by a staff person over the telephone. It may also be mailed to the applicant and, if requested, it will be mailed in an accessible format. **Translations will be provided for non-English speaking applicants by document in other languages as available.**

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

Applicant name

Current address

Resident/Non-Resident status

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

Date and time of application

Racial or ethnic designation of the head of household

***Annual (gross) family income**

Families reporting annual income over the HUD income limits **will not** be placed on the waiting list.

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

D. APPLICANT STATUS WHILE ON WAITING LIST [CFR 982.204]

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

If the family is determined to be ineligible based on the information provided in the preapplication, 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 "Complaints and Appeals "chapter.

E: SELECTION OF APPLICANT CURRENTLY ON WAITING LIST[24 CFR 982.204]

Selection of applicants from the waiting list shall be first come, first served based on date and time order of the application. There are no local preferences for selection from the waiting list.

*** All households selected for initial participation shall be VERY LOW INCOME families according to HUD published income limits.**

***Applicants will be placed on the waiting list and will be selected to receive a Housing Choice Voucher without regard to race, color, religion, sex, national origin, handicap/disability, familial status, marital status, sexual orientation, (actual or perceived) or gender identity (actual or perceived) in compliance with Fair Housing Law.**

***FAMILY REFUSAL OF OFFER.** Applicants on the PHA's waiting list may refuse the PHA's initial offer of a housing choice voucher. If they refuse the offer, their name will be removed from the waiting list and they must submit a new application to be added back to the waiting list.

***PHA RIGHT TO CANCEL OFFER.** The PHA reserves the right to cancel an offer to an applicant to receive a Housing Choice Voucher if the applicant fails to provide requested information relating to eligibility within a designated time period which has been established in writing to the applicant or if the applicant has misrepresented any information on the application for the purpose of obtaining housing assistance to which they would not otherwise be entitled to receive. A family will be denied admission to the program if any member of the family fails to sign and submit consent forms for obtaining information required by the PHA, including Form HUD9886.

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

*** The family must not have violated any family obligation during a previous participation in the Section 8 program.**

***The family must pay any outstanding debt owed the PHA or another PHA as a result of prior participation in any federal housing program before admission to the program.**

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

*** The PHA will check criminal history for all adults in the household to determine whether any member of the family has violated any of the prohibited behaviors as referenced in the section on screening and terminations policy in the "Denial or Termination of Assistance" chapter. The PHA will check the National Sex Offender register for all household members to determine if anyone must register with any state as a sex offender.**

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

F. VERIFICATION [24 CFR 982.201(e)]

Information provided by the applicant will be verified, using the verification procedures in the "Verification Procedures" chapter. Family composition, income, allowances and deductions,

assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than 60 days old at the time of issuance of the Voucher.

G. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY

[24 CFR 982.201]

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

Requirement to Attend Briefing Session

The PHA utilizes the Briefing Session 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.

Individual Briefing Sessions will be conducted by the OACAC Housing Counselor, Housing Administrative Assistant or Program Director. A briefing packet containing regulatory required information about the Section 8 Existing Housing Choice Voucher Program will be provided and explained to all Housing Choice Voucher Holders.

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

*** 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 PHA 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 participate in the interview process, but only with permission of the person with a disability.

All adult members must sign the HUD Form 9886, Release of Information, the application 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.

Every adult household member must sign a consent form to release criminal conviction records and to allow PHAs to receive records and use them in accordance with HUD regulations. (Authorization for Release of Information form.)

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. The family will be given ten (10) business days to supply the information.

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

Chapter 4

ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

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

INTRODUCTION

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

***The PHA has no preference. Families are placed on the waiting list according to the date and time of their application. Applications received by mail are date stamped on the day they are received. This becomes the date of the application regardless of the date the applicant filled out the form. If the applicant was assisted by a staff person and the staff signed the application, then the date and time listed on the application is used to determine the place on the waiting list.**

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.

Chapter 5

SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

INTRODUCTION

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

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

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

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

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

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

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

This chart is to be considered as a guide and management tool to determine appropriate bedroom sizes for the number of household members and common practices in non-assisted housing.

BEDROOM SIZE	HOUSEHOLD COMPOSITION
1	Head of Household and Spouse *
1	Single Person

2	Single Person and other adult (non-couple)
2	Head of Household and Spouse with medical need
2	Head of Household, Spouse with male child
2	Head of Household, Spouse with female child
2	Single Parent with male child
2	Single Parent with female child
Bedroom size	Household Composition
2	Head of Household, Spouse and 2 male children with less than 6 years difference in age
2	Head of Household, Spouse and 2 female children with less than 6 years difference in age
2	Single Parent with 2 male children with less than 6 years difference in age.
2	Single Parent with 2 female children with less than 6 years difference in age.
3	Head of Household, Spouse, 1 male child and 1 female child
3	Single Parent with 1 male child and 1 female child
3	Head of Household, Spouse, 2 male children less than 6 years difference in age and 1 female child
3	Single Parent with 2 male children less than 6 years difference in age and 1 female child
3	Head of Household, Spouse, 2 female children less than 6 years difference in age and 1 male child
3	Single Parent with 2 female children less than 6 years difference in age and 1 male child
3	Head of Household, Spouse with 2 male children less than 6 years difference in age and 2 female children less than 6 years difference in age

3	Single Parent with 2 male children less than 6 years difference in age and 2 female children less than 6 years difference in age
3	Head of Household, Spouse with other adult and child(ren) as described above.
3	Single person with other adult (non-couple) and child(ren) as described above.
3	Head of Household, Spouse with 2 male children who are under 18 but have more than 6 year age difference.
3	Single Parent with 2 male children who are under 18 but have more than 6 year age difference.
3	Head of Household, Spouse with 2 female children who are under 18 but have more than 6 year age difference.
3	Single Parent with 2 female children who are under 18 but have more than 6 year age difference.

*Head of Household and Spouse shall mean Husband and wife, or other adult couple who cohabitate.

Bedroom size for all other larger size households and miscellaneous combinations of members shall be determined so that the bedroom size assigned shall not require more than two persons to occupy the same bedroom. The bedroom size assigned shall not require persons of the opposite sex other than husband/wife or couple to occupy the same bedroom.

Maximum and Minimum number of persons to occupy a bedroom size are listed below in keeping with the standards outlined above.

GUIDELINES FOR DETERMINING VOUCHER SIZE

Voucher Size	Persons in Household	
	Minimum Number	Maximum Number
0 Bedroom	1	1

1 Bedroom	1	2
2 Bedrooms	2	6
3 Bedrooms	3	8
4 Bedrooms	4	10
5 Bedrooms	6	12

Exception to these general standards include:

*** A Head of Household and Spouse (or couple), as the only members of the family, normally qualify for a one bedroom unit. If medically documented, the need of a two bedroom is acceptable.**

***The Family may use their Housing Choice Voucher to select a unit that matches their voucher bedroom size or they may select a larger dwelling unit as long as their Family Contribution does not exceed 40% of the adjusted annual income.**

***The Family may use their Housing Choice Voucher to select a unit that has fewer bedrooms than their voucher bedroom size provided the unit meets the general standards of acceptability, i.e., “at least one sleeping room or living/sleeping room of appropriate size for each two persons”. If the Family selects a unit size smaller, the rent to the Owner will be based on the Initial Payment Standard for the actual unit size rather than the voucher bedroom size.**

***Families must be housed in a unit sufficiently large enough so that there is a sleeping room or living/sleeping room for every two persons and it should not require persons of the opposite sex, other than Head of Household and spouse (or couple) to occupy the same sleeping room or living/sleeping room area.**

Bedroom size change as a result of changes in family composition shall be handled as follows:

***Generally, when a change of family composition occurs during the Lease term which warrants a change in bedroom size eligibility, the current Contract shall remain in effect until the expiration date and there will be no change in Initial Payment Standard for rent calculations unless the family moves to another unit.**

***Generally, if a change of family composition occurs during the 60 day term of the Housing Choice Voucher and the family is searching for an acceptable unit, the bedroom size of the voucher will be adjusted accordingly.**

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

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

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

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

Request for Exceptions to Subsidy Standards

*** The family may request a larger sized voucher than indicated by the PHA’s subsidy standards. Such request must be made in writing. The request must explain the need or justification for a larger bedroom. Documentation verifying the need or justification will be required as appropriate.**

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

PHA Error

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

Changes for Applicants

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

Changes for Participants

The members of the family residing in the unit must be approved by the PHA. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within **ten (10) business days**. The above referenced guidelines will apply.

Underhoused Families

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

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

- * If a family with a disability is underhoused in an accessible unit.
- * If a family requires the additional bedroom because of a health problem which has been verified by the PHA.

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

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

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

The payment standard amount for the family unit size (Voucher bedroom size); or

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

Utility Allowance: The utility allowance used to calculate the gross rent is based on the smaller of actual size of the unit the family selects, or the voucher bedroom size.

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

***HQS GUIDELINES FOR UNIT SIZE SELECTED**

Unit Size	Maximum Number in Household
0 Bedroom	2
1 Bedroom	4
2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

Chapter 6

**FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE
DETERMINATION [24 CFR Part 5, Subparts E and F; 982.153, 982.551]**

INTRODUCTION

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

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

A. INCOME AND ALLOWANCES [24 CFR 5.609]

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

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

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

HUD has five allowable deductions from Annual Income:

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

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

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

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

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

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

INSTRUCTION: This section was effective April 20, 2001. Between April 20, 2001 and March 15, 2002, the disallowance was available only to disabled members of disabled families. Technical amendments published February 13, 2002, extended the disallowance to all qualifying family members with disabilities effective March 15, 2002. Exclusion of income during participation in training programs under 24 CFR 5.609[c][8][v] is still applicable. PHAs must take all necessary steps to ensure those families eligible for the mandatory earned income disallowance receive the disallowance.

The annual income for qualified families may not be increased as a result of increases in earned income of a family member who is a person with disabilities beginning on the date on which the increase in earned income begins and continuing for a cumulative 12-month period. After the disabled family receives 12 cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

A family qualified for the earned income exclusion is a family that is receiving tenant-based rental assistance under the Housing Choice Voucher Program; and

Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;

Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or

Whose annual income increases, as a result of new employment or increased earnings of a family member during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least \$500. The qualifying TANF assistance may consist of any amount of monthly income maintenance, and/or at least \$500 in such TANF benefits and services as one-time payments, wage subsidies and transportation assistance.

The HUD definition of "previously unemployed" includes a person with disabilities who has earned in the previous 12 months no more than the equivalent earnings for working 10 hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of economic self-sufficiency program is: any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Qualifying increases are any earned income increases of a family member who is a person with disabilities during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount that is subject to the disallowance is the amount of incremental increase in income of a family member who is a person with disabilities. The incremental increase in income is calculated by comparing the amount of the disabled family member's income before the beginning of qualifying employment or increase in earned income to the amount of such income after the beginning of employment or increase in earned income.

Initial Twelve-Month Exclusion

During the cumulative 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member.

Second Twelve-Month Exclusion and Phase-in

During the second cumulative 12-month period after the expiration of the initial cumulative 12-month period referred to above, the PHA must exclude from annual income of a qualified family

50 percent of any increase in income of a family member who is a person with disabilities as a result of employment over income of that family member prior to the beginning of such employment.

Maximum Four Year Disallowance

The earned income disallowance is limited to a lifetime 48-month period for each family member who is a person with disabilities. For each family member who is a person with disabilities, the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of phase-in exclusion during the 48-month period starting from the date of the initial exclusion.

If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months of each disallowance (the initial 12-month full exclusion and the second 12-month phase-in exclusion).

No earned income disallowance will be applied after the 48-month period following the initial date the exclusion was applied.

Applicability to Child Care Expense Deductions

The amount deducted for child care necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for child care deductions.

Tracking the Earned Income Exclusion

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family's file to show the reason for the reduced increase in rent.

***Such documentation will include:**

- * Date the increase in earned income was reported by the family**
- * Name of the family member whose earned income increased**
- * Reason (new employment, participation in job training program, within 6 months after receiving TANF) for the increase in earned income**
- * Amount of the increase in earned income (amount to be excluded)**
- * Date the increase in income is first excluded from annual income**
- * Date(s) earned income ended and resumed during the initial cumulative 12-month period of exclusion (if any)**
- * Date the family member has received a total of 12 months of the initial exclusion**
- * Date the 12-month phase-in period began**

- * **Date(s) earned income ended and resumed during the second cumulative 12-month period (phase-in) of exclusion (if any)**
- * **Date the family member has received a total of 12 months of the phase-in exclusion**
- * **Ending date of the maximum 48-month (four year) disallowance period (48 months from the date of the initial earned income disallowance)**

The PHA will maintain a tracking system to ensure correct application of the earned income disallowance.

Inapplicability to Admission

The earned income disallowance is only applied to determine the annual income of families who are participants in the Housing Choice Voucher Program, and therefore does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

C. MINIMUM RENT [24 CFR 5.616]

Minimum Rent

"Minimum rent" is **\$50** Minimum rent refers to the Minimum Total Tenant Payment and includes the combined amount a family pays towards rent and/or utilities when it is applied.

Hardship Requests for an Exception to Minimum Rent

The 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. (24 CFR 5.630)

Criteria for Hardship Exception

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

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

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

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

PHA Notification to 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, minimum rent or welfare rent.

*** If the minimum rent 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.**

***The PHA will request documentation as proof of financial hardship.**

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

Suspension of Minimum Rent

The PHA will grant the minimum rent exception to all families who qualify, effective the first of the following month.

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

Covered by statute

Temporary or long term

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

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

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

Temporary Hardship

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

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

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

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

D. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT

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

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.

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

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

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

Absence of Any Member

Any member of the household will be considered permanently absent if s/he is away from the unit for **four (4) consecutive months or 120 days in a 12 month period** except as otherwise provided in this Chapter.

Absence due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the 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 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 Full-time Student Status

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.**

Absence due to Incarceration

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

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

Absence of Children due to Placement in Foster Care

If the family includes a child or children temporarily absent from the home due to placement in foster care, the 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 **12 months** from the date of removal of the child/ren, the Voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the PHA's subsidy standards.

Absence of Entire Family

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the 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, in writing, no less than ten (10) business days after leaving the unit if they are going to be absent from the unit for more than fourteen (14) consecutive days.**

If the entire family is absent from the assisted unit for more than **30** consecutive days, without prior written notice to the PHA, the unit will be considered to be vacated and the assistance will be terminated.

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**
- * Check with the post office**

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

*** If the absence which resulted in termination of assistance was due to a person's disability, and the 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, as long as the period was within 180 consecutive days.**

Caretaker for Children

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 **30** days.

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

red to the caretaker.

If the appropriate agency cannot confirm the guardianship status of the caretaker, the PHA will review the status at 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.

*** If custody is awarded for a limited time in excess of stated period, the PHA will state in writing that the transfer of the Voucher is for that limited time or as long as they have custody of the children. The PHA will use discretion as deemed appropriate in determining any further assignation of the Voucher on behalf of the children.**

*** The caretaker will be allowed to remain in the unit, as a visitor, until a determination of custody is made.**

*** The PHA will transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 60 days and it is reasonable to expect that custody will be granted.**

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.

Visitors

Any adult not included on the HUD 50058 who has been in the unit more than **thirty (30)** consecutive days without PHA approval, or a total of **thirty-five (35) days in a 12-month period**, will be considered to be living in the unit as an **unauthorized** household member.

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

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

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

*** The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household and the 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 no longer on the lease 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 **183 days 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 a 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 any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations.

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

*** In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to the PHA in writing within ten (10) days of the maximum allowable time.**

*** Families are required to report any additions to the household in writing to the PHA within ten (10) days of the move-in date.**

An interim reexamination will be conducted for any additions to the household. In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody.

Reporting Absences to the PHA

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

If a family member leaves the household, the family must report this change to the PHA, in writing, within **ten (10) business** 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 Total Tenant Payment in accordance with the interim policy.

E. AVERAGING INCOME

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

- * **Average known sources of income that vary to compute an annual income, or**
- * **Annualize current income and conduct an interim reexamination if income changes.**

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

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

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

F. MINIMUM INCOME

There is no minimum income requirement. Families who report zero income are required to undergo an interim recertification each month as PHA Housing Counselors' schedule permit.

*** Families that report zero income will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc.**

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

G. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME

[24 CFR 982.54(d)(10)]

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

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

OR

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.

***2. Exclude the income and deductions of the member if his/her income goes directly to the facility.**

OR

Include the income and deductions of the member if his/her income goes to a family member.

H. REGULAR CONTRIBUTIONS AND GIFTS [24 CFR 5.609]

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

Any contribution or gift received every **two (2) months** or more frequently will be considered a "regular" contribution or gift, unless the amount is less than **\$200 per year**. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts. (See "Verification Procedures" chapter for further definition.)

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

I. ALIMONY AND CHILD SUPPORT [24 CFR 5.609]

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

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

The PHA will accept 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.**

*** The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.**

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

J. LUMP-SUM RECEIPTS [24 CFR 5.609]

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

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

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

- * The PHA uses a calculation method which calculates retroactively or prospectively depending on the circumstances.**
- * The PHA will calculate prospectively if the family reported the payment within ten (10) business days and retroactively to date of receipt if the receipt was not reported within that time frame.**
- * The PHA will calculate retroactively if the receipt was not reported for the past two (2) recertifications.**

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:**

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

Retroactive Calculation Methodology

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

***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 must pay this "retroactive" amount to the PHA in a lump sum.**

*** At the PHA's option, the PHA may enter into a Payment Agreement with the family. The amount owed by the family is a collectible debt even if the family becomes unassisted.**

Attorney Fees

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

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

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

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

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

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

The 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 \$5,000. If the total value of assets disposed of within a one-year period is less than \$5,000, they will not be considered an asset.**

M. CHILD CARE EXPENSES [24 CFR 5.603]

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

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

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

Child care to work: The maximum child care expense allowed must be less than the amount earned by the person enabled to work which is included in the family's annual income.

* **The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.**

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

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

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

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

* **Nonprescription medicines must be doctor-recommended to be counted toward medical expenses for families who qualify if the family furnishes legible receipts.**

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

Applicability

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

Prorated Assistance Calculation

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

P. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

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

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

noncompliance with a work activities requirement

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

The expiration of a lifetime time limit on receiving benefits; or

A situation where a family member has not complied with other welfare agency requirements; or

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

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

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

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

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

Verification Before Denying a Request to Reduce Rent

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

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

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

reason for the reduction; and

subsequent changes in term or amount of reduction.

Cooperation Agreements

*** The PHA has an unwritten cooperation agreement in place with the local welfare agency which assists the PHA in obtaining the necessary information regarding welfare sanctions.**

O. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS [24 CFR 982.153, 982.517]

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

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

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

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

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

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

*** The majority of housing units in the area with central air conditioning is defined by the PHA as more than 51 percent of housing units surveyed based on information gathered from local property owners.**

*** A tenant-paid air conditioning allowance will be provided throughout our jurisdiction. * If the PHA determines that an air conditioning allowance will be granted in certain areas or throughout the PHA's jurisdiction, the air conditioning allowance will only be granted to families in the applicable area when the PHA has confirmed that the unit actually has an air conditioner in the unit.**

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

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

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 48 month period.

Where the calculation on the HUD 50058 results in a utility reimbursement payment due the family [24 CFR 982.514(b)], the PHA will provide a utility reimbursement payment for the family each month.

*** The check will be made out directly to the utility company.**

***The PHA will notify the family of the amount paid to the utility supplier. Payment will be made to only one utility vendor chosen by the family. The family may request a change in the designation of utility vendor by submitting a written request and providing the vendor name, mailing address and family's account number.**

Chapter 7

VERIFICATION PROCEDURES

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

INTRODUCTION

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

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

A. VERIFICATION OF APPLICANT'S STATEMENTS AND INCOME

***GENERAL. Applicants shall be required to furnish proof of their statements when required by the PHA to reasonably assure accuracy. Initial proof shall be required prior to receipt of Voucher and at other times as requested by the PHA.**

***FAMILY COMPOSITION. Certification by applicants with copies of Social Security cards for each household member will be considered sufficient proof of family composition. Certification is provided by the applicant's signature on the Application for Assistance.**

***EARNED INCOME.** All earned income shall be verified through employers, 1040 Tax Forms, check stubs, Enterprise Income Verification (EIV) or other means to assure accuracy.

***UNEARNED INCOME.** All unearned income shall be verified by viewing certificates or letters of award, EIV report or other means to assure accuracy.

***DISABILITY.** Verification of applicant's disability shall be requested in the absence of Social Security Disability compensation or SSI. The PHA shall furnish a Certification of Disability form to the Family which contains the HUD definition for Disabled or Handicapped. The Family must secure their doctor's signature on this form in order to be considered Disabled or Handicapped.

***VERIFICATION HIERARCHY.** The PHA will begin with the highest level of verification techniques.

***The PHA is *required* to access the EIV system and obtain an Income Report for each household. If the EIV Income Report does not contain any employment income information for the family, the PHA will utilize the next lower level of verification.**

***Written third party verification is used to supplement the EIV reported income sources and when EIV has no data. An original or authentic document generated by a third party source dated either within the 60-day period preceding the reexamination or the PHA request date. The documents must be generated from a third party source's computerized system and/or database in order to be considered third party Level 4. These tenant provided documents may, at the PHA's discretion be rejected. Examples of acceptable tenant-provided third party documentation include, but are not limited to**

- 1. Pay stubs**
- 2. Payroll summary report**
- 3. Employer letter of hire/termination**
- 4. Benefit letters from Social Security Administration, Veteran's Administration or other source**
- 5. Bank statements**
- 6. Child support payment stubs**
- 7. Welfare benefit letters or printouts**
- 8. Unemployment award letters**

Written Third Party Verification Form or a standardized form used to collect information from a third party source is the 3rd level of verification hierarchy. The PHA sends the form directly to

the third party source by mail, fax, or e-mail. Oral Third Party Verification (Level 2). Telephone verification which has been fully documented by PHA staff may be used.

Non-Third Party Verification (Level 1). This is a written self-declaration of income (or zero income statement) provided by the tenant family. This verification method should be used as a last resort when other methods of verification were unavailable. The PHA must document in the tenant file why third party verification was not available. (24CFR 960.259(c) (1) and 24CFR 982.516(a) (2).

*** The PHA will accept faxed documents.**

*** The PHA will accept photo copies.**

B. COMPLIANCE AND REDUCTION OF ADMINISTRATIVE BURDEN OF THIRD PARTY VERIFICATION.

***The PHA can comply with and reduce administrative burden of third party verification requirements for employment, wage, unemployment benefits and social security benefits or any other information that can be verified using EIV by all of the following:**

*** Reviewing the EIV Income Report to confirm tenant reported income**

***Print and maintain an EIV Income Report in the tenant file**

***Obtain current acceptable tenant-provided documentation to supplement EIV information**

***Use current tenant-provided documentation and/or third party verification to calculate income.**

The PHA may reduce the administrative burden of obtaining third party verification by relying on acceptable documents that are generated by a third party, but provided by the tenant such as award letters, wage stubs, bank statements, etc.

The PHA must request written third party verification when the tenant disputes the EIV information and is unable to provide acceptable documentation to support the dispute (24 CFR 5.236(b)) or when the PHA requires additional information that is not available in EIV and/or the tenant is unable to provide the PHA with current acceptable tenant-provided documentation.

C. RELEASE OF INFORMATION [24 CFR 5.230]

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

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

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

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

D. ITEMS TO BE VERIFIED [24 CFR 982.516]

All income not specifically excluded by the regulations.

Full-time student status including High School students who are 18 or over.

Current assets including assets disposed of for less than fair market value in preceding two years.

Child care expense where it allows an **adult** family member to be employed, or to actively seek work, or to further his/her education.

Total medical expenses of all family members in households whose head or spouse is elderly or disabled.

Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an **adult** family member to be employed.

Disability for determination of reasonable accommodation, allowances or deductions.

U.S. citizenship/eligible immigrant status

Social security numbers for all family members who have been issued a social security number.

Familial status when needed for head or spouse definition.

Verification of Reduction in Benefits for Noncompliance:

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.

E. VERIFICATION OF INCOME [24 CFR 982.516]

This section defines the methods the PHA 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, bonus pay expected during next 12 months**

Acceptable methods of verification include:

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. Self-certification or income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

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

Acceptable methods of verification include:

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. (EIV report)**

Unemployment Compensation

Acceptable methods of verification include:

1. Verification form completed by the unemployment compensation agency.
2. Computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts.
3. **Payment stubs.**
4. **EIV report.**

Welfare Payments or General Assistance

Acceptable methods of verification include:

1. PHA verification form completed by payment provider.
2. **Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.**
3. **Computer-generated Notice of Action.**

Alimony or Child Support Payments

Acceptable methods of verification include:

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. PHA must record the date, amount, and number of the check.**
4. **Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.**

*** If payments are irregular, the family must provide:**

*** A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules.**

*** A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.**

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

*** A welfare notice of action showing amounts received by the welfare agency for child support.**

*** A written statement from an attorney certifying that a collection or enforcement action has been filed.**

Net Income from a Business

In order to verify the net income from a business, the PHA will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

1. IRS Form 1040, including:

Schedule C (Small Business)

Schedule E (Rental Property Income)

Schedule F (Farm Income)

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

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

3. Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.

4. Family's self-certification 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 PHA 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.**

*** If child care services were terminated, a third-party verification will be sent to the parent whose child was cared for.**

Recurring Gifts

The family must furnish a self-certification which contains the following information:

The person who provides the gifts

The value of the gifts

The regularity (dates) of the gifts

The purpose of the gifts

Zero Income Status

*** Families claiming to have no income may be required to execute verification forms to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household.**

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 used to pay tuition are not counted towards family income. Any amount of Financial aid, scholarships and grants which exceed the amount of tuition is counted towards family income.

Verification of full time student status includes:

Written verification from the registrar's office or other school official.

School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

F. INCOME FROM ASSETS [24 CFR 982.516]

Savings Account Interest Income and Dividends

Acceptable methods of verification include:

1. Account statements, passbooks, certificates of deposit, or PHA 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 PHA must adjust the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

Acceptable methods of verification include:

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

Net Rental Income from Property Owned by Family

Acceptable methods of verification include, in this order:

1. IRS Form 1040 with Schedule E (Rental Income).
2. Copies of latest rent receipts, leases, or other documentation of rent amounts.
3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
4. **Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.**

G. VERIFICATION OF ASSETS

Family Assets

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

Acceptable verification may include any of the following:

Verification forms, letters, or documents from a financial institution or broker.

Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.

Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.

Real estate tax statements if the approximate current market value can be deduced from assessment.

Financial statements for business assets.

Copies of closing documents showing the selling price and the distribution of the sales proceeds.

Appraisals of personal property held as an investment.

Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification

For all Certifications and Recertifications, the PHA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for less than fair market value, verification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

[24 CFR 982.516]

Child Care Expenses

Written verification from the person who receives the payments is required. If the child care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.

Verifications must specify the child care provider's name, address, telephone number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

Medical Expenses

Families who claim medical expenses will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.

Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

For attendant care:

A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.

Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. PHA may use this approach for "general

medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.

The PHA will use mileage at the **IRS rate**, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities [24 CFR 5.611(c)]

In All Cases:

Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.

Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.

In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

I. VERIFYING NON-FINANCIAL FACTORS [24 CFR 5.617(b)(2)]

Verification of Legal Identity

*** In order to prevent program abuse, the PHA 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**
- * **Department of Motor Vehicles Identification Card**
- * **Hospital records**

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

- * **Certificate of Birth**
- * **Adoption papers**
- * **Health and Human Services ID**
- * **School records**

Verification of Marital Status

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.

Verification of Permanent Absence of Family Member

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

Husband or wife institutes divorce action.

Husband or wife institutes legal separation.

Order of protection/restraining order obtained by one family member against another.

Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.

Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.

If the adult family member is incarcerated, a document from the Court or correctional facility should be obtained stating how long they will be incarcerated.

*** If no other proof can be provided, the PHA will accept a self-certification from the head of household or the spouse or co-head, if the head is the absent member.**

Verification of Change in Family Composition

The PHA may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources.

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)) or verified by appropriate diagnostician **such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker**, using the HUD language as the verification format.

Verification of Citizenship/Eligible Immigrant Status [24 CFR 5.508, 5.510, 5.512, 5.514]

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 PHA hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

*** The PHA will require citizens to provide documentation of citizenship.**

*** Acceptable documentation will include at least one of the following original documents:**

United States birth certificate

United States passport

Resident alien/registration card

Social security card

Other appropriate documentation as determined by the PHA

Eligible Immigrants aged 62 or over are required to sign a declaration of eligible immigration status and provide proof of age.

Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The PHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the PHA must request within ten days that the INS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide. If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

*** Time of Verification**

***For applicants, verification of U.S. citizenship/eligible immigrant status occurs** at the same time as verification of other factors of eligibility for final eligibility determination/at the time of initial application.

*** The PHA will not provide assistance to any family prior to the affirmative establishment and verification of the eligibility of the individual or at least one member of the family.**

*** The PHA will verify the U.S. citizenship/eligible immigration status of all participants no later than the date of the family's first annual reexamination following the enactment of the Quality Housing and Work Responsibility Act of 1998.**

*** For family members added after other members have been verified, the verification occurs at the time 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 PHA does not supply the documents, the PHA must conduct the determination.**

Extensions of Time to Provide Documents

The PHA **will** grant an extension of **ten (10) business days** for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration

The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551)

Alien Registration Receipt Card (I-151)

Arrival-Departure Record (I-94)

Temporary Resident Card (I-688)

Employment Authorization Card (I-688B)

Receipt issued by the 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 waiting list.**

If the PHA determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated unless the ineligible individual has already been considered in prorating the family's assistance.

Verification of Social Security Numbers [24 CFR 5.216] Social security numbers must be provided as a condition of eligibility for all family members 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:

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

IRS Form 1099

Benefit award letters from government agencies

Retirement benefit letter

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 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 ten **(10) business 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.

Chapter 8

VOUCHER ISSUANCE AND BRIEFINGS

[24 CFR 982.301, 982.302]

INTRODUCTION

The PHA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit. Families are provided sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the PHA will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, PHA procedures, and how to lease a unit. The family will also receive a briefing packet which provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

A. ISSUANCE OF VOUCHERS [24 CFR 982.204(d), 982.54(d)(2)]

When funding is available, the PHA will issue vouchers to applicants whose eligibility has been determined. The number of vouchers issued must ensure that the PHA stays as close as possible to 100 percent lease-up. The PHA performs a monthly calculation to determine whether applications can be processed, the number of vouchers that can be issued, and to what extent the PHA can over-issue (issue more vouchers than the budget allows to achieve lease-up).

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 **individual** meetings. Briefings will be conducted in English.

The purpose of the briefing is to explain how the program works and the documents in the voucher holder's packet to families so that they are fully informed about the program. This will

enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The PHA will not issue a voucher to a family unless the household representative has attended a briefing and signed the voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend two (2) scheduled briefings, without prior notification and approval of the PHA, may be denied admission based on failure to supply information needed for certification. The PHA will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

Briefing Packet [24 CFR 982.301(b)]

The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements. **The PHA also includes other information and/or materials which are not required by HUD.**

The family is provided with the following information and materials

The term of the voucher, and the PHA policy for requesting extensions or suspensions of the voucher (referred to as tolling).

A description of the method used to calculate the housing assistance payment for a family, including how the PHA determines the payment standard for a family; how the PHA determines total tenant payment for a family and information on the payment standard and utility allowance schedule. How the PHA determines the maximum allowable rent for an assisted unit.

Where the family may lease a unit. For family that qualifies to lease a unit outside the PHA jurisdiction under portability procedures, the information must include an explanation of how portability works.

The HUD required tenancy addendum, which must be included in the lease.

The form the family must use to request approval of tenancy, and a description of the procedure for requesting approval for a tenancy.

A statement of the PHA policy on providing information about families to prospective owners.

The PHA Subsidy Standards including when and how exceptions are made.

The HUD brochure on how to select a unit and/or the HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS.

The HUD pamphlet on lead-based paint entitled *Protect Your Family From Lead in Your Home*.

Information on Federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form. ***The PHA will also include the pamphlet "Fair**

Housing: It's Your Right" and other information about fair housing laws and guidelines.

A list of landlords or other parties willing to lease to assisted families or help in the search **and/or known units available for the voucher issued.** The list includes landlords or other parties who are willing to lease units or help families find units outside areas of poverty or minority concentration.

If the family includes a person with disabilities, notice that the PHA will provide assistance in locating accessible units and a list of available accessible units known to the PHA.

The family obligations under the program.

The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act.

PHA informal hearing procedures including when the PHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.

Information packet including an explanation of how portability works, including a list of neighboring housing agencies with the name, address and telephone number of a portability contact person at each for use by families who move under portability. (required for PHAs in MSAs)

A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families. (required for PHAs in MSAs)

- * **PHA's sample lease for owners who do not use a lease for their unassisted tenants.**
- * **An Owner's Handbook, an HQS checklist and sample contract.**
- * **Procedures for notifying the PHA and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair.**
- * **The family's rights as a tenant and a program participant.**
- * **Requirements for reporting changes between annual recertifications.**
- * **Information on security deposits and legal referral services.**
- * **Exercising choice in residency**
- * **Choosing a unit carefully and only after due consideration.**

If the family includes a person with disabilities, the PHA will ensure compliance with CFR 8.6 to ensure effective communication.

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.

D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION

The PHA will give participants a copy of HUD Form 903 to file a complaint.

E. SECURITY DEPOSIT REQUIREMENTS [24 CFR 982.313]

The owner is not required to but may collect a (one) security deposit from the tenant.

Security deposits charged to families may be any amount the owner wishes to charge, subject to the following conditions:

*** Security deposits charged by owners may not exceed those charged to unassisted tenants (nor the maximum prescribed by State or local law.)**

For lease-in-place families, responsibility for first and last month's rent is not considered a security deposit issue. In these cases, the owner should settle the issue with the tenant prior to the beginning of assistance.

F. TERM OF VOUCHER [24 CFR 982.303, 982.54(d)(11)]

During the briefing session, each household will be issued a voucher which represents a contractual agreement between the PHA and the Family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective.

Expirations

The voucher is valid for a period of at least sixty calendar days from the date of issuance. The family must submit a Request for Approval of the Tenancy and Lease within the sixty-day period unless an extension has been granted by the PHA.

If the voucher has expired, and has not been extended by the PHA or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

Suspensions

When a Request for Approval of Tenancy is received, the PHA **will not** deduct the number of days required to process the request from the 60 day term of the voucher.

Extensions

- * The PHA will extend the term an additional thirty (30) days or a total of 150 days from the beginning of the initial term if the family needs and request an extension as a reasonable accommodation to make the program accessible to and usable by a family member with a disability. No additional extensions shall be granted.**
- * A family may request a written request for an extension of the voucher time period. All requests for extensions must be received prior to the expiration date of the voucher.**
- * Extensions are permissible at the discretion of the PHA up to a maximum of an additional 60 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 not required.**
 - * The family was prevented from finding a unit due to disability accessibility requirements or large size number of bedrooms unit requirement. The Search Record is not part of the required verification.**
- * The PHA extends in one or more increments. Unless approved by the Program Director, no more than 2 extensions of 30 days or less will be granted and never for a total of more than an additional sixty days except for reasonable accommodation to families with a person with disabilities.**

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 Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance,

and there is no determination by a court, the Program Director shall consider the following factors to determine which of the families will continue to be assisted:

- * **Which family members remain in the unit.**
- * **Which of the two new family units has custody of dependent children.**
- * **Which family member was the head of household when the voucher was initially issued (listed on the initial application).**
- * **The composition of the new family units, and which unit contains elderly or disabled members.**
- * **Whether domestic violence was involved in the breakup.**
- * **Recommendations of social service professionals.**

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, the PHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

H. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER

[24 CFR 982.315]

To be considered the remaining member of the tenant family, the person must have been previously approved by the PHA to be living in the unit.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

*** In order for a minor child to continue to receive assistance as a remaining family member:**

- * **The court has to have awarded emancipated minor status to the minor, or**
- * **The PHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.**

A reduction in family size may require a reduction in the voucher family unit size.

Chapter 9

REQUEST FOR TENANCY APPROVAL AND CONTRACT EXECUTION

[24 CFR 982.302]

INTRODUCTION [24 CFR 982.305(a)]

The PHA's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. The PHA's objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

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

A. REQUEST FOR TENANCY APPROVAL [24 CFR 982.302, 982.305(b)]

The Request for Tenancy Approval (RFTA) and a copy of the proposed lease, including the HUD prescribed tenancy addendum, must be submitted by the family during the term of the voucher.

The family must submit the Request for Tenancy Approval in the form and manner required by the PHA.

The Request for Tenancy Approval must be signed by both the owner and voucher holder.

*** The PHA will not permit the family to submit more than one RFTA at a time.**

The PHA will review the proposed lease and the Request for Tenancy Approval documents to determine whether or not they are approvable. The request will be approved if:

The unit is an eligible type of housing

The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan)

The rent is reasonable

The security deposit is approvable in accordance with any limitations in this plan.

The proposed lease complies with HUD and PHA requirements (see "Lease Review" section below).

In addition to the above, at the time a family initially receives assistance in a unit (new admissions and moves), if the gross rent for the unit exceeds the applicable payment standard for the family, the family share of rent may not exceed 40 percent of the family monthly adjusted income (See "Owner Rents, Rent Reasonableness and Payment Standards" chapter of this Administrative Plan).

Disapproval of RFTA

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

B. ELIGIBLE TYPES OF HOUSING [24 CFR 982.353]

The PHA will approve any of the following types of housing in the voucher program:

All structure types can be utilized.

Manufactured homes where the tenant leases the mobile home and the pad.

***Manufactured homes where the tenant owns the mobile home and leases the pad**

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.

The PHA may not permit a voucher holder to lease a unit which is receiving project-based Section 8 assistance or any duplicative rental subsidies.

C. LEASE REVIEW [24 CFR 982.308]

The PHA will review the lease, particularly noting the approvability of optional charges and compliance with regulations and state and local law. The tenant also must have legal capacity to enter a lease under state and local law. Responsibility for utilities, appliances and optional services must correspond to those provided on the on the Request For Tenancy Approval

The family and owner must submit a standard form of lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with state and local law.

The lease must specify:

The names of the owner and tenant, and

The address of the unit rented (including apartment number, if any), and

The amount of the monthly rent to owner, and

The utilities and appliances to be supplied by the owner, and

The utilities and appliances to be supplied by the family.

The HUD prescribed tenancy addendum must be included in the lease word-for-word before the lease is executed.

Effective September 15, 2000, the owner's lease must include the Lead Warning Statement and disclosure information required by 24 CFR 35.92(b).

The lease must provide that drug-related criminal activity engaged in by the tenant, any household member, or any guest on or near the premises, or any person under the tenant's control on the premises is grounds to terminate tenancy.

The lease must also provide that owner may evict family when the owner determines that:

Any household member is illegally using a drug; or

A pattern of illegal use of drug by any household member interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

The lease must provide that the following types of criminal activity by a "covered person" are grounds to terminate tenancy:

Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises);

Any criminal activity that threatens the health, safety or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or

Any violent criminal activity on or near the premises by a tenant, household member, or guest; or

Any violent criminal activity on the premises by any other person under the tenant's control.

The lease must provide that the owner may terminate tenancy if a tenant is:

Fleeing to avoid prosecution or custody or confinement after conviction for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees (high misdemeanor in NJ); or

Violating a condition of probation or parole imposed under Federal or State law.

***House Rules of the owner may be attached to the lease as an addendum, provided they are approved by the PHA to ensure they do not violate any fair housing provisions and do not conflict with the tenancy addendum.**

Actions Before Lease Term

All of the following must always be completed before the beginning of the initial term of the lease for a unit:

The PHA has inspected the unit and has determined that the unit satisfies the HQS;

The PHA has determined that the rent charged by the owner is reasonable;

The landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum;

The PHA has approved leasing of the unit in accordance with program requirements;

When the gross rent exceeds the applicable payment standard for the family, the PHA must determine that the family share (total family contribution) will not be more than 40% of the family's monthly adjusted income.

D. SEPARATE AGREEMENTS

Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.

The family is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the PHA.

Any appliances, services or other items which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.

All agreements for special items or services must be attached to the lease approved by the PHA. If agreements are entered into at a later date, they must be approved by the PHA and attached to the lease.

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

See "Housing Quality Standards and Inspections" chapter of this Administrative Plan.

F. RENT LIMITATIONS [24 CFR 982.507]

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.

By accepting each monthly housing assistance payment from the PHA, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner is required to provide the PHA with information requested on rents charged by the owner on the premises or elsewhere.

At all times during the tenancy, the rent to owner may not be more than the most current reasonable rent as determined by the PHA.

G. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]

In any of the programs, if the proposed gross rent is not reasonable, at the family's request, the PHA will negotiate with the owner to reduce the rent to a reasonable rent. If the rent is not affordable because the family share would be more than 40% of the family's monthly adjusted income, the PHA will negotiate with the owner to reduce the rent to an affordable rent for the family.

At the family's request, the PHA will negotiate with the owner to reduce the rent or include some or all of the utilities in the rent to owner.

If the rent can be approved after negotiations with the owner, the PHA will continue processing the Request for Tenancy Approval and lease. If the revised rent involves a change in the provision of utilities, a new Request for Tenancy Approval must be submitted by the owner.

If the owner does not agree on the rent to owner after the PHA has tried and failed to negotiate a revised rent, the PHA will inform the family and owner that the lease is disapproved.

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

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.

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

The PHA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

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

I. OWNER DISAPPROVAL [24 CFR 982.306]

See chapter on "Owner Disapproval and Restriction."

J. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

When the family reports changes in factors that will affect the total family share after the Request for Tenancy Approval (RFTA) has been signed and before the HAP contract has been executed, the PHA will use the information that was verified at the time the RFTA was signed to determine the family share effective with the date of the HAP contract at admission. The PHA will schedule an interim reexamination appointment to verify the information and recalculate the family share of rent to be effective according to the Interim Reexamination policy.

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

The PHA prepares the Housing Assistance Contract and lease 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 upon request. The PHA will retain a copy of all signed documents.

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: **Program Director, Administrative Assistant.**

***Owners must provide the current address of their residence upon PHA request (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.

If the property is managed by a management agent the owner must provide an owner/agent agreement form to verify ownership of the property. Owners may also be required to submit proof of ownership of the property, such as a grant deed or tax bill upon request of the PHA.

The owner must provide a home telephone number and business number if applicable.

Unless their lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

L. CHANGE IN OWNERSHIP

See "Owner Disapproval and Restriction" chapter.

Chapter 10

HOUSING QUALITY STANDARDS AND INSPECTIONS

[24 CFR 982.401]

INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and HAP contract.

The PHA will inspect each unit under contract at least bi-annually. The PHA will also have an inspection supervisor perform quality control inspections on the number of files required for file sampling by SEMAP annually to maintain the PHA's required standards and to assure consistency in the PHA's program. This chapter describes the PHA's procedures for performing HQS and other types of inspections, and PHA standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and PHA requirements. (See additions to HQS).

A. GUIDELINES/TYPES OF INSPECTIONS [24 CFR 982.401(a), 982.405]

*** The PHA has adopted local requirements of acceptability in addition to those mandated by the HUD Regulations.**

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards. The PHA will not promote any additional acceptability criteria which is likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

***All utilities must be in service prior to the inspection. If the utilities are not in service at the time of inspection, the inspector will notify the tenant or owner (whomever is responsible for the utilities according to the RFTA) to have the utilities turned on. The inspector will schedule a reinspection.**

***If the tenant is responsible for supplying the stove and/or the refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS. The family must then certify that the appliances are in the unit and working. The PHA will not conduct a reinspection.**

There are five types of inspections the PHA will perform:

1. Initial/Move-in: Conducted upon receipt of Request for Tenancy Approval.
2. Annual: Must be conducted within twenty four months of the last annual inspection.
3. Special/Complaint: At request of owner, family or an agency or third-party.
4. Quality Control

B. INITIAL HQS INSPECTION [24 CFR 982.401(a), 982.305(b)(2)]

Timely Initial HQS Inspection

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 same **15 day clock** will be suspended during any period when the unit is not available for inspection.

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 same **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 Initial Inspection will be conducted to:

Determine if the unit and property meet the HQS defined in this Plan.

Document the current condition of the unit as to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.

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

If the unit fails the initial Housing Quality Standards inspection, **the family** and owner will be advised to notify the PHA once repairs are completed.

On an initial inspection, the owner will be given up to **thirty (30) days** to correct the items noted as Fail, at the inspector's discretion, depending on the amount and complexity of work to be done.

The owner will be allowed up to **three (3)** reinspections for repair work to be completed.

If the time period given by the inspector to correct the repairs has elapsed, or the maximum number of failed reinspections has occurred, the family must select another unit.

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

The PHA conducts an inspection in accordance with Housing Quality Standards **at least bi-annually**, as required by SEMAP. Special inspections may be scheduled between anniversary dates.

HQS deficiencies which cause a unit to fail must be corrected by the landlord unless it is a fail for which the tenant is responsible.

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice. [24 CFR 982.551(d)]

***Inspections will be conducted on business days only.**

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

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

Inspection: The family is notified of the date and time of the inspection appointment by mail, **or phone**. If the family is unable to be present, they must reschedule the appointment so that the inspection is completed within **ten (10) business days**.

If the family does not contact the PHA to reschedule the inspection, or if the family misses two (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 (1) appointment without violating a family obligation.

***Reinspection:** The family and owner are provided a notice of the inspection appointment by mail. If the family is not at home for the reinspection appointment, a card will be left at the unit and another appointment is automatically scheduled.

***The 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

Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of notification. (See Emergency Repair Items section.)

For non-emergency items, repairs must be made within 30 days.

For major repairs, the **Housing Counselor** may approve an extension beyond 30 days.

Rent Increases

Rent to owner increases may not be approved if the unit is in a failed condition.

D. 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.

E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b)]

Quality Control inspections will be performed by the **Program Director, Administrative Assistant or other person trained in HQS Inspections**, on the number of files required by SEMAP. The purpose of Quality Control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS.

The sampling of files will include recently completed inspections (within the prior 3 months), a cross-section of neighborhoods, and a cross-section of inspectors.

F. ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS [24 CFR 982.401 (a)]

The PHA adheres to the acceptability criteria in the program regulations **with the additions described below.**

PHA REQUIRED STANDARDS IN ADDITION TO HUD STANDARDS:

MOBLIE HOMES. In addition to smoke detectors and tie down devices, the PHA requires that the mobile home be skirted with a suitable material around the foundation which will withstand the weather.

WOOD STOVES. The following safety features will be required for use of wood stoves:

Adequate clearance around the stove and piping. As a general rule of thumb, clearance from combustible wall should be 36 inches.

Placement of stove on fireproof base. Quarter-inch fireproof millboard covered with sheet metal is often used.

Stove pipe which is installed so that it passes through a combustible wall must also pass through a metal thimble.

WINDOW SCREENS: Each room required to have an openable window must have at least one of the openable windows equipped with a window screen.

DEFECTIVE PAINT: All dwelling units must be free of peeling, chipping, flaking, scaling, cracking paint – both interior and exterior, regardless of the height or location of condition, age of occupant, or age of home. All defective paint surfaces must be painted with two

coats of non-lead paint or otherwise covered with a suitable material to eliminate the defective condition.

PAINT AGREEMENT. The PHA will make only one exception to the minimum standards outline in the HUD checklist. During the winter months when exterior painting is not possible, the PHA will allow the owner to sign a Paint Agreement assuring the PHA that affected areas will be painted weather permitting. Owner must at treat affected areas by removing and disposing of loose paint chips prior to execution of the HAP Contract. All units under a Paint Agreement will be re-inspected prior to June 1 each year for compliance.

G. EMERGENCY REPAIR ITEMS [24 CFR 982.404(a)]

The following items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the inspector:

- * **Lack of security for the unit (missing or broken locks on exterior doors)**
- * **Waterlogged ceiling in imminent danger of falling**
- * **Major plumbing leaks or flooding**
- * **Natural or LP gas leak or fumes**
- * **Electrical problem which could result in shock or fire**
- * **Absence of a heating system capable of maintaining a temperature of 68 degrees Fahrenheit within the unit between September 15 and June 1.**
- * **Conditions that present an imminent likelihood of injury.**
- * **Obstacle which prevents tenant's entrance or exit**
- * **Lack of functioning toilet**
- * **Backed up sewer system in the unit**

*** In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to make the repair, proper authorities will be notified by the 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.

Smoke Detectors

*** If the smoke detector is not operating properly the PHA will contact the owner by phone and request the owner to repair the smoke detector within 24 hours and provide written verification to the PHA. The PHA will contact the tenant family to verify the smoke detector has been repaired or replaced and is working properly.**

***If the PHA determines that the family has purposely disconnected the smoke detector (by removing batteries or other means), the family will be required to repair the smoke detector within 24 hours and provide written verification to the PHA. The PHA will verify by reinspection.**

*** The PHA will issue a written warning to any family determined to have purposely disconnected the unit's smoke detector. Warning will state that deliberate disconnection of the unit's smoke detector is a health and fire hazard and is considered a violation of the HQS.**

H. 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 notice is generally for **thirty (30)** days, depending on the nature of the repair(s) needed.

The PHA will inspect abated units within ten (10) days of the owner's notification that the work has been completed.

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

***The family will be notified of the reinspection date and requested to inform the owner.**

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.**

The PHA will grant an extension in lieu of abatement in the following cases:

- * **The owner has a good history of HQS compliance.**
 - * **The failed items are minor in nature.**
 - * **There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services.**
 - * **The owner makes a good faith effort to make the repairs.**
 - * **The repairs are expensive (such as exterior painting or roof repair) and the owner needs time to obtain the funds.**
 - * **The repairs must be delayed due to climate conditions.**
- * **The extension will be made for a period of time not to exceed thirty (30) days. At the end of that time, at the PHA's discretion, if the work is not completed or substantially completed, the PHA will begin the abatement.**

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 Standards inspection will be conducted after the termination notice is issued.

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

Certain HQS deficiencies are considered the responsibility of the family:

Tenant-paid utilities not in service

Failure to provide or maintain family-supplied appliances

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 have worn out rather than items that have been damaged by a household member or guest.**

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.

J. CONSEQUENCES IF FAMILY IS RESPONSIBLE [24 CFR 982.404(b)]

If emergency or 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 **thirty (30)** days. If the repair(s) or correction(s) are not made in this time period, the PHA will terminate assistance to the family, after providing an opportunity for an informal hearing. Extensions in these cases must be approved by the **Housing Counselor or Program Director**. The owner's rent will not be abated for items which are the family's responsibility.

If the tenant is responsible and corrections are not made, the HAP contract will terminate when assistance is terminated.

Chapter 11

OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

[24 CFR 982.502, 982.503, 982.504, 982.505, 982.507]

INTRODUCTION

The policies in this chapter reflect the amendments to the HUD regulations, which were implemented by the Quality Housing and Work Responsibility Act of 1998 for the Section 8 Tenant-Based Assistance Program. These amendments became effective on October 1, 1999, which is referred to as the “merger date”. These amendments complete the merging of the Section 8 Certificate and Voucher Programs into one program, called the Housing Choice Voucher Program.

All Section 8 participant families have been transitioned to the Housing Choice Voucher Program on or before October 1, 2001. Rent calculation methods for the Housing Choice Voucher Program are described at 24 CFR 982.505. The rent calculation formula is specific and is not subject to interpretation.

The 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 owners, adjustments to the payment standards, and rent adjustments.

A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM

The rent to owner is limited only by rent reasonableness. The 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, if the gross rent for the unit exceeds the applicable payment standard for the family, the family share may not exceed 40 percent of the family's monthly adjusted income.

During the initial term of the lease, the owner may not raise the rent to owner.

B. MAKING PAYMENTS TO OWNERS [24 CFR 982.451]

Once the HAP contract is executed, the 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 **manually** to the HAP Register for the following month. **Checks/Direct Deposits are disbursed by the OACAC Fiscal Department to the owner each month. Checks may be picked up by owner at the PHA only with prior notice to the PHA. Checks/Direct Deposits will only be disbursed on the first working day of the month and on or about the fifteenth (15th) day of the month. Exceptions may be made with the approval of the Program Director or Administrative Assistant in cases of hardship.**

Checks that are not received will not be replaced until after the tenth (10th) day of the month, a written request has been received from the payee and a stop payment has been put on the check.

Excess Payments

The total of rent paid by the tenant plus the 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 the PHA" chapter of this Administrative Plan.

Late Payments to Owners

Late fees are a provision in the Lease Agreement which is between the Owner and the Tenant. The PHA is not a party to the lease. The only time the PHA would pay late fees for delayed HAP payments would be under the order of a court of law. The federal regulations state the following:

“The Housing Agency must pay the housing assistance payment promptly when due to the owner in accordance with the HAP contract. If the HA fails to make timely payment, the HA may be obligated to pay a late payment fee in accordance with State or Local law. However, unless authorized by HUD, the HA may only use the following sources for payment of any such late payment fee:

- (1) Administrative fee income; or
- (2) The administrative fee reserve.”

C. RENT REASONABLENESS DETERMINATIONS [24 CFR 982.507]

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. This applies to all programs.

The PHA will not approve a lease until the PHA determines that the initial rent to owner is a reasonable rent. The PHA must redetermine 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.

The PHA must redetermine rent reasonableness if directed by HUD and based on a need identified by the PHA's auditing system. The PHA may elect to redetermine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the PHA

The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

If requested, the owner must give the 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 areas for rent reasonableness are **communities** 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 will be used for rent reasonableness documentation:

- Size (number of Bedrooms/square footage)
- Location
- Quality

Amenities (bathrooms, dishwasher, air conditioning, etc.)

Housing Services

Age of unit

Unit Type

Maintenance

Utilities

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

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation, and at the PHA's discretion, the Voucher Payment Standard amount is set by the PHA between 90 percent and 110 percent of the HUD published FMR. This is considered the basic range. The PHA reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, the PHA will ensure that the Payment Standard is always within the range of 90 percent to 110 percent of the new FMR, unless an exception payment standard has been approved by HUD.

The PHA will establish a single voucher payment standard amount for each FMR area in the PHA 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, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. The PHA will not raise Payment Standards solely to make "high end" units available to Voucher holders. The PHA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.

Assisted Families' Rent Burdens

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

*** The PHA will increase its payment standard within the basic range for those particular unit sizes to help reduce the percentage of annual income that participant families in the PHA's jurisdiction are paying.**

*** The PHA will establish a separate voucher payment standard, within the basic range, for designated parts its jurisdiction if it determines that a higher payment standard is needed**

in these designated areas to provide families with quality housing choices and to give families an opportunity to move outside areas of high poverty and low income.

Quality of Units Selected

The PHA will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.

PHA Decision Point

The PHA will review the average percent of income of families on the program. If more than 25%) of families are paying more than 30% of monthly adjusted income, the PHA will determine whether there is a difference by voucher size, whether families are renting units larger than their voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by the PHA in the Administrative Plan.

If families are paying more than 30% of their income for rent due to the selection of larger bedroom size units or luxury units, the PHA may decline to increase the payment standard. If these are not the primary factors for families paying higher rents, the PHA will continue increasing the payment standard.

Rent to Owner Increases

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

Time to Locate Housing

The PHA may consider the average time period for families to lease up under the Voucher program. If more than 50% of Voucher holders are unable to locate suitable housing within the term of the voucher and the PHA determines that this is due to 50% of rents in the jurisdiction being unaffordable for families even with the presence of a voucher the Payment Standard may be adjusted.

Lowering of the Payment Standard

Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below 90 percent of the FMR without authorization from HUD.

Financial Feasibility

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

For this purpose, the 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

A file will be retained by the PHA for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

F. OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM

(24 CFR 982.308(g))

The owner is required to notify the PHA, in writing, at least sixty days before any change in the amount of rent to owner is scheduled to go into effect. Any requested change in rent to owner will be subject to rent reasonableness requirements. See 24 CFR 982.503.

Chapter 12

RECERTIFICATIONS

[24 CFR 982.516]

INTRODUCTION

In accordance with HUD requirements, the PHA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities

will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition. This Chapter defines the PHA's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ANNUAL ACTIVITIES [24 CFR 982.516, 982.405]

There is one activity the PHA must conduct on an annual basis. The HQS inspection must be done at least bi-annually. ***These activities will be coordinated whenever possible:**

Recertification of income and family composition

HQS inspection

The PHA produces a monthly listing of units under contract to ensure that timely reviews of housing quality; and factors related to total tenant payment/family share can be made.

Reexamination of the family's income and composition must be conducted at least annually.

Annual inspections: See "Housing Quality Standards and Inspections" chapter.

Rent adjustments: See "Owner Rents, Rent Reasonableness and Payment Standards" chapter.

B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 982.516]

Families are required to be recertified at least annually.

Moves Between Reexaminations

When families move to another dwelling unit:

*** An annual recertification will be scheduled and the anniversary date will be changed.**

Income limits are not used as a test for continued eligibility at recertification.

Reexamination 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 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 recertifications will be:

- * **Mail a notification of annual recertification to the family and owner.**
- * **Schedule the date and time of appointment and mail a notification to the family.**

Completion of Annual Recertification

The PHA will have all recertifications for families completed before the anniversary date. This includes notifying the family of any changes in rent at least 30 days before the scheduled date of the change in family rent.

Persons with Disabilities

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

Collection of Information [24 CFR 982.516(f)]

The PHA has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate.

*** The PHA will allow the family to complete the recertification form. Or if requested by the family, the PHA representative will interview the family and enter the information provided by the family on the recertification form, review the information with the family and have them sign the form.**

*** The PHA will require the family to complete a Personal Declaration Form prior to all recertification interviews.**

Requirements to Attend

The following family members will be required to attend the recertification interview:

- ***The Head of Household and/or Spouse or Co-Head**
- ***All adult members of the household must sign the recertification paperwork.**

***If any adult member of the household cannot be present at the appointment, they must sign and return the paperwork to the PHA within ten (10) business days.**

Failure to Respond to Notification to Recertify

The written notification must state which family members are required to attend the interview. The family may call to request another appointment date up to one day prior to the interview.

If the family does not appear for the recertification 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:

- * Send family notice of termination and offer them an informal hearing**
- * Exceptions to these policies may be made by the Program Director if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability.**

Documents Required From the Family

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

- * Completed Tenant Response form**
- * Documentation of all income for all household members regardless of age**
- * Documentation of all assets**
- * Documentation of any deductions/allowances**
- * Personal Declaration Form completed by head of household**
- * Copies of Social Security Cards for all household members**

Verification of Information

The PHA will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than thirty (30) days old.

Tenant Rent Increases

If tenant rent increases, a thirty day notice is mailed to the family prior to the scheduled effective date of the annual recertification.

If less than thirty days are remaining before the scheduled effective date of the annual recertification, the tenant rent increase will be effective on the first of the month following the thirty day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual recertification.

Tenant Rent Decreases

If tenant rent decreases, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the PHA.

C. REPORTING INTERIM CHANGES [24 CFR 982.516]

Program participants must report all changes in household composition, in writing, 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.

If any new family member is added, family income must include any income of the new family member. The PHA will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size.

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

Increases in Income

Interim Reexamination Policy

The PHA may conduct interim reexaminations when families have an increase in income.

*** Families will be required to report all increases in income/assets within ten (10) days of the increase.**

*** The PHA will determine if the increase in income will change the family share of rent or not. Households who have a stable source of income (wage, child support, Social Security etc.) will not have a change in their family share of rent solely based on the increased income. Households who have zero or unstable income (sporadic, unemployment benefits, etc.) will experience an increase in their tenant share based on the increased income.**

PHA Errors

If the PHA makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable, retroactive to when the decrease for the change would have been effective if calculated correctly.

D. OTHER INTERIM REPORTING ISSUES

An interim reexamination does not affect the date of the annual recertification.

An interim reexamination will be scheduled for families with zero income every **thirty (30)** days or at least quarterly if it can be determined the family has applied for and is waiting on approval of benefits from a government source such as Social Security, Supplemental Security Income, VA, TANF etc.

*** In the following circumstances, the PHA may conduct the interim reexamination by mail:**

- * Changes that will not result in a change in tenant rent or voucher size.**
- * Changes in income that are normal for the family, such as seasonal employment.**
- * As a reasonable accommodation when requested. (See "Statement of Policies and Objectives" chapter)**
- *As a method to complete the interim reexamination when there is not adequate time to schedule an in-person review prior to the program deadline for processing the changes.**

An interim reexamination will be scheduled for families with unstable income every sixty (60) days.

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

E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS [24 CFR 5.615]

The PHA will not reduce the family share of rent for families whose welfare assistance is reduced due to a "specified welfare benefit reduction"; which is a reduction in benefits by the welfare agency specifically because of:

Fraud in connection with the welfare program; or

Noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

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

The expiration of a lifetime time limit on receiving benefits; or

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

A situation where a family member has not complied with other welfare agency requirements.

Definition of Covered Family

A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program.

Definition of "Imputed Welfare Income"

The amount of annual income, not actually received by a family, as a result of a specified welfare benefit reduction, that is included in the family's income for purposes of determining rent.

The amount of imputed welfare income is determined by the PHA, based on written information supplied to the PHA by the welfare agency, including:

The amount of the benefit reduction

The term of the benefit reduction

The reason for the reduction

Subsequent changes in the term or amount of the benefit reduction

The family's annual income will include the imputed welfare income, as determined at the family's annual or interim reexamination, during the term of the welfare benefits reduction (as specified by the welfare agency).

The amount of imputed welfare income will be offset by the amount of additional income the family receives that commences after the sanction was imposed. When additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income will be reduced to zero.

If the family was not an assisted resident when the welfare sanction began, imputed welfare income will not be included in annual income.

If the family claims the amount of imputed welfare income has been calculated incorrectly, the **Program Director or Administrative Assistant** will review the calculation for accuracy. If the imputed welfare income amount is correct, the PHA will provide a written notice to the family that includes:

A brief explanation of how the amount of imputed welfare income was determined;

A statement that the family may request an informal hearing if they do not agree with the PHA determination.

Verification Before Denying a Request to Reduce Rent

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

The PHA will rely on the welfare agency's written notice to the PHA regarding welfare sanctions.

Cooperation Agreements [24 CFR 5.613]

***The PHA generally has a good working relationship with the local welfare agency.**

***The PHA asks the welfare agency to provide written verification to the PHA concerning welfare benefits for applicant and participant families, and specified reduction in welfare benefits for a family member, listing: amount of reduction; reason for reduction; term of reduction, and subsequent redetermination.**

***The PHA will rely on the welfare agency's written notice regarding the amount of specified benefit reduction.**

Family Dispute of Amount of Imputed Welfare Income

If the family disputes the amount of imputed income and the PHA denies the family's request to modify the amount, the PHA will provide the tenant with a notice of denial, which will include:

An explanation for the PHA's determination of the amount of imputed welfare income

A statement that the tenant may request an informal hearing.

A statement that the grievance information received from the welfare agency cannot be disputed at the informal hearing, and the issue to be examined at the informal hearing will be the PHA's determination of the amount of imputed welfare income, not the welfare

agency's determination to sanction the welfare benefits.

F. NOTIFICATION OF RESULTS OF RECERTIFICATIONS [HUD Notice PIH 98-6]

The HUD Form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. Signatures **are not** required by the PHA. If the family disagrees with the rent adjustment, they may request an informal hearing.

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

[24 CFR 982.516(c)]

Standard for Timely Reporting of Changes

The PHA requires that families report interim changes to the PHA within **ten (10)** 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 no later than the **20th day of the month**.

*** An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within ten (10) days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.**

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Procedures when the Change is Reported in a Timely Manner

The 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 is reported. ***However, no rent reductions will be processed until all the facts have been verified, even if a retroactive adjustment results.**

*** The change may be implemented based on documentation provided by the family, pending third-party written verification.**

Procedures when the Change is Not Reported by the Family in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

Increase in Tenant Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to sign a Repayment Agreement.

Decrease in Tenant Rent will be effective on the first of the month following the month that the change was reported.

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 change is not processed by the PHA 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.

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

(See "Subsidy Standards" chapter.)

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

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

J. MISREPRESENTATION OF FAMILY CIRCUMSTANCES

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

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 with continued assistance if:

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.

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).

The family has given proper notice of lease termination (and if the family has a right to terminate the lease on notice to owner).

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

- * 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.

The PHA will deny permission to move if:

- * The family has violated a family obligation.
 - * The family owes the PHA money.
 - * The family has moved or been issued a voucher within the last twelve months.
- * The Program Director may make exceptions to these restrictions if there is “good cause” or an emergency reason for the move over which the participant has no control.

C. PROCEDURE FOR MOVES [24 CFR 982.314]

Issuance of Voucher

Subject to the restrictions on moves, if the family has not been recertified within the last 30 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. The family must notify the PHA in writing that they wish to either postpone the transfer for 30 days or cancel the transfer. The owner may provide verbal or written verification of their approval for continued occupancy by the family.

- * 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. **The family must provide at least 30 day and not more than 60 day notice given on or before the first day of the month.**

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.

In a move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy. Assistance will start on the new unit on the effective date of the lease and contract.

The PHA does not pro-rate rent for partial month. The lease and contract will begin on the first day of the month. If the family moves in before the start of the lease/contract, they will be responsible for the pro-rated rent.

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.

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 family will choose the receiving PHA.**

Restrictions on Portability

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. [NOTE: legal domicile is defined by local government.]

For a portable family that was not already receiving assistance in the PHA's based program, the PHA must determine whether the family is eligible for admission under the receiving PHA's program.

Participants

After an applicant has leased-up in the jurisdiction of the initial housing agency, they cannot exercise portability during the first year of assisted occupancy, except in the following circumstances.

The receiving and initial PHA agree to allow the move.

*** The family's move relates to an opportunity for education, job training or employment**

*** The family's move relates to medical need.**

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.

Receiving PHA's will be required to submit hearing determinations to the PHA within thirty (30) 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. 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. However, if the family decides not to lease-up in the PHA's jurisdiction, they must contact the initial PHA to request an extension.

When the 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 redetermine eligibility for a portable family that was already receiving assistance in the initial PHA Section 8 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.

Income and Total Tenant Payment of Incoming Portables [982.353(d)]

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 Tenancy Approval

*** A briefing will be mandatory for all portability families.**

When the family submits a Request for Tenancy Approval, it will be processed using the PHA's policies. If the family does not submit a Request for Tenancy Approval or does not execute a lease, the initial PHA will be notified by the PHA.

If the family leases up successfully, the PHA will notify the initial PHA within **sixty (60)** days of voucher expiration, and the billing process will commence.

The PHA will notify the initial PHA if the family fails to submit a request for approval of tenancy for an eligible unit within the term of the voucher.

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

The 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 reexaminations of family income and composition;

Annual or bi-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.

The initial PHA will be responsible for collecting amounts owed by the family for claims paid and for monitoring repayment. If the initial PHA notifies the PHA that the family is in arrears or the family has refused to sign a payment agreement, the PHA will terminate assistance to the family.

Required Documents

As receiving PHA, the PHA will require the documents listed on the HUD Portability Billing Form from the initial PHA.

Billing Procedures

As receiving PHA, the PHA will bill the initial PHA **at initial admission or any change due to any interim or annual recertification or transfer of unit**, for housing assistance payments. The billing cycle for other amounts, including administrative fees and special claims will be **at initial admission or any change due to any interim or annual recertification or transfer of unit** unless requested otherwise by the initial PHA.

The PHA will bill 100% of the housing assistance payment, 100% of special claims and 80% of the administrative fee (at the initial PHA's rate) for each "portability" voucher leased as of the first day of the month.

The PHA will notify the initial PHA of changes in subsidy amounts and will expect the initial PHA to notify the PHA of changes in the administrative fee amount to be billed.

Chapter 14

CONTRACT TERMINATIONS

[24 CFR 982.311, 982.314]

INTRODUCTION

The Housing Assistance Payments (HAP) contract is the contract between the owner and the 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 contract between the owner and the PHA may be terminated by the PHA, or by the owner or tenant terminating the lease.

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 Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner. The owner will have no right to claim compensation from the PHA for vacancy loss under the provisions of certificate HAP contracts effective before October 2, 1995.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit. The contract for the new unit may begin during the month in which the family moved from the old unit.

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

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

C. TERMINATION OF TENANCY BY THE OWNER: EVICTIONS

[24 CFR 982.310, 982.455]

If the owner wishes to terminate the lease, the owner must provide proper notice as stated in the lease.

During the term of the lease, the owner may not terminate the tenancy except for the grounds stated in the HUD regulations.

During the term of the lease the owner may only evict for:

Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease;

Violations of Federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises or any drug-related criminal activity on or near the premises.

Other good cause.

During the initial term of the lease, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do (see 982.310)

Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines they have engaged in the criminal activity:

Regardless of arrest or conviction

Without satisfying the standard of proof used for a criminal conviction

Termination of Tenancy Decisions

If the law and regulation permit the owner to take an action but don't require action to be taken, the owner can decide whether to take the action. Relevant circumstances for consideration include:

The seriousness of the offense

The effect on the community

The extent of participation by household members

The effect on uninvolved household members

The demand for assisted housing by families who will adhere to responsibilities

The extent to which leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action

The effect on the integrity of the program

Exclusion of culpable household member

The owner may require a tenant to exclude a household member in order to continue to reside in the assisted unit.

Consideration of Rehabilitation

When determining whether to terminate the tenancy for illegal drug use or alcohol abuse, the owner may consider whether the member:

Is no longer participating

Has successfully completed a supervised drug or alcohol rehab program

Has otherwise been successfully rehabilitated

The owner may require the tenant to submit evidence of any of the three (above).

Actions of termination by the owner must be consistent with the fair housing and equal opportunities as stated in 24 CFR 5.105.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

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 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, the rent is reasonable and s/he is in compliance with the contract.

If an eviction is not due to a serious or repeated violation of the lease, and if the PHA has no other grounds for termination of assistance, the PHA may issue a new 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. (See "Owner Disapproval and Restriction" chapter)

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 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.

Chapter 15

DENIAL OR TERMINATION OF ASSISTANCE

[24 CFR 5.902, 5.902, 5.903, 5.905, 982.4, 982.54, 982.552, 982.553]

INTRODUCTION

The 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 982.54, 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 that would negate the behavior resulting from the disability.

Form of Denial/Termination

Denial of assistance for an applicant may include any or all of the following:

- Denial for placement on the PHA waiting list
- Denying or withdrawing a voucher
- Refusing to enter into a HAP contract or approve a tenancy
- Refusing to process or provide assistance under portability procedures

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

- Refusing to enter into a HAP contract or approve a tenancy
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

Mandatory Denial and Termination [24 CFR 982.54 (d), 982.552(b), 982.553(a), 982.553(b)]

The PHA must deny assistance to applicants, and terminate assistance for participants if the family is under contract and 180 days have elapsed since the PHA's last housing assistance payment was made. (See "Contract Terminations" chapter.)

The PHA must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.

The PHA must deny admission to the program for applicants, and terminate assistance for program participants if the PHA determines that any household member is currently engaging in illegal use of a drug. See section B of this chapter for the PHA's established standards.

The PHA must deny admission to the program for applicants, and terminate assistance for program participants if the PHA determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents. See Section B of this chapter for the PHA's established standards.

The PHA must deny admission to an applicant if the PHA determines that any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. See section B of this chapter for the PHA's established standards regarding criminal background investigation and determining whether a member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

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 [24 CFR 982.552(c)]

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

*** If any family member violates any family obligation under the program as listed in 24 CFR 982.551.**

*** The family has engaged in or threatened abusive or violent behavior toward PHA personnel.**

*** "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.

If any member of the family engages in, or has engaged in drug or alcohol abuse that interferes with the health, safety or peaceful enjoyment of other residents. See section B of this chapter.

If any member of the family commits drug-related criminal activity, or violent criminal activity. (See Section B of this chapter and 982.553

of the regulations)

Refer to "Eligibility for Admission" chapter, "Other Criteria for Admission" section for further information.

B. SCREENING AND TERMINATION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY

Purpose

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of the **Dallas County PHA** to fully endorse and implement a policy designed to:

Help create and maintain a safe and drug-free community

Keep our program participants free from threats to their personal and family safety

Administration

All screening and termination of assistance procedures shall be administered fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability, [sex] or other legally protected groups.

* To the maximum extent possible, the PHA will involve other community and governmental entities in the promotion and enforcement of this policy.

* This policy will be posted on the PHA's bulletin board and copies made readily available to applicants and participants upon request.

Screening of Applicants

In an effort to prevent future drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by 24 CFR 982, Subpart L and CFR Part 5, Subpart J, the 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.

HUD Definitions

Covered person, for purposes of 24 CFR Part 982 and this chapter, means a tenant, any member of the tenant's household, a guest or another person under the tenant's control.

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-related criminal activity means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

Guest, for purposes of this chapter and 24 CFR part 5, subpart A and 24 CFR Part 982, means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. The requirements of part 982 apply to a guest as so defined.

Household, for the purposes of 24 CFR Part 982 and this chapter, means the family and PHA-approved live-in aide.

Other person under the tenant's control, for the purposes of the definition of *covered person* and for 24 CFR Parts 5 and 982 and for this chapter, means that the person, although not staying as a guest (as defined in this chapter) in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not *under the tenant's control*.

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

Standard for Violation

The 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 a household member is illegally using a drug or if the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents, including cases where the PHA determines that there is a pattern of illegal use of a drug or a pattern of alcohol abuse.

*** The PHA will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous twelve (12) months.**

“Engaged in or engaging in” violent criminal activity means any act within the past by an applicant or participant or household member which involved criminal activity that has as one of

its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage, which did or did not result in the arrest and/or conviction of the applicant, participant, or household member.

***The activity is being engaged in by any family member.**

***The existence of the above-referenced behavior by any household member, regardless of the applicant or participant's knowledge of the behavior, shall be grounds for denial or termination of assistance.**

***In evaluating evidence of negative past behavior, the PHA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.**

Drug Related and Violent Criminal Activity

Ineligibility for admission if Evicted for DrugRelated Activity: Persons evicted from federally assisted housing because of drug-related criminal activity are ineligible for admission to the Section 8 program.

Instruction: HUD regulations at 982.553(a)(1)(i) allow the PHA to admit a household in less than 3 years following eviction for drug-related criminal activity under the conditions below. The PHA is not required to adopt the exceptions below, but may choose to do so. If the PHA does adopt a policy containing all or part of the provisions below, the PHA will still have discretion in determining whether to waive denial in individual cases.

***However, the household may be admitted if, after considering the individual circumstances of the household, the PHA determines that:**

***The circumstances leading to eviction no longer exist because:**

***The criminal household member has died.**

***The criminal household member is imprisoned.**

*** Applicants will be denied assistance if they have been:**

arrested or convicted or evicted from Federally assisted housing **for violent criminal activity.**

Denial of Assistance for Sex Offenders

The PHA will deny admission if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. In screening applicants, the PHA will perform criminal history background checks to determine whether any household member is subject to a lifetime sex offender registration requirement.

Termination of Assistance for Participants

Termination of Assistance for Drug-related Criminal Activity or Violent Criminal Activity:

Under the family obligations listed at 24 CFR 982.551, the members of the household must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. HUD regulations at 24 CFR 982.553(b) require the PHA to establish standards for termination of assistance when this family obligation is violated.

The Dallas County PHA has established the following standards for termination of assistance for the family when a household member has violated the family obligation to refrain from participating in drug-related or violent criminal activity.

Assistance will be terminated for participants who have been:

arrested/evicted from a unit assisted under any Federally assisted housing program for drug-related or violent criminal activity during participation in the program.

***If any member of the household violates the family obligations by engaging in drug-related or violent criminal activity, the PHA will terminate assistance.**

***In appropriate cases, the PHA may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the PHA may consider individual circumstances with the advice of Juvenile Court officials.**

***The PHA will waive the requirement regarding drug-related criminal activity if:**

***The circumstances leading to the violation no longer exist because the person who engaged in drug-related criminal activity or violent criminal activity is no longer in the household due to death or incarceration.**

Terminating Assistance for Alcohol Abuse by Household Members

Under the family obligations listed at 24 CFR 982.551, the members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. Assistance will be terminated due to violation of a family obligation if the PHA determines that a member of the household has demonstrated a pattern of alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

***Assistance will be terminated if a household member is arrested/convicted/incarcerated for any alcohol-related criminal activity on or near the premises within any 12 month period.**

*** In appropriate cases, the PHA may permit the family to continue receiving assistance provided that household members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the PHA may consider individual circumstances with the advice of Juvenile Court officials.**

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.

If the PHA proposes to terminate assistance for criminal activity as shown by a criminal record, the PHA will provide the subject of the record and the tenant with a copy of the criminal record.

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.

***The PHA will terminate assistance for criminal activity by a household member, as described in this chapter, if the PHA determines, based on a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.**

***The PHA will pursue fact-finding efforts as needed to obtain credible evidence.**

***The PHA may terminate assistance for criminal activity by a household member under this section if the PHA has determined that the household member has engaged in the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.**

Confidentiality of Criminal Records

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

***All criminal reports, while needed, will be housed in a locked file with access limited to individuals responsible for screening and determining eligibility for initial and continued assistance and to upper level Section 8 management.**

C. FAMILY OBLIGATIONS [24 CFR 982.551]

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 982.551). "Information" includes any requested certification, release or other documentation.

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.

The family must disclose and verify Social Security Numbers (as provided by 24 CFR 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.

All information supplied by the family must be true and complete.

The family is responsible for an HQS breach caused by the family as described in 982.404(b).

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

The family may not commit any serious or repeated violations of the lease.

The family must notify the owner and, at the same time, notify the PHA before the family moves out of the unit or terminates the lease upon notice to the owner.

The family must promptly give the PHA a copy of any owner eviction notice.

The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

The composition of the assisted family residing in the unit must be approved by the 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.

The family must promptly notify the PHA if any family member no longer resides in the unit.

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 approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.

Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.

The family must not sublease or let the unit.

The family must not assign the lease or transfer the unit.

The family must supply any information or certification requested by the 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 of two weeks or longer from the unit.

The family must not own or have any interest in the unit.

The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.

The household members may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

Housing Authority Discretion [24 CFR 982.552(c)]

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

***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 to act, 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 ten days.**" Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach

The **Housing Counselor, Administrative Assistant or Program Director** 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 **Housing Counselor, Administrative Assistant or Program Director.**

Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

***If the owner terminates tenancy through court action for serious or repeated violation of the lease.**

***If the owner notifies the family of termination of tenancy 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.**

***If the owner notifies the family of termination of tenancy for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and**

***If there are police reports, neighborhood complaints or other third party information, that has been verified by the PHA.**

***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 **10 days** of receiving the Notice of Lease Termination, the move will be denied.

Proposed Additions to the Family

The PHA will deny a family's request to add additional family members who are:

***Persons who have been evicted from public housing.**

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

- *Persons who have been part of a family whose assistance has been terminated under the Certificate or Voucher program for violations of family obligation.**
- *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 Section 8 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. When the family notifies the PHA, they must furnish the following information:

- *The date the family member moved out.**

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, it will be considered a program violation.

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.

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.

- *In the event of false citizenship claims: (See section below)**

D. PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.518]

Denial or Termination due to Ineligible Immigrant Status

Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The PHA must offer the family an opportunity for a hearing. (See "Eligibility for Admission" chapter, section on Citizenship/Eligible Immigration Status.)

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

False or Incomplete Information

***When the 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 will be given an opportunity to present relevant information.**

***If the individual is unable to verify their citizenship, the PHA will give him/her an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend their status.**

***The 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 misrepresentation.**

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).

E. ZERO (\$0) ASSISTANCE TENANCIES [24 CFR 982.455 (a)]

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 timeframe, an owner rent increase or a decrease in the Total Tenant Payment causes 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 immediately.**

G. MISREPRESENTATION IN COLLUSION WITH OWNER

[24 CFR 982.551, 982.552 (c)]

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, the 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:

Eligibility for Admissions

Verification Procedures

Certificate/Voucher Issuance and Briefings

Housing Quality Standards and Inspections

Recertifications

Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

***Medical emergency**

***Family emergency**

Procedure when Appointments are Missed or Information not Provided

For most purposes in this Plan, the family will be given **two** 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 corrects the breach within the time allowed to request a hearing:

***The notice may be rescinded if the family corrects the breach and the family does not have a history of non-compliance.**

Chapter 16

OWNER DISAPPROVAL AND RESTRICTION

[24 CFR 982.54, 982.306, 982.453]

INTRODUCTION

It is the policy of the PHA to recruit owners to participate in the voucher program. The PHA will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of the PHA. The regulations define when the PHA must disallow an owner participation in the program, and they provide the PHA 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 PHA will disapprove the owner for the following reasons:

HUD [or other agency directly related] has informed the PHA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

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

Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

***In cases where the owner and tenant bear the same last name, the PHA may, at its discretion, require the family and or owner to certify whether they are related to each other in any way.**

***The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).**

***The owner has committed fraud, bribery or any other corrupt act in connection with any Federal housing program.**

***The owner has engaged in drug-related criminal activity or any violent criminal activity.**

***The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program.**

***The owner has a history or practice of renting units that fail to meet State or local housing codes.**

***The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:**

Threatens the right to peaceful enjoyment of the premises by other residents;

Threatens the health or safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing.

Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or

Is drug-related criminal activity or violent criminal activity;

***The owner has not paid State or local real estate taxes, fines or assessments.**

***The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.**

B. OWNER RESTRICTIONS AND PENALTIES [24 CFR 982.453]

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, the PHA will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The PHA may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner the PHA will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

See Program Integrity Addendum for guidance as to how owner fraud will be handled.

C. CHANGE IN OWNERSHIP

A change in ownership does not require execution of a new contract and lease.

***The PHA may approve the assignment of the HAP contract at the old owner's request. The PHA may approve the assignment, since they are a party to the contract. The PHA may deny approval of assignment of the contract, for any of the reasons listed in Section A. of this chapter.**

***In the absence of the previous owner, 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 showing the transfer of title, recorded deed and the employee identification number or social security number of the new owner.**

***The PHA must receive a written request by the old owner in order to change the HAP payee and/or the address to which payment is to be sent.**

***If the new owner does not want an assignment of the contract, the PHA will terminate the HAP contract with the old owner, since they are no longer the owner. The new owner may offer the family a new assisted lease. The family may elect to enter into the new lease or move to another unit.**

Chapter 17

OWNER OR FAMILY DEBTS TO THE PHA

[24 CFR 982.552]

INTRODUCTION

This chapter describes the PHA's policies for the recovery of monies which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the 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**
- * **Payment agreements**
- * **Abatements**
- * **Reductions in HAP to owner**
- * **Collection agencies**
- * **Credit bureaus**
- * **Income tax set-off programs**

A. PAYMENT AGREEMENT FOR FAMILIES [24 CFR 982.552 (c)(v-vii)]

INSTRUCTION: The use of payment agreements for PHAs is optional.

A Payment 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 payment, any special provisions of the agreement, and the remedies available to the PHA upon default of the agreement.

*** The PHA will prescribe the terms of the payment agreement, including determining whether to enter into a payment agreement with the family based on the circumstances surrounding the debt to the PHA.**

*** There are some circumstances in which the PHA will not enter into a payment agreement. They are:**

*** If the family already has a Payment Agreement in place.**

*** If the PHA determines that the family committed program fraud.**

*** The maximum length of time the PHA will enter into a payment agreement with a family is five (5) years.**

*** The minimum monthly amount of monthly payment for any payment agreement is the greater of \$25 or total debt divided by 60 months.**

B. DEBTS OWED FOR CLAIMS [24 CFR 792.103, 982.552 (c)(v-vii)]

If a family owes money to the PHA for claims paid to an owner:

***The PHA will require the family to pay the amount in full.**

Late Payments

A payment will be considered to be in arrears if:

*** The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.**

If the family's payment agreement is in arrears, and the family has not contacted or made arrangements with the PHA, the PHA will:

*** Terminate the housing assistance**

If the family requests a move to another unit and has a payment agreement in place for the payment of an owner claim, and the payment agreement is not in arrears:

*** The family will be permitted to move.**

If the family requests a move to another unit and is in arrears on a payment agreement for the payment of an owner claim:

*** The family will be required to pay the balance in full, or be terminated from the program.**

C. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION [24 CFR 982.163]

INSTRUCTION: There are many ways in which PHAs differ in the treatment of the collection of monies due to misrepresentations and program fraud versus the collection of monies due to owner claims and the untimely reporting of increases in income. We are offering the option here of either treating all monies owed in the same manner, or treating them differently depending on the reason the money is owed.

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.

Family Error/Late Reporting SEE SECTION A

If a family owes an amount which equals or exceeds **\$10,000** as a result of program fraud, the case will be referred to the Inspector General. Where appropriate, the PHA will refer the case for criminal prosecution.

Payment Procedures for Program Fraud

*** Families who commit program fraud will be subject to the following procedures:**

INSTRUCTION: Select any compatible combination of the following choices.

*** The maximum time period for a Payment Agreement will be sixty (60) months.**

*** The minimum monthly payment will be \$25 or total debt divided by 60 months.**

D. DEBTS DUE TO MINIMUM RENT TEMPORARY HARDSHIP-SEE SECTION A

*** If the family owes the PHA money for rent arrears incurred during the minimum rent period, the PHA will calculate the total amount owed and divide it by 12 to arrive at a reasonable payback amount that the family will be required to pay to the PHA monthly in addition to the family's regular monthly rent payment to the owner. The family will be required to pay the increased amount until the arrears are paid in full to the PHA.**

*** Minimum rent arrears that are less than \$50 will be required to be paid in full the first month following the end of the minimum rent period.**

*** The minimum monthly amount for a payment agreement incurred for minimum rent arrears is \$25.**

*** The PHA will not enter into a payment agreement that will take more than 12 months to pay off.**

*** If the family goes into default on the payment agreement for back rent incurred during a minimum rent period, the PHA will reevaluate the family's financial situation and determine whether the family has the ability to pay the increased rent amount and if not, restructure the existing payment agreement.**

E. GUIDELINES FOR PAYMENT AGREEMENTS [24 CFR 982.552(c)(v-vii)] SEE SECTION A

*** Payment agreements will be executed between the PHA and the head of household and co-head / spouse.**

*** Payments may only be made by money order or cashier's check.**

*** The agreement will be in default when a payment is delinquent by the 15th day of the month.**

*** The family's assistance will be terminated unless the PHA receives the balance of the payment agreement in full within 10 business days of the termination notice.**

*** Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family, verification of the hardship, and the approval of the Program Director.**

*** No move will be approved until the debt is paid in full unless the move is the result of the following causes, and the payment agreement is current:**

*** Family size exceeds the HQS maximum occupancy standards**

*** The HAP contract is terminated due to owner non-compliance or opt-out**

*** A natural disaster**

F. OWNER DEBTS TO THE PHA [24 CFR 982.453(b)]

If the PHA determines that the owner has retained housing assistance or claim payments the owner is not entitled to, the PHA may reclaim the amounts from future housing assistance or claim payments owed the owner for any units under contract.

If future housing assistance or claim payments are insufficient to reclaim the amounts owed, the PHA will:

*** Require the owner to pay the amount in full within 30 days.**

*** Enter into a payment agreement with the owner for the amount owed.**

*** Pursue collections through the local court system.**

*** Restrict the owner from future participation.**

G. WRITING OFF DEBTS

Debts will be written off if:

- * **The debtor's whereabouts are unknown and the debt is more than 2 years old.**
- * **The debtor is deceased.**

Chapter 18

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 a 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 may require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone.

The PHA hearing procedures will be provided to families in the briefing packet.

Categories of Complaints

Complaints from families: If a family disagrees with an action or inaction of the PHA or owner.

***Complaints from families will be referred to the Housing Counselor.**

***If a complaint is not resolved, it will be referred to the Program Director.**

Complaints from owners: If an owner disagrees with an action or inaction of the PHA or a family.

***Complaints from owners will be referred to the Housing Counselor or Program Director.**

Complaints from staff: If a staff person reports an owner or family either violating or not complying with program rules, the complaint will be referred to the **Program Director or Administrative Assistant.**

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 the Housing Counselor.**

***If a complaint is not resolved, it will be referred to the Program Director.**

B. PREFERENCE DENIALS - PHA HAS NO PREFERENCES.

C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

[24 CFR 982.54(d)(12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

When the PHA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

The reason(s) they are ineligible,

The procedure for requesting a review if the applicant does not agree with the decision and

The time limit for requesting a review.

When denying admission for criminal activity as shown by a criminal record, the PHA will provide the subject of the record and the applicant with a copy of the criminal record upon which the decision to deny was based.

The 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

Assistance under portability procedures

Informal reviews are not required for established policies and procedures and PHA determinations such as:

Discretionary administrative determinations by the PHA

General policy issues or class grievances

A determination of the family unit size under the PHA subsidy standards

Refusal to extend or suspend a voucher

A PHA determination not to grant approval of the tenancy

Determination that unit is not in compliance with HQS

Determination that unit is not in accordance with HQS due to family size or composition

Procedure for Review

A request for an informal review must be received **in writing** by the close of the business day, no later than **ten (10) business days** from the date of the PHA's notification of denial of assistance. The informal review will be scheduled within **sixty (60) 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 at the Administrative Assistant level or above.**

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 **10 business 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)]

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 disputes the action or decision

The time limit for requesting the hearing

***To whom the hearing request should be addressed**

When terminating assistance for criminal activity as shown by a criminal record, the PHA will provide the subject of the record and the tenant/participant with a copy of the criminal record upon which the decision to terminate was based.

The PHA must provide participants with the opportunity for an informal hearing for decisions related to any of the following PHA determinations:

Determination of the family's annual or adjusted income and the computation of the housing assistance payment

Appropriate utility allowance used from schedule
Family unit size determination under PHA subsidy standards
Determination to terminate assistance for any reason

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 30 days**. The notification of hearing will contain:

The date and time of the hearing
The location where the hearing will be held
The family's right to bring evidence, witnesses, legal or other representation at the family's expense

*** The 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.

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 their 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 10 cents 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:

***Are managers from other departments in the government of the jurisdiction.**

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, five (5) business 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 **ten (10) business days** and shall include:

- A clear summary of the decision and reasons for the decision;
- If the decision involves money owed, the amount owed and documentation of the calculation of monies owed;

The date the decision goes into effect.

The 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 **ten (10) business** 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]

***INSTRUCTION:** In accordance with the *Quality Housing and Work Responsibility Act of 1998*, PHAs may no longer elect not to comply with ("opt-out" of) the noncitizen requirements (Part 5, Subpart E).*

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the 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 a 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 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.

E. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES [24 CFR 982.204, 982.552(c)]

When applicants are denied placement on the waiting list, or the 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.

***INSTRUCTION:** Examples of mitigating circumstances are: a) A person with a cognitive disorder may not have understood the requirement to report increases in income, b) A person may not understand the need to make regular repayments on a promissory note, c) Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.*

Chapter 19

SPECIAL HOUSING TYPES

[24 CFR 982.601]

INTRODUCTION

The PHA will only permit the use of manufactured homes or manufactured home space rental in its program when not requested and needed as a reasonable accommodation for persons with disabilities.

The PHA will permit the use of any other special housing types in its program only if the applicant/participant can demonstrate that it is needed as a reasonable accommodation for a person with a disability. Acceptable demonstration will include documentation from one or more knowledgeable professionals who are familiar with the applicant/participant and or the type of special housing requested as accommodation.

*** Verification of Need for Reasonable Accommodation**

***Acceptable documentation as verification of the need for reasonable accommodation would be a letter to the PHA describing how the special housing type requested provides the accommodation of which the person is in need. The request and documentation will be reviewed by the Program Director and a written response stating approval or disapproval will be sent to the applicant/participant within thirty (30) days of receipt of the request.**

***A copy of the PHA's response with supporting documentation will be maintained in the applicant/participant's file. The requested housing type must be approvable by all other HUD standards and HQS requirements in accordance with 24 CFR 982 Section M - Special Housing Types.**

A. SINGLE ROOM OCCUPANCY [24 CFR 982.602]

***There are no SROs in the PHA's jurisdiction.**

The PHA will use a separate lease and housing assistance payment contract for each assisted person residing in a SRO. [24 CFR 982.603]

SRO Rent and Housing Assistance Payment [24 CFR 982.604]

Voucher Program

The PHA SRO payment standard is 75 percent of the zero bedroom payment standard schedule. For a person residing in an exception area the payment standard is 75 percent of the HUD-approved zero bedroom exception payment standard amount. While an assisted person resides in SRO housing, the SRO payment standard must be used to calculate the housing assistance payment.

Utility Allowance

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

Housing Quality Standards

The PHA will ensure that all SRO units approved for the program are in compliance with all of the Housing Quality Standards for SROs as regulated in 24 CFR 982.605.

B. CONGREGATE HOUSING [24 CFR 982.606]

An elderly person or a person with disabilities may reside in a congregate housing unit.

The PHA may approve a family member or live-in aide to reside with the elderly person or person with disabilities.

The PHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Congregate Housing Lease and HAP Contract [24 CFR 982.607]

For congregate housing there will be a separate lease and HAP contract for each assisted family.

Unless there is a live-in aide, the payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard on the PHA payment standard schedule.

However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family that resides in a congregate housing unit is the one bedroom payment standard amount.

If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

Housing Quality Standards

The PHA will ensure that all congregate housing units approved for the program are in compliance with all of the Housing Quality Standards for congregate housing as regulated in 24 CFR 982.609.

C. GROUP HOMES [24 CFR 982.610, 982.612]

A group home must be licensed, certified, or otherwise approved in writing by the State, or the State's licensing department.

An elderly person or a person with disabilities may reside in a State-approved group home. If approved by the PHA, a live-in aide may reside with a person with disabilities.

The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Except for a live-in aide, all residents of a group home must be elderly persons or persons with disabilities.

The PHA will not approve assistance for a person to live in a group home if file documentation indicates that the person is in need of continual medical or nursing care.

No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

Group Home Lease and HAP Contract [24 CFR 982.611]

There will be a separate HAP contract and lease for each assisted person living in a group home. For a group home the term "pro-rata portion" means that which is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any PHA-approved live-in Aide.

Group Home Rent and HAP Contract [24 CFR 982.613]

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with 982.503. In determining reasonable rent the PHA will consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private.

Maximum Subsidy

Unless there is a live-in aide, the family unit size is **[zero/one bedroom]**. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard amount on the PHA payment standard schedule for the group home size.

Utility Allowance

The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

Housing Quality Standards

The PHA will ensure that all group home units approved for the program are in compliance with all of the Housing Quality Standards for group homes as regulated in 24 CFR 982.614.

D. SHARED HOUSING [24 CFR 982.615]

Occupancy

An assisted family may reside in shared housing. In shared housing, an assisted family may share a unit with another resident or residents of a unit. The unit may be a house or an apartment.

The PHA may approve a live-in aide to reside with a family in order to care for a person with a disability. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Other persons who are assisted or not assisted under the tenant-based program may reside in a shared housing unit. The owner of a shared housing unit may reside in the unit.

A resident owner may enter into a HAP contract with the PHA. However, housing assistance may not be paid on behalf of an owner. The PHA will not approve assistance for a person or family that is related by blood or marriage to a resident owner.

There will be a separate housing assistance payment contract and lease for each assisted family residing in a shared housing unit.

Rent and HAP Contract

For shared housing, the term "pro-rata portion" means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five bedroom unit, the ratio would be 3/5.

The rent to owner to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit. The reasonable rent must be in accordance with the guidelines set in the "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

Maximum Subsidy

For a family that resides in a shared housing unit the payment standard is the lower of the payment standard amount on the PHA payment standard schedule for the family unit size or the pro-rata portion of the payment standard amount on the PHA payment standard for the shared housing unit size.

If the PHA approves a live-in aide, the live-in aide will be counted in determining the family unit size.

Utility Allowance

The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

Housing Quality Standards

The PHA will ensure that all shared housing units approved for the program are in compliance with all of the Housing Quality Standards for shared housing as regulated in 24 CFR 982.618.

E. COOPERATIVE HOUSING [24 CFR 982.619]

The PHA will approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families. The PHA will not approve assistance for a family in cooperative housing until the PHA has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

The reasonable rent in cooperative housing is determined in accordance with "Owner Rents, Rent Reasonableness, and Payment Standards" chapter. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperative's debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down-payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility.

For a cooperative, rent adjustments are applied to the carrying charge as determined in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Section 8 limitations on rent to owner. The housing assistance payment will be determined in accordance with the guidelines in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The PHA may approve a live-in aide to reside with the family to care for a person with disabilities. The PHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. If the PHA approves a live-in aide, the live-in aide will be counted when determining the family unit size.

Housing Quality Standards

The PHA will ensure that all cooperative housing units approved for the program are in compliance with all of the Housing Quality Standards outlined in the "Housing Quality Standards and Inspections" chapter, and regulated by 24 CFR 982.401.

F. MANUFACTURED HOMES [24 CFR 982.620]

The PHA will permit a family to lease a manufactured home and space with assistance under the program. The PHA will provide assistance for a family that owns the manufactured home and leases only the space.

The PHA may approve a live-in aide to reside with a family to care for a person with disabilities. The PHA will approve a live-in aide if needed as a reasonable accommodation so that the program is accessible to and usable by persons with disabilities. If the PHA approves a live-in aide, the live-in aide must be counted when determining the family unit size.

Housing Quality Standards [24 CFR 982.621]

A manufactured home must meet all the HQS requirements outlined in the "Housing Quality Standards and Inspections" chapter and regulated by 24 CFR 982.401. In addition the manufactured home also must meet the following requirements:

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.

A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

Manufactured Home Space Rental [24 CFR 982.622]

Rent to owner for a manufactured home space will include payment for maintenance services that the owner must provide to the tenant under the lease for the space.

Rent to owner does not include the cost of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

Reasonable Rent

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined by the PHA.

The PHA will not approve a lease for a manufactured home space until the PHA has determined that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the PHA will redetermine that the rent is reasonable.

The PHA will determine whether the rent to owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. The PHA will consider the size and location of the space and any services and maintenance provided by the owner in accordance with the lease.

By accepting each monthly housing assistance payment from the PHA, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. If requested by the PHA, the owner must provide the PHA information on rents for other manufactured home space.

Housing Assistance Payments for Manufactured Home Space [24 CFR 982.623]

HAP for the Voucher Tenancy

There is a separate FMR for a family renting a manufactured home space. The payment standard is used to calculate the monthly housing assistance payment for a family. The FMR for rental of a manufactured home space is generally 40 percent of the published FMR for a two-bedroom unit.

Subsidy Calculation for the Voucher Program

During the term of a voucher tenancy, the amount of the monthly housing assistance payment for a family will equal the lesser of:

The payment standard minus the total tenant payment; or

The rent paid for rental of the real property on which the manufactured home owned by the family is located (the space rent) minus the total tenant payment.

The space rent is the sum of the following as determined by the PHA:

Rent to owner for the manufactured home space;

Owner maintenance and management charges for the space;

The utility allowance for tenant paid utilities.

Utility Allowance Schedule for Manufactured Home Space Rental [24 CFR 982.624]

The PHA will establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move.

Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place.

Utility allowances for manufactured home space will not be applied to cover the costs of digging a well or installation of a septic system.

G. HOMEOWNERSHIP [24 CFR 982.625]

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family.

The Dallas County PHA **does not** have a Homeownership Program.

GLOSSARY

ADJUSTED INCOME. Income which remains after exclusion of minor deduction, medical expenses which exceed 3% of Annual Income and Unusual Expenses.

ALLOWANCE FOR UTILITIES AND OTHER SERVICES “ALLOWANCE” An amount determined by the PHA as an allowance for the cost of utilities (except telephone, cable and internet) and charges for other services payable directly by the family.

ANNUAL CONTRIBUTIONS CONTRACT (ACC). A written agreement between HUD and a PHA to provide annual contributions to the PHA to cover housing assistance payments and other expenses pursuant to the Section 8 Housing Choice Voucher 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.

ANNUAL INCOME AFTER ALLOWANCES. The Annual Income less any deductions/allowances prescribed by the Secretary of HUD.

ASSETS. The value of equity in real property, savings, stocks, bonds and other forms of capital investment. (The value of necessary items of personal property such as furniture and automobiles is NOT to be considered as an asset.)

CONTRACT. See definition of Housing Assistance Payments Contract.

CONTRACT RENT. The monthly rent payable to the owner under the Lease and HAP Contract including the portion of the rent payable by the family.

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 Disable Person or Handicapped Person, or is a Full-time Student.

DEPENDENT CARE AND EXPENSES. See Unusual Expenses.

DECENT, SAFE AND SANITARY. Housing is Decent, Safe and Sanitary if it passes all items on the Inspection Checklist.

DISABLED PERSON. “Disabled Person” means a person who is under a disability as defined in Section 223 of the Social Security Act (42 U.S.C.) or in Section 102 (B) (5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970 (42 U.S.C. 2691 (1)). Persons who can supply a doctor’s statement verifying disability, who have applied for assistance from Social Security.

DISPLACED PERSON. “Displaced Person” means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal Disaster relief laws.

ELDERLY FAMILY. “Elderly Family” means a family whose head or spouse or whose sole member is at least sixty two (62) years of age, or Disabled Person as defined in this section or a Handicapped Person as defined in this section, and 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 or her care and well-being.

ELIGIBILITY INCOME. Amended Section 813.104 adapts definition of eligibility income for rent computations purposes. (Eligibility income would include higher of (1) actual income from assets or (2) if net Family assets exceed \$5,000, a percentage (determined by HUD) of the value of such assets.

EVICTION. This means the dispossession of the tenant from the leased unit as a result of the termination of the lease either prior to the end of a term, or at the end of a term.

EXCESS MEDICAL EXPENSES. Any medical expenses incurred by a family, in excess of 3% of Annual Income which are not reimbursable from any other source. (See Medical Expense)

EXISTING HOUSING. This means housing that is in decent, safe and sanitary condition, including single family homes, apartments, duplexes or mobile homes. Occupancy of housing which requires repairs in order to be made decent, safe and sanitary may be assisted only after such repairs have been made.

FAIR MARKET RENT. The rent, including utilities (except telephone, cable or internet), ranges and refrigerators, and all maintenance, management and other services which, as determined at least annually by HUD, would be required to be paid in order to obtain privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Separate Fair Market Rents shall be established for dwelling units of varying sizes (number of bedrooms).

FAMILY. “Family” A family is either a single person or a group of persons and includes: A household with or without children. (A child who is temporarily away from home due to placement in foster care should be considered a member of the family.) An Elderly Family, the Remaining Member of a Tenant Family and a Displaced Person.

FAMILY CONTRACT RENT. The amount paid monthly by the family as rent to the owner. (Also known as Family Share of Rent).

FOSTER CHILD CARE PAYMENT. Payment to eligible households by state, local or private agencies. Not considered as income; no deduction for minors, however.

FMHA. Farmers Home Administration

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.

GROSS RENT. The Contract Rent plus any Allowances for Utilities and Other Services.

HANDICAPPED PERSON. “Handicapped Person” means 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 nature that such ability could be improved by more suitable housing conditions.

HANDICAPPED ASSISTANCE EXPENSES. Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Handicapped or Disabled Family member, and that are necessary to enable a Family member (including the Handicapped or Disabled member) to be employed, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.

HOUSING ASSISTANCE PAYMENTS CONTRACT “CONTRACT”. A written contract between a PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family. (Sometimes referred to as the HAP Contract.)

HOUSING QUALITY STANDARDS (HQS). The level of housing quality outlined in the federal regulations for the HUD Section 8 Housing Choice Voucher Program. Enforcement of these standards is implemented by the PHA use of the HUD approved Inspection Checklist. All items must “pass” inspection to assure unit meets all acceptable Housing Quality Standards prior to lease.

HUD. The U. S. Department of Housing and Urban Development or its designee.

INCOME. Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INCOME FOR ELIGIBILITY. The anticipated total annual income of all adult family members (18 and older) for the 12 month period following the date of determination of income.

LANDLORD. The term means either the owner of the property or his representative or the managing agency or his representative, as shall be designated by the owner.

LIVE-IN AIDE. A person who resides with an Elderly, Disabled, or Handicapped Person or Persons and who (a) is determined to be essential to the care and well-being of the Person(s); (b) is not obligated for the support of the Person(s); and (c) would not be living in the unit except to provide the necessary supportive services.

LOWER INCOME FAMILY. A family whose income does not exceed 80% of the median income for the area as determined by HUD.

MEDICAL EXPENSES. Those medical expenses which are to be anticipated during the 12 month period for which the Annual Income is computed, and which are not covered by insurance (however, premiums for such insurance may be included as medical expense). Medical expenses should consider those which are necessary for an ongoing medical ailment.

MINIMUM RENT. The PHA shall establish a “Minimum Rent” amount between \$0 and \$50.

MOBILE HOME. A mobile home is a structure, with or without a permanent foundation, which is built on a permanent chassis, is designed for use as a principal place of residence, and meets the Housing Quality Standards.

MONTHLY INCOME. One twelfth of the Annual Income.

MONTHLY ADJUSTED INCOME. One twelfth of the Annual Income after allowances.

MSA. Metropolitan Statistical Area.

MUTUAL RECISSION OF LEASE. An early termination of the Lease, with written agreement from both parties as to agreement to the termination.

NET FAMILY ASSETS. Difference between the value of assets disposed of for less than fair market value during the two years preceding the date of application for the program or the date of reexamination. Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment.

NET FAMILY CONTRIBUTION. The total amount payable by the family for rent, taking into account any reductions of Utility Allowances.

NON-IMMIGRANT STUDENT ALIEN. A non-immigrant student alien is a person who has a foreign residence which he/she has no intention of abandoning, is a bona fide student qualified to pursue a full course of study, and was admitted to the United States temporarily and solely for the purpose of pursuing a full course of study at an established learning institution or other recognized place of study. Alien spouse and alien minor children of such student, whose right to be in the United States depends on the alien’s right, are also included in this definition.

OCCUPANCY STANDARDS. Standards that the PHA establishes for determining the number of bedrooms for Families of different sizes and composition.

OWNER. Any person or entity, including a cooperative, having the legal right to lease or sublease Existing Housing.

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). Any state, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or assist in the development or operation of housing for low income families.

RECERTIFICATION. The process of securing documentation to show that tenants meet the eligibility requirements for continued housing assistance payments each year.

REEXAMINATION. The process of securing documentation to adjust Family Income as a result of a change in household composition, Family income, or Family expenses. (Interim Reexamination)

REMAINING MEMBER OF TENANT FAMILY. Person left in assisted unit who may or may not normally qualify for assistance on own circumstances.

RENT REASONABLENESS LIMITATION. The PHA is required to certify for each Section 8 Housing Choice Voucher unit assisted that the Contract Rent is reasonable in relation to comparable units on the private unassisted market and not in excess of rents currently being charged for comparable unassisted units.

SECRETARY. The Secretary of Housing and Urban Development.

SECURITY DEPOSIT. An amount deposited with the owner equal to not more than 1 month's rent.

SINGLE PERSON. "Single Person" means a person living alone or intending to live alone and who does not qualify as an Elderly Family or a Displaced Person as defined in 812, or as in the remaining member of a tenant family. A "Single Person" may be considered a "Family" for the purpose of determining eligibility for the Housing Choice Voucher Program.

SUBSIDIZED PROJECT. "Subsidized Project" means a multifamily housing project (with the exception of a project owner by a cooperative housing mortgagor corporation or association) which receives the benefit of subsidy in the form or (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 or (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.

TERM OF LEASE. The amount of time a tenant agrees, in writing, to live in a dwelling unit (usually 12 months).

TOTAL TENANT PAYMENT. The portion of the Gross Rent payable by the eligible Family. This amount depends on the applicable Payment Standard, the Contract Rent for the selected unit and 30% of the Family's Adjusted Monthly Income, 10% of their Monthly Unadjusted Income or minimum rent established by the PHA whichever is greater. There are too many variables for the TTP to be clearly defined in one simple statement.

UNIT. Residential space for the private use of a family, such as an apartment, or house which contains a living room, kitchen, bedroom (may be a living/sleeping area) and bathroom.

UNUSUAL EXPENSES. Amounts paid by the family for the care of children under 13 years of age or for the care of disabled or handicapped family household members, but only where such care is necessary to enable a family member to be gainfully employed or to further their education, and the amount allowable as Unusual Expenses shall not exceed the amount of income from such employment.

UTILITY ALLOWANCE. Where the family is responsible for payment of utilities, the Utility Allowance is an amount equal to the estimate adopted by the PHA, outlined in the Tenant Furnished Utility Schedule.

UTILITY REIMBURSEMENT. Term used in public housing for payments made to tenants or to the tenant selected utility vendor, to assist with individually metered utility costs. The amount, if any, by which the Utility Allowance exceeds the Family's Total Tenant Payment.

VERY LOW INCOME FAMILY. A family whose income does not exceed 50% of the median income for the area as determined by HUD.

VOUCHER. A Housing Voucher is a document issued to a Family that the PHA has certified to be eligible to participate in the Section 8 Housing Choice Voucher Program.

PROGRAM INTEGRITY ADDENDUM

[24 CFR 792.101 to 792.204, 982.54]

INTRODUCTION

The US Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental assistance than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits which exceed their legal entitlement.

The PHA is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach only income-eligible families so that program integrity can be maintained.

The PHA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This chapter outlines the PHA's policies for the prevention, detection and investigation of program abuse and fraud.

A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will the PHA undertake an inquiry or an audit of a participating family arbitrarily. The PHA's expectation is that participating families will comply with HUD requirements, provisions of the voucher, and other program rules. The PHA staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, the PHA has a responsibility to HUD, to the Community, and to eligible families in need of housing assistance, to monitor participants and owners for compliance and, when indicators of possible abuse come to the PHA's attention, to investigate such claims.

The PHA will initiate an investigation of a participating family only in the event of one or more of the following circumstances:

Referrals, Complaints, or Tips. The PHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.

Internal File Review. A follow-up will be made if PHA staff discovers (as a function of a certification or recertification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, the PHA's knowledge of the family, or is discrepant with statements made by the family.

Verification of Documentation. A follow-up will be made if the PHA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information or credit bureau reports, reports from other agencies).

B. STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

The PHA management and staff will utilize various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participating families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

Things You Should Know. This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify the PHA's expectations for cooperation and compliance.

Program Briefing Session. Mandatory briefing sessions will be conducted by the PHA staff for all prospective program participants, upon issuance of a voucher. At the conclusion of all Program Briefing Sessions, the family representative will be required to

sign a "Receipt of Briefing Packet Certificate" to confirm that all rules and pertinent regulations were explained to them.

Resident Counseling. The PHA will routinely provide participant counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.

Review and explanation of Forms. Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

Use of Instructive Signs and Warnings. Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse

Participant Certification. All family representatives will be required to sign a "Participant Certification" form, as contained in HUD's Participant Integrity Program Manual.

C. STEPS THE PHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

The PHA Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

Quality Control File Reviews. Prior to initial certification, and at the completion of all subsequent recertifications, each participant file will be reviewed. Such reviews shall include, but are not limited to:

- * **Assurance that verification of all income and deductions is present.**
- * **Changes in reported Social Security Numbers or dates of birth.**
- * **Authenticity of file documents.**
- * **Ratio between reported income and expenditures.**
- * **Review of signatures for consistency with previously signed file documents.**
- * **All forms are correctly dated and signed.**

Observation. The PHA Management and Occupancy Staff (to include inspection personnel) will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

- * **Observations will be documented in the family's file.**

Public Record Bulletins may be reviewed by Management and Staff.

State Wage Data Record Keepers. Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley

Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits

Credit Bureau Inquiries. Credit Bureau inquiries may be made (with proper authorization by the participant) in the following circumstances:

*** At the time of final eligibility determination**

*** When an allegation is received by the PHA wherein unreported income sources are disclosed.**

*** When a participant's expenditures exceed his/her reported income, and no plausible explanation is given.**

Other: Social Media (such as Facebook) may be used to determine the direction of the investigation (such as checking for marriage or divorce records, employment, etc.) but will not be used as verification of abuse.

D. THE PHA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

The PHA staff will encourage all participating families to report suspected abuse to their **Housing Counselor**. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the participant's file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The **Housing Counselor** will not follow up on allegations which are vague or otherwise non-specific. They will only review allegations which contain one or more independently verifiable facts.

File Review. An internal file review will be conducted to determine:

If the subject of the allegation is a client of the PHA and, if so, to determine whether or not the information reported has been previously disclosed by the family.

It will then be determined if the PHA is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

Conclusion of Preliminary Review. If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the **Housing Counselor or Administrative Assistant** will initiate an investigation to determine if the allegation is true or false.

E. OVERPAYMENTS TO OWNERS

* If the landlord has been overpaid as a result of fraud, misrepresentation or violation of the Contract, the PHA may terminate the Contract and arrange for restitution to the PHA and/or family as appropriate.

* The PHA will make every effort to recover any overpayments made as a result of landlord fraud or abuse. Payments otherwise due to the owner may be debited in order to repay the PHA or the tenant, as applicable.

F. HOW THE PHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If the PHA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file, or a person designated by the Program Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the PHA will secure the written authorization from the program participant for the release of information.

* **Credit Bureau Inquiries.** In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity that conflicts with the reported income of the family.

* **Verification of Credit.** In cases where the financial activity conflicts with file data, a *Verification of Credit* form may be mailed to the creditor in order to determine the unreported income source.

* **Employers and Ex-Employers.** Employers or ex-employers may be contacted to verify wages which may have been previously undisclosed or misreported.

* **Neighbors/Witnesses.** Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the PHA's review.

* **Other Agencies.** Investigators, case workers or representatives of other benefit agencies may be contacted.

* **Public Records.** If relevant, the PHA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

* **Interviews with Head of Household or Family Members.** The PHA will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate PHA office. A high standard of courtesy and professionalism will be maintained by the PHA staff person who conducts such interviews. Under no circumstances will inflammatory language, accusation, or any unprofessional

conduct or language be tolerated by the management. If possible, an additional staff person will attend such interviews.

*** Other: Social Media (such as Facebook) may be used to determine the direction of the investigation (such as checking for marriage or divorce records, employment, etc.) but will not be used as verification of abuse.**

G. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE PHA

Documents and other evidence obtained by the PHA during the course of an investigation will be considered "work product" and will either be kept in the participant's file, or in a separate "work file." In either case, the participant's file or work file shall be kept in a locked file cabinet. Such cases under review will not be discussed among PHA Staff unless they are involved in the process, or have information which may assist in the investigation.

H. CONCLUSION OF THE PHA'S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Program Director or designee. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

I. EVALUATION OF THE FINDINGS

If it is determined that a program violation has occurred, the PHA will review the facts to determine:

The type of violation (procedural, non-compliance, fraud).

Whether the violation was intentional or unintentional.

What amount of money (if any) is owed by the family.

If the family is eligible for continued participation.

J. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED

Once a program violation has been documented, the PHA will propose the most appropriate remedy based upon the type and severity of the violation.

- 1. Procedural Non-compliance.** This category applies when the family "fails to" observe a procedure or requirement of the PHA, but does not misrepresent a material fact, and there is no retroactive assistance payments owed by the family.

Examples of non-compliance violations are:

Failure to appear at a pre-scheduled appointment.

Failure to return verification in time period specified by the PHA.

(a) **Warning Notice to the Family.** In such cases a notice will be sent to the family which contains the following:

* **A description of the non-compliance and the procedure, policy or obligation which was violated.**

* **The date by which the violation must be corrected, or the procedure complied with.**

* **The action which will be taken by the PHA if the procedure or obligation is not complied with by the date specified by the PHA.**

* **The consequences of repeated (similar) violations.**

2. **Procedural Non-compliance - Overpaid Assistance.** When the family owes money to the PHA for failure to report changes in income or assets, the PHA will issue a Notification of Overpayment of Assistance. This Notice will contain the following:

A description of the violation and the date(s).

Any amounts owed to the PHA.

A **10 business** day response period.

The right to disagree and to request an informal hearing with instructions for the request of such hearing.

(a) Participant Fails to Comply with PHA's Notice. If the Participant fails to comply with the PHA's notice, and a family obligation has been violated, the PHA will initiate termination of assistance.

(b) Participant Complies with PHA's Notice. When a family complies the PHA's notice, the staff person responsible will meet with him/her to discuss and explain the Family Obligation or program rule which was violated. The staff person will complete a Participant Counseling Report (repayment agreement), give one copy to the family and retain a copy in the family's file.

3. **Intentional Misrepresentations.** When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the PHA, the PHA will evaluate whether or not:

The participant had knowledge that his/her actions were wrong, and

The participant willfully violated the family obligations or the law.

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various certification, briefing certificate, Personal Declaration and Things You Should Know are adequate to establish knowledge of wrong-doing.

The participant willfully violated the law. Any of the following circumstances will be considered adequate to demonstrate willful intent:

- (a) An admission by the participant of the misrepresentation.
- (b) That the act was done repeatedly.
- (c) If a false name or Social Security Number was used.
- (d) If there were admissions to others of the illegal action or omission.
- (e) That the participant omitted material facts which were known to him/her (e.g., employment of self or other household member).
- (f) That the participant falsified, forged or altered documents.
- (g) That the participant uttered and certified to statements at an interim (re)determination which were later independently verified to be false.

4. Dispositions of Cases Involving Misrepresentations. In all cases of misrepresentations involving efforts to recover monies owed, the PHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

- (a) Criminal Prosecution: If the PHA has established criminal intent, and the case meets the criteria for prosecution, the PHA will:

*** Refer the case to the local State or District Attorney, notify HUD's RIGI, and terminate rental assistance.**

*** Refer the case to HUD's RIGI, and terminate rental assistance.**

- (b) Administrative Remedies: The PHA will:

*** Terminate assistance and execute an administrative repayment agreement in accordance with the PHA's Repayment Policy.**

*** Terminate assistance and pursue restitution through civil litigation.**

*** Continue assistance at the correct level upon repayment agreement.**

Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the PHA's repayment policy.

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