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# Housing Authority of the County of Merced

## Administrative Plan for the Housing Choice Voucher Program



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## 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 rectified 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 and is described in and implemented throughout this Administrative Plan. The Section 8 tenant-based programs are federally funded and administered for the County of Merced by the "AUTHORITY" of the County of Merced ("AUTHORITY") through its Housing Choice Voucher program office.

Administration of the Housing Choice Voucher Program and the functions and responsibilities of the "AUTHORITY" staff shall be in compliance with the "AUTHORITY"'s Administrative Plan and the Department of Housing and Urban Development's (HUD) Housing Choice Voucher Regulations as well as all Federal, State and local Fair Housing Laws and Regulations.

#### **Jurisdiction**

The jurisdiction of the "AUTHORITY" is the County of Merced.

#### **A. "AUTHORITY" MISSION STATEMENT**

The "AUTHORITY" offers affordable housing opportunities in our community, free from discrimination, to enhance the quality of life of those we serve.

#### **B. "AUTHORITY" VISION STATEMENT**

The "AUTHORITY" will be nationally recognized as an innovative agency and a leader in creating community partnerships that result in individuals and families having hope for a better tomorrow.

#### **C. LOCAL OBJECTIVES**

The Housing Choice Voucher tenant-based assistance program is designed to achieve these major objectives:

1. To ensure that all units meet Housing Quality Standards and families pay fair and reasonable rents.
2. To promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.
3. 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.

In addition, the "AUTHORITY" has the following goals for the program:

1. To assist the local economy by increasing the occupancy rate and the amount of money flowing into the community.
2. To encourage self-sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human service's needs.
3. To create positive public awareness and expand the level of family, owner, and community support in accomplishing the "AUTHORITY"'s mission.
4. To attain and maintain a high level of standards and professionalism in our day-to-day management of all program components.
5. To administer an efficient, high-performing agency through continuous improvement of the "AUTHORITY"'s support systems and commitment to our employees and their development.

**D. PURPOSE OF THE ADMINISTRATIVE 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 Administrative Plan. The Housing Choice Voucher Program was implemented as of October 1, 1999, and pre-merger Housing Voucher tenancies and Over Fair Market Rent tenancies converted automatically to Housing Choice Voucher tenancies on that date. All other existing contracts remained in effect until the family's second reexamination after the merger date or when a new lease was executed.

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

This Administrative Plan is a supporting document to the "AUTHORITY"'s Agency Plan, and is available for public review as required by 24 CFR 903.

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination

- 24 CFR Part 35: Lead Based Paint
- 24 CFR Part 982: Housing Choice Voucher Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 983: Project Based Vouchers
- 24 CFR Part 985: Section 8 Management Assessment Program SEMAP

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

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

This Administrative Plan is set forth to define the "AUTHORITY"'s local policies for operation of the housing programs in the context of Federal laws and Regulations. All issues related to Housing Choice Voucher 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 "AUTHORITY" of the County of Merced is referred to as ""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 relationship 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 Housing Authority.

“Failure to Provide” refers to all requirements in the Family Obligation (see Chapter “Denial or Termination of Assistance”).

“Merger date” refers to October 1, 1999, which is the effective date of the merging of the Section 8 Certificate and Voucher program into the Housing Choice Voucher Program. See the Glossary for other terminology.

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

It is the policy of the “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 “AUTHORITY” shall not deny any family, individual or voucher holder the equal opportunity to apply for or receive assistance under the Section 8 Programs on the basis of race, color, sex, religion, familial status, creed, national or ethnic origin (called “protected classes”), ancestry, age, familial or marital status, disability or sex (including sexual orientation and gender identity/expression) or source of income. Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18.

To further its commitment to full compliance with applicable Civil Rights laws, the “AUTHORITY” will provide Federal, State, and 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.

Fair Housing posters are posted throughout the “AUTHORITY” offices, 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 organizations 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 “AUTHORITY”’s facilities are inaccessible

to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout the "AUTHORITY"'s office in such a manner as to be easily readable from a wheelchair. The "AUTHORITY" offices are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the California Relay Service or by utilizing the Telecommunications Device for the Deaf (TDD) Tele-Type (TTY) at 711 or 1-800-855-7100.

**H. REASONABLE ACCOMMODATIONS POLICY [24 CFR 100.204]**

It is the policy of this "AUTHORITY" 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 "AUTHORITY" will treat a person differently than anyone else. The "AUTHORITY"'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 "AUTHORITY" 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 "AUTHORITY", when the "AUTHORITY" initiates contact with a family including when a family applies, and when the "AUTHORITY" 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 impairment.

Rehabilitated former drug users and alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with

5.403(a), 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 "AUTHORITY" will require that a professional third party competent to make the assessment and 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 "AUTHORITY" finds that the requested accommodation creates an undue administrative or financial burden, the "AUTHORITY" will either 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 "AUTHORITY" (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 "AUTHORITY".

The "AUTHORITY" will provide a written decision to the person requesting the accommodation within 14 calendar days~~reasonable time~~. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review the "AUTHORITY" 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.~~

### Reasonable Accommodation for Persons with Disabilities [24 CFR 966.7]

Persons with disabilities may request a reasonable accommodation to participate in the informal review process and the Housing Authority must consider such reasonable accommodation requests. The Housing Authority must also consider reasonable accommodation requests

pertaining to the reasons for denial if related to the person's disability.

The "AUTHORITY" will not grant a reasonable accommodation that would allow the tenants to grow, use, otherwise possess, or distribute medical marijuana, even if in doing so such tenants are complying with state laws authorizing medical marijuana related conduct. The "AUTHORITY" will deny admission to those applicant households with individuals who are, at the time of consideration for admission, using medical marijuana. This is in accordance with the Quality Housing and Work Responsibility Act (QHWRA) of 1998 (42 U.S.C. 13661).

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

### **Verification of Disability**

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

### **Outreach**

Outreach efforts will include notification of the "AUTHORITY"'s 504 ~~Advisory Board~~ "coordinator" as well as all other media and agencies listed in the "AUTHORITY"'s Administrative Plan regarding public notices (see section on opening and closing the waiting list in "Applying for Admission" in Chapter 3).

### **Applying for Admission**

All persons who wish to apply for any of the "AUTHORITY"'s programs must submit a pre- application in written format, as indicated in our public notice. Pre-applications will be made available in an accessible format upon request from a person with a disability.

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 "AUTHORITY" staff to review the information on the full application form. Verification of disability as it relates to 504, Fair Housing, or an ADA reasonable accommodation will be requested at this time. The full application will also include questions asking all applications whether reasonable accommodations are necessary.



**I. LIMITED ENGLISH PROFICIENCY (LEP) POLICY**

In accordance with Federal guidelines, the "AUTHORITY" may make reasonable efforts to provide and arrange free language assistance for persons with Limited English Proficiency (LEP). An LEP individual is a person who does not speak English as their primary language and who has a limited ability to read, writes, speak, or understand English. This policy was developed to serve applicants, participants, and/or persons eligible for housing assistance.

The "AUTHORITY" has developed a Language Access Plan (LAP) to ensure its programs and services are accessible to person(s) with LEP.

**J. TRANSLATION OF DOCUMENTS**

In determining whether it is feasible to provide translation of documents written in English into other languages, the "AUTHORITY" 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 "AUTHORITY" per client of translation of English written documents into the other language.
- The availability of local organizations to provide translation services to non-English speaking families.
- Availability of bilingual staff to provide translation for non-English speaking families.

The "AUTHORITY" has bilingual staff and/or translation services available to assist non-English speaking families in languages that have been identified in accordance with the Housing Authority's Language Access Plan (LAP).

**K. MANAGEMENT ASSESSMENT OBJECTIVES**

The "AUTHORITY" operates its housing assistance programs with efficiency and can demonstrate to HUD auditors that the "AUTHORITY" is using its resources in a manner that reflects its commitment to quality and service.

The "AUTHORITY" policies and practices are consistent with the areas of measurement for the following HUD Section Eight Management Assessment Program (SEMAP) indicators:

1. Selection from the Waiting List

2. Reasonable Rent
3. Determination of Adjusted Income
4. Utility Allowance Schedule
5. HQS Quality Control Inspections
6. HQS Enforcement
7. Expanding Housing Opportunities
8. Payment Standards
9. Annual Reexaminations
10. Correct Tenant Rent Calculations
11. Pre-Contract HQS Inspections
12. Annual HQS Inspections
13. Lease-up
14. Family Self-Sufficiency Enrollment and Escrow Account Balances
15. Bonus Indicator De-concentration

Supervisory quality control reviews will be performed by a "AUTHORITY" designated staff 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.

**L. RECORDS FOR MONITORING "AUTHORITY" PERFORMANCE**

To demonstrate compliance with HUD and other pertinent regulations, the "AUTHORITY" 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 "AUTHORITY"'s operational procedures objectively and with accuracy and in accordance with SEMAP requirements with internal supervisory audits.

In addition to the required SEMAP documentation, a designated staff audits the following functions:

- o Not less than five percent (5%) of reexaminations
- o Not less than five percent (5%) of new applications

**M. 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 and the "AUTHORITY" will release family information. The "AUTHORITY"'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 Director of Housing Programs.

The "AUTHORITY"'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. The "AUTHORITY" will not collect or maintain sensitive personally identifiable information without proper authorization. Additionally the "AUTHORITY" will only collect Personally Identifiable Information (PII) that is needed for the purpose for which it is collected.

- Personally Identifiable Information is defined in the Office of Management and Budget (OMB), M-07-16 as ". . . information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc."
- Sensitive Personally Identifiable Information is PII that when lost, compromised or disclosed without authorization could substantially harm an individual. Examples of sensitive PII include social security or driver's license numbers, medical records, and financial account numbers such as credit or debit card numbers.

"AUTHORITY" 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 (reference Section 906 of the Personnel Policy).

The "AUTHORITY" utilizes HUD's Enterprise Income Verification (EIV) system as an on-line source for income verification before or during a reexamination, through an independent source that systematically and uniformly maintains income information in a computerized format for a large number of individuals. This system enables the "AUTHORITY" to check a variety of income sources for all family members, regardless of income sources reported by applicants and participants.

The "AUTHORITY" staff may not disclose EIV data to any third parties (EIV data is property of HUD and protected by the Federal Privacy Act). Staff may only provide EIV data to the individual (only) to whom the record pertains and to the receiving HA during a portability transfer (refer to Chapter 13 Moves with Continued Assistance/Portability). EIV data of minors may be provided to the minor's parent or guardian.

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

#### **N. FAMILY OUTREACH**

The "AUTHORITY" 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 "AUTHORITY"'s waiting list is open, the "AUTHORITY" 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.

The "AUTHORITY" 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.

#### **O. OWNER OUTREACH**

The "AUTHORITY" encourages owners of decent, safe and sanitary housing units to lease to HCV families. The "AUTHORITY" conducts periodic meetings with participating owners to improve owner relations and to recruit new owners.

The "AUTHORITY" maintains a list of interested landlords and a list of units available for the HCV Program available through "Go Section 8".

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

The "AUTHORITY" has active participation in a community-based organization(s) comprised of private property and apartment owners and managers.

The "AUTHORITY" encourages program participation by owners of units located outside areas of poverty or minority concentration. The "AUTHORITY" 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 "AUTHORITY"'s jurisdiction who are willing to lease units or help families who desire to live outside areas of poverty or minority concentration.

## 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 "AUTHORITY"'s criteria for admission and denial of admission to the program. The policy of this "AUTHORITY" is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply.

The "AUTHORITY" 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 "AUTHORITY" pertaining to their eligibility.

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

The "AUTHORITY" accepts 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 "AUTHORITY".

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 age six and older.

- An applicant must furnish declaration of citizenship or eligible immigrant status and verification where required.
- At least one member of the applicant family must either be a U.S. citizen or have eligible immigration status before the "AUTHORITY" may provide any financial assistance.

Reasons for denial of admission are addressed in Chapter 15, "Denial or Termination of Assistance" of this Administrative Plan. 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.

Evidence of citizenship/eligible immigrant status will not be verified until the family is selected from the waiting list for final eligibility processing for issuance of a voucher, unless the "AUTHORITY" determines that such eligibility is in question, whether or not the family is at or near the top of the waiting list.

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

The applicant must qualify as a family. *Family* includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

1. A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or
2. A group of persons residing together, and such group includes, but is not limited to:
  - i. A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
  - ii. An elderly family;
  - iii. A near-elderly family;
  - iv. A disabled family;
  - v. A displaced family; and
  - vi. The remaining member of a tenant family.

A remaining member of a resident family, meaning a family member of an assisted resident family who remains in the unit when other members of the family have left the unit.

Other families are defined by the "AUTHORITY" as follows:

A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law, but who either can demonstrate that they have lived together within 12 months of a complete application for eligibility. Each family must identify the individuals to be included in the family at the time of application, and must update this information if the family's composition changes.

## **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.

For an applicant, Head of Household will be determined by who is designated on the original application. However, if a family unit separates while presently on the waiting list, the "AUTHORITY" will make every effort to encourage the family members to decide on who will retain the Housing Choice Voucher application. Under no circumstances shall the authority allow the separate households to be admitted as two applicants to the wait list.

The applicant, or Head of Household, is not allowed to switch a member on the application, or to add a member as Head of Household in order to receive a preference.

*Example:* Head of Household adds grandfather to application, but switches the grandfather to Head of Household in order to receive Veteran Status.

A new application on the waiting list, also is not acceptable, if the Head of Household is, in this particular case, the grandfather, and the same family members are on the application. A new application would only be acceptable, for an example, with the grandfather as the Head of Household, as long as the family members on the application were not family members of the other application.

The original Head of Household must remain the Head of Household, except for a split in the family as explained below.

If the family cannot agree on whom will retain the Housing Choice Voucher application and there is no court determination, the "AUTHORITY" shall use the following guidelines to determine who will retain the application based on "AUTHORITY"'s determination of the evidence presented:

### **1<sup>st</sup> Priority**

Given to victims of domestic violence if domestic violence is a contributing cause of the family breakup.



**2<sup>nd</sup> Priority**

Given to the adult member of the household who retains primary physical custody of the majority of the household's minor children.

**3<sup>rd</sup> Priority**

Given to the adult member of the household who is disabled.

**4<sup>th</sup> Priority**

Given to the adult member who initially applied, if another adult member was added at a later time.

Note: If all of the circumstances do not apply and the only adult member left on the application is an adult member that was not added at the initial submission of the application, that adult member will not have residual rights to the application, and will need to reapply to the Housing Choice Voucher Program.

The "AUTHORITY" shall require verification of the above circumstances. If either or both of the families do not provide the documentation requested by the "AUTHORITY", removal from the waiting list for failure to supply requested verifications will occur.

**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**

A 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 [24 CFR 982.316]**

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

- Is determined by the "AUTHORITY" 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.
- A Live-in aide will not be considered as a family member at a later date.

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 "AUTHORITY". Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly or disabled.

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The "AUTHORITY" 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 Chapter 1, Section H, "Reasonable Accommodations Policy" of this Administrative Plan. Verification must include the hours the care will be provided.

At any time, the "AUTHORITY" will refuse to approve a particular person as a live-in aide or may withdraw such approval if:

1. The person has been on a federal housing program and evicted from public housing or terminated from Housing Choice Voucher due to program violation.
2. The person owes any amounts of money to any federal housing program.
3. The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program; commits drug-related criminal activity, or violent criminal activity.

4. The person has employment outside of the home.
5. Another person is residing in the unit who is capable of providing the care for participant.
6. Participant requiring live in aide must supply the "AUTHORITY" with verification from a reliable, knowledgeable professional, such as a medical doctor, social worker or caseworker. The verification must demonstrate that a live-in aide is necessary and the family would not be equally well served by a home health care service or a care provider who does not live in the unit. This verification will be required to be given to the "AUTHORITY" at the initial time the live-in aide begins to reside in the subsidized unit.
7. Other additional family members of live in care attendant reside in unit with participant.
8. In instances where the family receives payments from Human Services through In Home Supportive Services (IHSS) program, and the live-in aide reported to the "AUTHORITY" is not the same person on the record with IHSS.
9. The live-in aide's qualification for housing occupancy terminates when the individual needing the supportive services leaves the unit or fails to qualify for continued occupancy or where the need for live in assistance ceases. The live-in aide does not qualify for continued occupancy as a remaining member of the tenant family, even if they are related by blood, marriage or operation of law.

### **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) and 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 fifty-one percent (51%) of the time will be considered members of the household." Fifty-one percent (51%) is defined as 183 days of the year.

- There will be a self-certification required of families who claim joint custody or temporary guardianship which will be required to conduct annual self-certifications.

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.

In some instances both parents will have joint custody of a child, and the child will reside with one parent more than 51 percent of the time, but the other parent will receive the welfare benefits for the child. In these cases the "AUTHORITY" will consult with the welfare department and review the court ordered visitation documents. "AUTHORITY" will make a determination based on the information presented.

Other factors that the "AUTHORITY" will consider to determine subsidy standard and/or deductions from annual income are:

- Which family takes the child as a dependent on the most recent Federal Income Tax Return.
- School records showing address of child.
- Who pays for the primary medical care of child.
- Any other court documents pertaining to custody or details of support for the child.
- Whose name and address appear on the SS and/or SSI income records with Social Security for the child's benefits.

**Student Eligibility [24 CFR 5.612]**

**Restrictions on Individual who are Enrolled at an Institution of Higher Education and Applying for HCV in their Individual Capacity:**

Restrictions on assistance to students enrolled in an institution of higher education are as follows:

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

- Is enrolled as a student at an institution of higher education, as defined under section 102 of the Higher Education Act of 1965;
- Is under 24 years of age;
- Is not a veteran of the U.S. military;
- Is unmarried;
- Does not have a dependent child;
- Is not a person with disabilities and was not receiving assistance under Section 8 of the 1937 Act as of November 30, 2005; and
- Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income to receive assistance.

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

To be eligible for assistance, an applicant must have an annual income at the time of admission that does not exceed the very low-income

limits for occupancy established by HUD.

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 fifty percent (50%) of the area median income. The "AUTHORITY" will not admit families whose income exceeds fifty percent (50%) 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 sixty (60) 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.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.

To determine if the family is income-eligible, the "AUTHORITY" 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.

### **Portability**

For initial lease-up at admission, families who exercise portability must be within the applicable income limit for the jurisdiction of the receiving "AUTHORITY" 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 (SSN) for all family members prior to admission. 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.

### Disclosure Requirements

Disclosure of Social Security numbers is required. The requirements of this section apply to applicants and participants. Each applicant and participant must submit complete and accurate Social Security numbers assigned to the applicant and to each member of the applicant's household.

Each person, except those age 62 years of age or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010, must submit a valid SSN if the participant has:

- Not previously disclosed a Social Security number;
- Previously disclosed a Social Security number that HUD or the Social Security Administration (SSA) determined was invalid; or
- Been issued a new Social Security number

Once a participant has disclosed and the "AUTHORITY" has verified each SSN, the following rules apply:

*Addition of new household member who is at least 6 years of age or under the age of 6 and has an assigned SSN.* When the participant requests to add a new household member who is at least 6 years of age, or is under the age of 6 and has an assigned SSN, the participant must provide the following to the "AUTHORITY" at the time of the request, or at the time of processing the interim reexamination or recertification of family composition that includes the new member(s).

*Addition of new household member who is under the age of 6 and has no assigned SSN.* When a participant or applicant requests to add a new household member who is under the age of 6 and has not been assigned a SSN, the participant/applicant shall be required to provide the complete and accurate SSN assigned to each new child within 90 calendar days of the child being added. For new admission, the 90-Day clock doesn't start ticking until the date of lease-up.

The "AUTHORITY" shall grant an extension of one additional 90-day period if the processing entity, in its discretion, determines that the participant's/applicant's failure to comply was due to circumstances that could not have reasonably been foreseen and were outside the control of the participant/applicant.

If the participant/applicant does not provide requested SSN within the authorized time period, the "AUTHORITY" will impose appropriate penalties in accordance with 24 CFR 5.218.

The mandatory SSN requirements do not apply to individuals in mixed families, who do not contend eligible immigration status under HUD's non-citizens regulation nor does it interfere with existing requirements relative to pro-ration of assistance or screening for such families.

**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 an informal review 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 an informal review.

**Non-citizen students**

As defined by HUD in the non-citizen regulations (24 CFR 5.522), they are not eligible for assistance.

**Appeals**

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

### **Verification of Status before Admission**

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

### **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 violations of the lease within the past five (5) years. A family will be denied admission to the program if any member of the family fails to sign and submit consent forms for obtaining information required by the "AUTHORITY", including HUD Form 9886.

The "AUTHORITY" 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 Housing Choice Voucher program for five (5) years prior to final eligibility determination.
- The "AUTHORITY" will make an exception if the family member who violated the family obligation is not a current member of the household on the application.
- The family must pay any outstanding debt owed to the "AUTHORITY" or another Has a result of prior participation in any federal housing program within fifteen (15) days of "AUTHORITY" notice to repay. If the family has already entered into a repayment agreement, the family must provide written proof of participation in the agreement.
- The family must be in good standing regarding any current payment agreement made with another Housing Authority for a previous debt incurred, before this "AUTHORITY" will allow participation in its Housing Choice Voucher Program.
- The "AUTHORITY" 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 termination's policy (Chapter 15, "Denial or Termination of Assistance" of this Administrative Plan).
- If any member of the family is subject to a lifetime registration requirement under a State sex offender registration program.
- If any applicant deliberately misrepresents the information on which eligibility or tenant rent is established, the "AUTHORITY" may deny assistance and may refer the family file/record to the proper authorities for appropriate disposition.



- If any household member has been convicted of manufacturing or producing methamphetamine in a building or complex assisted under the public housing or Housing Choice Voucher Programs, they are permanently prohibited admission to the Housing Choice Voucher Program.
- The family must pay any outstanding prior debt owed to the "AUTHORITY" or another Housing Authority as a result of prior participation in any federal housing program. If a family is not currently entered into a repayment agreement or is not in good standing with an existing repayment agreement, the family must pay the balance in full within 15 days of the "AUTHORITY" notice to repay.

### **G. Criminal Background Checks**

The "AUTHORITY" will conduct criminal background checks on all adult members of the family at time of consideration of eligibility.

Background checks and denials based there on may occur before or after admission and/or occupancy to the program.

#### **Administration**

All screening and termination 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, or other legally protected groups.

To the maximum extent possible, the "AUTHORITY" will involve other community and governmental entities in the promotion and enforcement of this policy.

The fact that an applicant or tenant was arrested for a disqualifying offense shall not be treated or regarded as proof that the applicant or tenant engaged in disqualifying criminal activity. The arrest may, however, trigger an investigation to determine whether the applicant or tenant actually engaged in disqualifying criminal activity. As part of its investigation, "AUTHORITY" may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. The "AUTHORITY" may also consider any statements made by witnesses or the applicant or tenant not included in the police report; whether criminal charges were filed; whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal; and any other evidence relevant to determine whether or not the applicant or tenant engaged in disqualifying activity.

### **Screening of Applicants**

In an effort to prevent future illegal drug related, violent criminal activity 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, the "AUTHORITY" will endeavor to screen applicants as thoroughly and fairly as possible.

Such screening of new admissions will apply to any member of the household who is 18 years of age or older or who is an emancipated minor, including a live-in aide. Criminal background checks will also be conducted on any adult being added to a participant's family composition, including a live-in aide.

All adult members of families who port into "AUTHORITY"'s jurisdiction, whether a new admission or a participant, will be screened for criminal background history.

Any violations as stated in the above paragraphs will be grounds for termination/denial of admission.

### **Return of Permanently Absent Family Members**

The family must request "Authority" approval for the return of any adult family members that the "Authority" has determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this chapter.

### **Standard for Violation**

The "AUTHORITY" will deny participation in the program to applicants and terminate assistance to participants in cases where the "AUTHORITY" determines there is reasonable cause to believe that the person (person also can include a live-in aide) is either illegally using a controlled substance, or if the person abuses/abused alcohol, or engages/engaged in violent criminal activity, or commits/committed any other criminal activity that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises), or by persons residing in the immediate vicinity of the premises.

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

of the applicant or participant, household members, guests, or live-in aide.

### **Housing Authority Discretion**

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

The "AUTHORITY" may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. The "AUTHORITY" may permit the other members of a family to continue in the program.

### **Notice of Denial of Assistance**

In any case where the "AUTHORITY" decides to deny assistance to a family, the "AUTHORITY" must give the family written notice which states:

- The reason(s) for the proposed denial,
- The family's right, if they disagree, to request an Informal Review
- The date by which a request for an informal review must be received by the "AUTHORITY".

### **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. The "AUTHORITY" may deny or terminate assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested

or convicted.

*Credible evidence* may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

The "AUTHORITY" may pursue fact-finding efforts as needed to obtain credible evidence; however, the "AUTHORITY" may deny or terminate assistance based only on preponderance of evidence as stated above.

### **Domicile (Primary Residence/Legal Residence)**

Domicile is defined as a family's legal place of residence. It is the location where an individual or individuals claim their residence of first choice and spend a significant amount of their time residing at that location and caring about their affairs through that location. Domicile may be established by at least two of the following documents:

1. An individual receiving correspondence at that address;
2. An individual having a vehicle or vehicles registered with that address;
3. An individual listing the residence address on their driver's license or other personal identification cards or listings;
4. An individual listing the residence in connection with any employment of that individual;
5. An individual whose name is listed at the residences addressed for purposes of utility bills or other services provided at that residence address;
6. An individual who uses the residence address to register to vote;
7. Attendance of dependents at a primary or secondary school;
8. Filing a homeowner's property tax exemption;
9. Renting or leasing a home for use as a residence;
10. Recent marriage or divorce records issued in California;
11. Recent California court documents showing an address; or
12. Police records from a California law enforcement agency.

Documents ***not acceptable*** as verification of residency are:

A declaration or an affidavit can only be used in support with at least two of the above verifications:

Domicile residence can also be established on the basis that an individual is observed, on a frequent basis departing from and returning to the residence. Domicile residence can further be established if an

individual has resided at the residence in the capacity of a guest or visitor for a majority of any two week period of time, or a total of thirty (30) days in a 12 month period.

**H. TENANT SCREENING [24 CFR 982.307]**

The "AUTHORITY" will take into consideration any of the criteria for admission described in Chapter 15, "Denial or Termination of Assistance" of this Administrative Plan. The "AUTHORITY" will not screen family behavior or suitability for tenancy. The "AUTHORITY" 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. On or before the "AUTHORITY"'s approval of the tenancy, the "AUTHORITY" 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, which may include:

- 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
- Compliance with other essential conditions of tenancy

The "AUTHORITY" must offer the owner other information in the "AUTHORITY"'s possession concerning the family, including:

- The family's current and prior address as shown in the "AUTHORITY"'s records; and
- The name and address (if known by the "AUTHORITY") of the landlord at the family's current and prior address.

The "AUTHORITY" may offer the owner other information in the "AUTHORITY"'s possession concerning the family, including:

- Information about the family's tenancy history
- Information about drug-trafficking by family members

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

The "AUTHORITY" will advise families how to file a complaint if they have been discriminated against by an owner. The "AUTHORITY" will advise the family to make a Fair Housing complaint. The "AUTHORITY"

may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

#### **I. 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. The family must meet appropriate income levels in effect at time of eligibility determination as published by HUD.

#### **J. INELIGIBLE FAMILIES**

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to non-citizen status. See Chapter 19, "Complaints and Appeals" of this Administrative Plan for additional information about reviews and hearings.

#### **K. PROHIBITED ADMISSIONS CRITERIA [982.202(b)]**

Admission to the program may not be based on:

- Where the family lives before admission to the program;
- Where the family will live with assistance under the program;
- Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock;
- Discrimination because a family includes children;
- Whether a family decides to participate in a family self-sufficiency program; or

Other reasons listed in Chapter 1, Section G (Fair Housing Policy) and Section H (Reasonable Accommodations Policy) of this Administrative Plan

## Chapter 3

### APPLYING FOR ADMISSION [24 CFR 982.204]

#### **INTRODUCTION**

The policy of the "AUTHORITY" 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 pre-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 "AUTHORITY" 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 Administrative Plan.

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

The purpose of application taking is to permit the "AUTHORITY" 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 "AUTHORITY"'s programs must complete a pre-application form when application waiting list is open. Pre-applications will be made available in an accessible format upon request from a person with a disability.

When the waiting list is open, any family asking to be placed on the waiting list for HCV rental assistance will be given the opportunity to complete a pre-application.

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

The pre-application will be dated, time-stamped, and referred to the "AUTHORITY"'s 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 is selected from the waiting list. At this time the "AUTHORITY" ensures

that verification of all HUD and "AUTHORITY" eligibility factors is current in order to determine the family's eligibility for the issuance of a voucher.

**B. OPENING/CLOSING OF THE WAITING LIST [24 CFR 982.206, 982.54(d)(1)]**

**Opening the Waiting List**

The "AUTHORITY" will utilize the following procedures for opening the waiting list.

When the "AUTHORITY" opens the waiting list, the "AUTHORITY" will advertise through public notice in the following newspapers, minority publications and media entities:

- Agency website
- The Merced Sun Star
- Human Services Agency
- Area Agency on Aging
- United Way of Merced
- Other None profit agencies
- Other public Agencies for the County

The notice will contain:

- The dates, times, and the locations where families may apply.
- The programs for which applications will be taken.
- A brief description of the program.
- Limitations, if any, on who may apply.
- The Methods of by which the pre-applications will be accepted.

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

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

If the waiting list is open, the "AUTHORITY" 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 Chapter 15, "Denial or Termination of Assistance" of this Administrative Plan.

### **Closing the Waiting List**

The "AUTHORITY" may stop applications if there are enough applicants to fill anticipated openings for the next 24 months. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

The "AUTHORITY" may announce the closing of the waiting list by public notice.

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 24 months. The "AUTHORITY" will give at least a ten (10) day notice prior to closing the list. When the period for accepting applications is over, the "AUTHORITY" will add the new applicants to the list by:

- Separating the new applicants into groups based on preferences and ranking applicants within each group by date and time of application.

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

The "AUTHORITY" will utilize a pre-application form. The information is to be filled out by the applicant whenever possible.

The purpose of the pre-application is to permit the "AUTHORITY" to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. The pre-application will contain at least the following information:

- Applicant name
- Family size (number of bedrooms the family qualifies for under "AUTHORITY" subsidy standards)
- Date and time of application
- Qualification for any local preference
- Racial or ethnic designation of the head of household
- Annual (gross) family income
- Email Address
- Social Security Number
- Date of Birth
- Contact Phone Number

Incomplete or duplicate applications will not be accepted.

Pre-applications will not require an interview. The information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified. The head of household will also be required to sign the Supplement to Application for Federally Assisted Housing Form.

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

Applicants are required to inform the "AUTHORITY" in writing of household changes, including address within 10 business days of the occurrence. Applicants are also required to respond to requests from the "AUTHORITY" to update information on their application and to determine their interest in assistance.

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

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

When there is insufficient funding available for the family selected from the wait list, the "AUTHORITY" will not admit any other applicant until funding is available for the first applicant.

**F. COMPLETION OF A FULL APPLICATION**

All preferences claimed on the pre-application or while the family is on the waiting list will be verified after the family is selected from the waiting list during the full application process. The qualification for preference must exist at the time the preference is claimed and at the time of verification, because claim of a preference determines placement on the waiting list.

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

- Complete a Personal Declaration prior to the full application interview.
- Complete a full application packet in their own handwriting, unless assistance is needed. If a request for accommodation is made by a person with a disability, the "AUTHORITY" interviewer will complete the full application form with answers supplied by the applicant. The applicant will then be interviewed by "AUTHORITY" staff to review the information on the full application form.
- Participate in a full application interview with a "AUTHORITY" representative during which the applicant will be required to furnish complete and accurate information as requested by the

interviewer. The applicant will sign and certify that all information is complete and accurate.

- The full application packet will be communicated as requested as an accommodation to a person with a disability.

### **Requirement to Attend Interview**

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

All adult family members are required to attend the interview and sign the housing application packet.

Exceptions may be made for students attending school out of state or for members for whom attendance would be a hardship.

If an applicant fails to appear for a pre-scheduled appointment, the "AUTHORITY" will automatically schedule a second appointment. If the applicant misses the second appointment without prior approval, the application is denied and the pre-application may be removed from the wait list.

If the interview appointment letter is returned to the "AUTHORITY" with a forwarding address, the "AUTHORITY" will make no more than two (2) attempts to forward the appointment letter to the new forwarding address before canceling the application.

Reasonable accommodations will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to participate in the interview process, but only with permission of the person with a disability.

If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review (see Chapter 19 "Complaints and Appeals" of this Administrative Plan).

All adult members must sign the HUD Form 9886, Release of Information, the application, the declarations and consents related to citizenship/immigration status and any other supplemental forms required by the "AUTHORITY". 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.

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

If the "AUTHORITY" determines at or after the interview that additional information or document(s) are needed, the "AUTHORITY" will request the document(s) or information in writing. The family will be given ~~ten (10) business~~ 14 calendar days to supply the information.

If the letter requesting the additional information is returned to the "AUTHORITY" with a forwarding address, the "AUTHORITY" will make no more than one (1) attempt to forward the appointment letter to the new forwarding address.

If the information is not supplied in this time period, the "AUTHORITY" will provide the family a notification of denial for assistance (see Chapter 19 "Complaints and Appeals" of this Administrative Plan).

**G. VERIFICATION [24 CFR 982.201(e)]**

Information provided by the applicant will be verified using the verification procedures in Chapter 7, "Verification Procedures" of this Administrative Plan. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than sixty (60) days old at the time of issuance of the voucher.

If the "AUTHORITY" determines at or after the interview that additional information or document(s) are needed, the "AUTHORITY" will request the document(s) or information in writing. The family will be given ~~ten (10) business~~ 14 calendar days to supply the information.

If the information is not supplied in this time period, the HA will provide the family a notification of denial for assistance (see Chapter 19, "Complaints and Appeals" of this Administrative Plan).

**H. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY [24 CFR 982.201]**

After the verification process is completed, the "AUTHORITY" will

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

## Chapter 4

### ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST [24 CFR Part 5, Subpart D; 982.54(d)(1); 982.204, 982.205, 982.206]

#### **INTRODUCTION**

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

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

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

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

The "AUTHORITY" uses a single waiting list for admission to its HCV tenant-based assistance program. Except for special admissions, applicants will be selected from the "AUTHORITY" waiting list in accordance with policies and preferences and income targeting requirements defined in this Administrative Plan.

At the time of the pre-application, any information indicating the applicant may qualify for a local preference (e.g., an applicant's certification that they reside within the jurisdiction qualifying them for the Residency Preference) will be accepted without verification. Actual entitlement for a local preference will be verified at initial eligibility determination.

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

- The pre-application will be a permanent file.
- Applicant name
- Family unit size (number of bedrooms family qualifies for under "AUTHORITY" subsidy standards)
- Date and time of the completed pre-application
- Information pertaining to possible qualification for a local preference
- Race and ethnicity of the head of household

If the "AUTHORITY"'s waiting list for its public housing or project-based voucher, ~~or moderate rehabilitation~~ programs is-are open when the applicant is placed on the housing choice voucher program waiting list, the "AUTHORITY" must offer to place the applicant on these other waiting lists, as long as the other programs include units suitable for the application.

**APPLICANT STATUS WHILE ON WAITING LIST [CFR 982.202 (c), 982.204]**

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list.

Applicants are required to inform the "AUTHORITY" in writing of changes of their address within ~~10 business~~ 14 calendar days of the occurrence. This will also assist the "AUTHORITY" in establishing and maintaining a current and updated waiting list to effectively plan for future pre-application intake. Applicants are also required to respond to requests from the "AUTHORITY" to update information on their pre-application, or to determine their continued interest in assistance.

Families who are ineligible for the reason of only owing a debt to the "AUTHORITY" or any other Federal Housing Program will be allowed to have their pre-application placed on the waiting list. When the family is interviewed for placement into the Housing Choice Voucher Program, the family must pay the debt in full before the final eligibility process will continue.

If the family is determined to be ineligible based on the information provided in the pre-application, the "AUTHORITY" will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s), and inform them of their right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation. See Chapter 19 on, "Complaints and Appeals."

The waiting list will be maintained with accurate information.

**APPLICANT PORTAL**

The Applicant Portal has been established for persons that make a pre-application with the "AUTHORITY" so that they may create an on-line account to review and update their personal information, including their current address, as well as indicate their continued interest in remaining on the waiting list. As our primary mode of communication

with the applicant is by e-mail and/or regular U.S. mail, it is critical that we have a valid, current mailing address and/or e-mail address at all times so that we will be able to make contact with the applicant.

**PURGING THE WAITING LIST [24 CFR 982.204 (c)]**

The waiting list will be purged as necessary. The "AUTHORITY" may notify applicants by mail or e-mail to ensure that the waiting list is current and accurate. The request to applicants will ask for confirmation of their continued interest.

Any mailings to the applicant which require a response will state that failure to respond within ten (10) business days will result in the applicant's name being removed from the waiting list. An extension of thirty (30) days to respond will be granted, if requested and needed as a reasonable accommodation for a person with a disability.

If an e-mail contact attempt is made, and the e-mail is rejected the "AUTHORITY" will send a letter via U.S. postal service. If the letter is returned by the Post Office without a forwarding address, the applicant will be removed from the waiting list without further notice, and the envelope and letter will be maintained in the file. If mail is returned with a forwarding address, the "AUTHORITY" will make no more than one (1) attempt to forward the mail to the new forwarding address before removing the applicant from the wait list.

If an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless the Director of Housing Programs or her/his designee determines there were circumstances beyond the person's control.

Applicants are required to contact the "AUTHORITY" periodically. The "AUTHORITY" allows a grace period of thirty (30) days after completion of the purge to request a reinstatement. Applicants who respond during this grace period will be reinstated.

**GROUND FOR CANCELLATION FROM THE WAITING LIST**

The "AUTHORITY" will cancel the pre-application when the applicant does not respond to the "AUTHORITY"'s request for response by a specific date, failure to attend a scheduled appointment or if a letter is returned by the Post Office.

Any mailings to the applicant which require a response by a specific deadline will state that failure to respond by the deadline will result in the applicant's name being removed from the waiting list.



If a letter is returned by the Post Office, the pre-application will be canceled without further notice, and the envelope and letter will be maintained in the file. Applicants may be reinstated after the "AUTHORITY" has conducted a review of the case and is approved. If the applicant did not respond to the "AUTHORITY" request for information or updates because of a family member's disability, this fact will be verified and documented, and the "AUTHORITY" will reinstate the applicant in the family's former position on the waiting list.

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

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

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

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

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

HUD permits the "AUTHORITY" to establish local preferences and give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the "AUTHORITY" to establish other local preferences, at its discretion. The "AUTHORITY"'s local preferences are based on local housing needs and priorities.

The "AUTHORITY" uses the following local preference system:

Points:

**100 points: Veteran Preference:** Current members of the military, veterans, or surviving spouses of veterans may qualify for this preference. Applicants must provide proof of honorable discharge. If discharge is less than honorable, applicant must provide proof of eligibility to receive veteran benefits.

**15 points: Residency Preference:** Families who live, work, or have been hired to work within Merced County and /or residents. Applicants who are working or who have been notified that they are hired to work in a residency preference area must be treated as residents of the residency preference area.

**10 points: Involuntarily Displaced:** Families who have been displaced due to a locally declared disaster, state declared disaster, federally declared disaster or other national emergency. It will also be given to those families that are involuntarily displaced by "AUTHORITY" action (emergency relocation, extensive rehabilitation and insufficient funding or other local disasters) as approved by Executive Director.

HUD regulations state that a residency preference must not be based on how long an applicant has resided or worked in a residency preference area.

**10 points: Elderly or Disabled Person Preference:** An elderly preference applies if the head, spouse or co-head are a person who is age 62 or older. A disabled person preference applies if the head, spouse or co-head receives Social Security or Supplemental Security benefits or otherwise meets the definition of disabled as defined under Section 223 of the Social Security Act.

**Set Aside Vouchers:**

~~for Homeless~~ - **Advancement from Transitional Housing Assistance**

The "AUTHORITY" may at its discretion set-aside up to one hundred ~~fifty~~ (150) vouchers annually, when funding permits from its available HCV Tenant-Based Voucher allocation, to be used to assist Merced County individuals or families who are:

- Participating in a Supportive Housing Program within the County of Merced, or Emergency Solutions Grants program; or by a partnering homeless service organization that is a member of the Merced County Continuum of Care's centralized/coordinated assessment system.
- ~~Where all other considerations are equal, residents of the County of Merced will be selected before non-residents.~~ These transitional housing applications may be accepted even when the waiting list is closed.
- An individual or family who lacks a fixed, regular and adequate nighttime residence meaning:
  - An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state or local government programs for low-income individuals)
  - An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution
  - A primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport or camping ground
- Any individual or family who:
  - Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; **and**
  - Has no other residence; **and**
  - Lacks the resources or support networks, e.g. family, friend, and faith-based or other social networks, to obtain other permanent housing

**Independent Living Skills Program:** The "AUTHORITY" may designate 20 vouchers, ~~annually,~~ when funding permits. Foster youth/young adults transitioning from foster care and who lack adequate housing or are at risk for homelessness. Must be referred by ~~partnering agency where MOU is in place~~ Human Services Agency.

**Human Service Agency Cal WORKS Program:** The "AUTHORITY" may designate 20 vouchers, when funding permits. CalWORKS applicants that are in compliance with welfare-to-work program requirements, and have a need for affordable housing. Must be referred by Human Services Agency.

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**Human Service Agency Adult Protective Services Program:** The "AUTHORITY" may designate 10 vouchers, when funding permits to elderly and dependent adults referred by Adult Protective Services who are experiencing abuse and/or neglect. Must be referred by Human Services Agency.

The "AUTHORITY" will use the following to select among applicants on the waiting list with the same preference status:

- Date and time of receipt of a completed pre-application.

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

At the time of application, an applicant's entitlement to a local preference may be made on the following basis. An applicant's certification that they qualify for a preference will be accepted without verification at the initial pre-application. When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified.

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

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

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list without the Local Preference and given an opportunity for an informal review.

Local preferences will not have the effect of disproportionately delaying or denying assistance to members of protected classes (race, color, religion, sex, national origin, age, familial status, disability, sexual orientation or gender identity of any member of an applicant

family).

**PREFERENCE DENIAL [24 CFR 982.207]**

If the "AUTHORITY" denies a preference, the "AUTHORITY" will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for an informal review with the Director of Housing Programs or her/his designee. If the preference denial is upheld as a result of the review, or the applicant does not request a review, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

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

**E. TARGETED FUNDING [24 CFR 982.203]**

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

Applicants who are admitted under targeted funding which are not identified as a special admission are identified by codes in the automated system. The following types of program funding may be "targeted" programs:

- Family Unification Program
- A family displaced because of demolition or disposition of a public housing project
- A family residing in a multi-family rental housing project when HUD sells, forecloses or demolishes the project
- Housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990 (41 U.S.C. 4101 et seq.) CFR 248.173)
- A non-purchasing family residing in a project subject to a homeownership program (under 24 CFR 248.173)
- A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term
- A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

**F. INCOME TARGETING**

In accordance with the Quality Housing and Work Responsibility Act (QHWRA) of 1998, each fiscal year the "AUTHORITY" will reserve a minimum of seventy-five percent (75%) of its Housing Choice Voucher

new admissions for families whose income does not exceed the higher of Federal poverty level or thirty percent (30%) of the area median income. HUD refers to these families as “extremely low-income families.” The “AUTHORITY” will admit families who qualify under the extremely low-income limit to meet the income-targeting requirement, regardless of preference.

The “AUTHORITY”’s income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act.

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

The “AUTHORITY” shall have the discretion, at least annually, to exercise the “fungibility” provision of the QHWRA. This provision allows the “AUTHORITY” to admit less than the minimum forty percent (40%) of its extremely low-income families in a fiscal year to its public housing program to the extent that the “AUTHORITY”’s admission of extremely low income families in the tenant-based assistance program exceeds seventy-five percent (75%) of all admissions during the fiscal year. If exercising this option the “AUTHORITY” will follow the fungibility threshold limitations as set forth in QHWRA legislation.

The discretion by the “AUTHORITY” to exercise the fungibility provision is also reflected in the “AUTHORITY”’s Public Housing Admissions and Continued Occupancy Policy (ACOP).

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

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

Changes in an applicant’s circumstances while on the waiting list may affect the families’ entitlement to a preference. Applicants are required to notify the “AUTHORITY” in writing or via applicant portal when their circumstances change.

When an applicant claims an additional preference, they will be placed on the waiting list in the appropriate order determined by the newly claimed preference. The exception to this is that if at the time the family applied, the waiting list was only open to families who claimed that preference.

In such case, the applicant must verify that they were eligible for the first preference before they are returned to the waiting list with the

new preference.

If the family's verified annual income at final eligibility determination does not fall under the extremely low-income limit, and the family was selected for income targeting purposes before families with a higher preference, the family will be returned to the waiting list.

**Separate Waiting Lists for Housing Authority Programs** ~~(Moved from Chapter 3 pg. 3-8)~~

In accordance with HUD regulations (24 CFR 982.205 (ii)) at the time an applicant is applying for HCV assistance, if pre-applications are being accepted for its Public Housing or Project-Based program, the family must be offered an opportunity to apply for the other program.

**Project-Based Voucher Units Designated for Elderly or Disabled Families**

Developments specifically designed for elderly or disabled families may enter into contract under the Project-Based Voucher Program. An elderly family is defined as a family whose head, spouse, co-head, or sole member is a person who is 62 years of age or older. A disabled family is a family whose head, spouse, co-head, or sole member is a person with a disability [24 CFR 5.403]. Preference will be given in tenant selection for units in the project-based development designated for senior or disabled families. In selecting elderly or disabled families to fill these units, the "AUTHORITY" must also apply any preferences established in this Administrative Plan. The "AUTHORITY" may not discriminate against elderly or disabled families that include children (Fair Housing Amendments Act of 1988).

If there are not enough elderly families to occupy the units in a designated senior Project-Based Voucher development, the "AUTHORITY" may allow near-elderly families to occupy the units. A near-elderly family is a family whose head, spouse, or co-head is at least fifty to sixty-one (50-61) years old. When there are insufficient elderly families on the waiting list who wish to reside in a Project-Based Voucher Program development designated as a senior complex, near-elderly families will be selected.

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

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

The "AUTHORITY" may not take any of the following actions because an applicant has applied for, received, or refused other housing.

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

**SELECTION FROM THE WAITING LIST FOR ADMISSION [24 CFR 982.207]**

As vouchers become available for admission, the "AUTHORITY" will select from its waiting list. Preference and application information will be verified and updated.

**METHOD OF SELECTION [24 CFR 982.202(d) and 982.207 (c)]**

The "AUTHORITY" selects families from the waiting list according to preferences, ~~lottery number~~ and/or the date and time of the pre-application.

Families who are selected from the waiting list shall be contacted by the "AUTHORITY" to complete a full intake packet for eligibility. Applicants may not retain their place on the waiting list if they refuse to complete the application process.

The "AUTHORITY" will conduct its method of selection so there is a clear audit trail that can be used to verify each applicant has been selected in accordance with the method specified in this Administrative Plan.

In the event eligibility information, such as criminal background check, is received or obtained after an applicant is issued a voucher, that information, if it shows ineligibility, will be used to deny/terminate admission/assistance in HCV Program.



**Chapter 5**  
**SUBSIDY**  
**STANDARDS [24 CFR**  
**982.402]**

**INTRODUCTION**

HUD guidelines require that "AUTHORITY"'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 and the "AUTHORITY"'s subsidy 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 "AUTHORITY"'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 "AUTHORITY" does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the voucher. The "AUTHORITY"'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 of age 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.

The "AUTHORITY" will consider factors such as family characteristics including sex, age, or relationship. Persons of different generations may not be required to share a bedroom. Consideration will also be given for medical reasons and the presence of a live-in aide.

In accordance with PIH Notice 2010-51, the "AUTHORITY" may approve an additional bedroom for medical equipment if the need is documented by a health care provider. The actual equipment in the extra bedroom will be verified by the "AUTHORITY" during the annual inspection of the unit. If the extra bedroom is not being used for the intended purpose, the "AUTHORITY" must reduce the voucher size and

corresponding payment standard at the family's next annual recertification.

In addition to the verification during the annual inspection of the unit, the "AUTHORITY" may, if applicable, verify the actual equipment in the extra bedroom during the initial inspection.

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

- The "AUTHORITY" provides one room for the Head of Household (with the spouse, Co-head, Registered Domestic partner, Boyfriend/Girlfriend of the Head of Household if any) and one additional room for every two persons regardless of age or gender.
- Foster children will be included in determining unit size only if they will be in the unit for more than (12) months.
- Single person families shall be allocated one (1) bedroom
- Live-in attendants will be provided a separate bedroom if the assisted unit is the live-in attendant's principle residence. No additional bedrooms are provided for the attendant's family.
- Space may be provided for a child who is away at school but who lives with the family during school recesses.

A single pregnant woman with no other family members must be treated as a two-person family. Single person families shall be allocated a zero or a one bedroom voucher depending on funding availability. Space may not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military.

**GUIDELINES FOR DETERMINING VOUCHER SIZE**  
 Voucher Size    Persons in Household

	Minimum Number	Maximum Number
0 Bedroom	1	2
1 Bedroom	1	4
2 Bedrooms	2	6
3 Bedrooms	3	8
4 Bedrooms	4	10
5 Bedrooms	5	12
6 Bedrooms	6	14

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

The "AUTHORITY" shall grant exceptions from the subsidy

standards if the family submits a request and the "AUTHORITY" determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

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 "AUTHORITY"'s subsidy standards. Such requests must be made in writing within ten (10) calendar days of the Housing Authority's determination of bedroom size. The request must explain the need or justification for a larger bedroom. Documentation verifying the need or justification will be required as appropriate.

The "AUTHORITY" will not issue a larger voucher due to additions of family members other than by birth, adoption, marriage, or court-awarded custody of a current approved family member.

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

The "AUTHORITY" may approve an additional bedroom for medical equipment if the need is documented by a health care provider in accordance with PIH Notice 2010-51. The actual equipment in the extra bedroom will be verified by the "AUTHORITY" during the annual inspection of the unit. If the extra bedroom is not being used for the intended purpose, the "AUTHORITY" must reduce the voucher size and corresponding payment standard at the family's next annual recertification.

### **"AUTHORITY" Error**

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

### **Changes for Applicants**

The voucher size is determined prior to the briefing by comparing the family composition to the "AUTHORITY" subsidy standards. If an applicant requires a change in the voucher size, based on the requirements of the "AUTHORITY" subsidy standards, the above

referenced guidelines will apply.

### **Changes for Participants**

The members of the family residing in the unit must have prior approval by the "AUTHORITY". The family must obtain prior 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 "AUTHORITY" within thirty (30) days. The above referenced guidelines will apply.

The "AUTHORITY" may approve additional family members in the following cases:

- The spouse or partner of the Head of Household. (For a spouse, a Marriage License must be provided at the time of request.)
- The minor children of the approved spouse or approved domestic partner of the Head of Household.
- The disabled elderly parent(s) or grandparent(s) of the Head of Household approved spouse or approved domestic partner.

### **Under housed Families**

If a unit does not meet the HQS space standards because of an increase in family size (unit too small), the "AUTHORITY" must issue the family a new voucher of the appropriate size.

If an acceptable unit is available for rent by the family, the "AUTHORITY" must terminate the Housing Assistance Payment (HAP) Contract in accordance with its terms.

### **Over housed Families**

If a participant has a decrease in the family size, the family has the option to be issued a new voucher or remain in the unit they are currently renting. If the family chooses to remain in the unit, the subsidy standard will be lowered at the next annual reexamination. If the family chooses to move, the voucher issued will be for the correct subsidy standard. The amount the family pays for rent should be affordable and the tenant portion of rent and the current utility allowance cannot exceed 40% of their adjusted income at the time of lease-up (24 CFR 982.508). The approved rent will be based on the payment standard for the number of bedrooms the family is eligible for or the actual number of bedrooms in the unit, whichever is less. In cases where the gross rent is less than the payment standard, it will be used as the payment standard.

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

- If a family with a disability is under-housed in an accessible unit.
- If a family requires the additional bedroom because of a health problem which has been verified by the "AUTHORITY".
- The "AUTHORITY" and family have been unable to locate a unit within thirty (30) days.

**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 "AUTHORITY" subsidy standard for a family assisted in the voucher program is based on the "AUTHORITY"'s adopted payment standards. The payment standard for a family shall be the *lower of*:

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

**Utility Allowance**

The utility allowance used to calculate the gross rent is the lesser of the size of the dwelling unit actually leased by the family or the voucher size issued.

However upon the request of a family that includes a person with disabilities, the "AUTHORITY" must approve a utility allowance higher than the applicable amount of such a higher utility allowance is needed as a reasonable accommodation in accordance with HUD regulations in 24 CFR Part 8 to make the program accessible to and usable by the family member with a disability.

**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.

The family may lease an otherwise acceptable dwelling unit with more bedrooms than the family voucher size, provided it meets the initial affordability test, where the family does not pay more than 40% of their income towards rent and utilities.

**HQS GUIDELINES FOR UNIT SIZE SELECTED**

<b>Unit Size</b>	<b>Maximum Number in Household</b>
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;

24 CFR 982

#### INTRODUCTION

The "AUTHORITY" 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 "AUTHORITY"'s policies in this chapter address those areas which allow the "AUTHORITY" discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of the TTP.

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

##### **Income**

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.

*Note: "Payee Income" received through the Social Security Administration by Head or Spouse for persons that do not reside in the subsidized household **will not** be included in the total family income. According to the Social Security Administration regulations, a Representative Payee is "authorized and directed to apply benefits certified on behalf of a beneficiary only for the use and benefit of the beneficiary."*

**Annual Income**

Annual income is defined as the gross amount of income anticipated to be received by the family during the twelve (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.

Annual income means all amounts, monetary or not, which:

1. Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
3. Which are not specifically excluded in sections "Excludable Income" and "Federally mandated Income Exclusions" located later in this section;
4. Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

Annual income includes, but is not limited to:

1. the full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
2. The net income from the operation of a business of profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service Regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only described in the paragraph above, authorized in paragraph (b)(2) of this section. Any withdrawal of cash or asset from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where



the family has net family assets in excess of \$5,000, annual income shall include the greater of actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

4. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except lump-sum payments caused by delays in processing periodic payments for Social Security or SSI are not included as income);
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay;
6. Welfare assistance payments. (i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments: (A) Qualify as assistance under the TANF program definition at 45 CFR 260.31; and (B) are not otherwise excluded.
7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;
8. All regular pay, special pay and allowances of a member of the Armed Forces (except special pay to a family member serving in the Armed Forces who is exposed to hostile fire).
9. Any financial assistance, in excess of amounts received for tuition and any other required fees and charges, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except for a person over the age of 23 with dependent children.

### **Adjusted Income**

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

HUD has five allowable deductions from annual income:

- A. Dependent Allowance: \$480 for each family member (other than the head or spouse) who are minors or who are 18 and older and are full-time students or who are disabled.
- B. Elderly/Disabled Allowance: \$400 per family for families whose head or spouse is 62 or over or disabled.
- C. Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family.

- D. 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.
- E. 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.

**Excludable Income 24 CFR 5.609**

The following kinds of income are excluded:

- Any subsidy received for transitional prescription drug assistance and any discounts negotiated in connection with the Medicare prescription drug discount card
- Income from employment of children (including foster children) under the age of 18
- Payments received for foster children under the age of 18 or foster adults
- ~~Payments received for foster children or foster adults including SSI/SSA~~
- Lump sum additions to the family assets (counted as assets)
- Medical reimbursements
- Income of live-in aide
- Full amount of student financial assistance (tuition and expenses related to attending an institution of higher education)
- Special armed forces pay
- Resident service stipends
- Sporadic income
- Holocaust reparation payments
- Earning for full-time students in excess of \$480 for each student 18 years or older (excluding spouse and head of household)
- Except for a person over the age of 23 with dependent children.
  - Temporary income payments from US Census Bureau
  - Amounts received under training programs funded by HUD
  - Amounts received under Plan to Attain Self-Sufficiency (PASS)
  - Amounts received in other publicly assisted programs
  - Incremental earnings and benefits for participation in qualifying state or local employment training programs
  - Amounts specifically excluded by any other federal statute
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**B. MINIMUM RENT [24 CFR 5.630]**

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

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

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

### **Criteria for Hardship Exception**

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

- The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance, including a family with a member who is a non-citizen 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
  - Other circumstances as determined by the "AUTHORITY" or HUD

### **"AUTHORITY" Notification to Families of Right to Hardship Exception**

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

If the minimum rent is the greatest figure in the calculation of TTP, "AUTHORITY" staff will include a copy of the notice regarding hardship request provided to the family in the family's file.

The "AUTHORITY" notification will advise families that hardship exception determinations are subject to "AUTHORITY" review and

hearing procedures.

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

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

The "AUTHORITY" will request documentation as proof of financial hardship. The "AUTHORITY" will use its standard verification procedures to verify circumstances which have resulted in financial hardship.

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

#### **Suspension of Minimum Rent**

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

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

- Covered by statute;
- Temporary or long term.

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

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

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

#### **Temporary Hardship**

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

The "AUTHORITY" will offer a repayment agreement to the family for any such rent not paid during the temporary hardship period (In this Administration Plan for the payment agreement policy).

#### **Long-Term Duration Hardships**

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

#### **Retroactive Determination**

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

If the family is owed a retroactive payment, the "AUTHORITY" will offset the family's future rent contribution payments by the amount in which the "AUTHORITY" owes the family.

### **C. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT [24 CFR 982.54(d)(10), 982.551]**

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

"Temporarily absent" is defined as a member of the family who is away from the unit for more than thirty (30) days. ~~Temporarily absent is defined as away from the unit for more than 90 days.~~ The income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

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

#### **Absence of Any Member**

Any member of the household will be considered permanently absent if they are away from the unit for more than 60 consecutive days except as otherwise provided in this chapter. Members of the family who are

in the military, members who are away to school, and members who are away from home due to a job are excluded as a permanently absent member, and considered a temporarily absent member, except for full time students. (See full time students below).

|

**Absence due to Medical Reasons**

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

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

**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 sixty (60) consecutive days, they will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if they are incarcerated for sixty (60) consecutive days.

The "AUTHORITY" will determine if the reason for incarceration for consideration of taking action as appropriate.

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

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

If the time period is to be greater than twelve (12) months, from the date of removal of the child/ren, the voucher size will be reduced at the anniversary date or at time of the family moving. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the "AUTHORITY"'s subsidy standards.

**Absence of Entire Family**

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

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

Families must notify the "AUTHORITY" if they are going to be absent from the unit for at least thirty (30) days before leaving the unit if they are going to be absent from the unit for more than thirty (30) consecutive days.

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

If it is determined that the family is absent from the unit, the "AUTHORITY" will not continue assistance payments.

"Family Absence" means that no family member is residing in the unit. In order to determine if the family is absent from the unit, the "AUTHORITY" may:

- Write letters to the family at the unit;
- Telephone the family at the unit;
- Interview neighbors;
- Verify if utilities are in service;
- Notice from owner of unit

A person with a disability may request an extension of time as a reasonable accommodation, provided that the extension does not go beyond the HUD allowed one hundred eighty (180) consecutive days.

If the absence which resulted in termination of assistance was due to a person's disability, and the "AUTHORITY" can verify that the person was unable to notify the "AUTHORITY" in accordance with the family's responsibilities, and if funding is available, the "AUTHORITY" may reinstate the family as an accommodation if requested by the family, as long as the period was within one hundred eighty (180) 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 "AUTHORITY" will treat that adult as a visitor for the first sixty (60) days.

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

If the appropriate agency cannot confirm the guardianship status of the caretaker, the "AUTHORITY" will review the status at ninety (90) day intervals. If custody or legal guardianship has not been awarded by the court, but the action is in process, the "AUTHORITY" 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 "AUTHORITY" 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 "AUTHORITY" 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 "AUTHORITY" 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 six (6) months and it is reasonable to expect that custody will be granted.



When the "AUTHORITY" approves a person to reside in the unit as caretaker for the child/ren, the income should be counted pending a final disposition. The "AUTHORITY" 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 them from the home for more than ninety (90) consecutive days, the person will be considered permanently absent.

**Minor coming into home**

If a participant on the program wants to allow a minor in the household who is not a child of any of the family members, the participant must provide all required papers for addition of a family member AND must get prior approval if there is not any court order regarding custody of child. The following must be acquired by the family to permanently add minor to family composition:

- Legal custody papers – court order as indicated in the above paragraphs under Caretaker. (Notarized statement not acceptable)
- 60 days to provide paperwork for court ordered custody or legal guardianship.
- If custody or legal guardianship has not been ordered by the court, but the action is in process, the "AUTHORITY" will secure verification from social services staff or the attorney as to the status.
- Written approval from the owner of the unit

~~During this time period, the minor child can be residing in unit if prior approval received from owner.~~

**FAMILY BREAKUP AND REMAINING MEMBER OF TENANT FAMILY**

Family Breakup (24CFR 982.315)

Except under the following conditions, the "AUTHORITY" has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up:

- If the family breakup results from an occurrence of domestic violence, dating violence, sexual assault, or stalking, the "AUTHORITY" must ensure that the victim retains assistance.

- If a court determines the disposition of property between the members of an assisted family members continue to receive assistance.

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may make a new application with a new application date if the waiting list is open.

If a family breaks up into two otherwise eligible families while receiving assistance, only one of the new families will continue to be assisted.

In the absence of a judicial decision or an agreement among the original family members, the "AUTHORITY" will determine which family will retain their placement on the waiting list or continue to receive assistance. In making its determination, the "AUTHORITY" will take into consideration the following factors: (1) the interest of any minor children, including custody arrangements; (2) the interest of any ill, elderly, or disabled family members; (3) the interest of any family member who is the victim of domestic violence, dating violence, sexual assault, or stalking, including a family member who was forced to leave an assisted unit as a result of such actual or threatened abuse; (4) any possible risks to family members as a result of criminal activity; (5) the recommendations of social service professionals; and (6) given to the adult member who initially applied, if another adult member was added at a later time.

*Note: If an adult member requests residual rights to the Voucher (head of household requests that other adult member receive the Voucher), the adult member who wishes to receive the Voucher, must have been an approved member of the household by the "AUTHORITY" for at least 6 months.*

The "AUTHORITY" shall require verification of the above circumstances. If either or both of the families do not provide the documentation requested by the "AUTHORITY", termination of the Voucher for failure to supply requested verifications will occur.

### **Remaining Member of a Tenant Family [24 CFR 5.403]**

The HUD definition of family includes the *remaining member of a tenant family*, which is a member of an assisted family who remains in the unit when other members of the family have left the unit. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

If dependents are the only “remaining members of a tenant family” and there is no family member able to assume the responsibilities of the head of household, see the policy on “Caretaker for Children.”

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

**Live In Aides:**

A Live in Aide will not be approved to reside in the unit if the HUD definition of a live in aide is not met. Also, the “AUTHORITY” will also not approve the addition of the live in aide in the unit in any of the following cases:

1. The live in aide has been on a federal housing program and evicted from public housing or terminated from Housing Choice Voucher due to program violation.
2. The live in aide owes any amounts of money to any federal housing program.
3. The live in aide has drug related criminal activity or violent criminal activity as pertains to this administrative plan, or HUD regulations.
4. The live in aide has employment outside of the home.
5. Another person is residing in the unit who is capable of providing the care for participant.
6. Participant requiring live in aide must supply the “AUTHORITY” with verification from a reliable, knowledgeable professional, such as a medical doctor, social worker or caseworker. The verification must demonstrate that a live-in aide is necessary and the family would not be equally well served by a home health care service or a care provider who does not live in the unit. This verification will be required to be given to the “AUTHORITY” not only at the initial time the live-in aide begins to reside in the subsidized unit but at every annual re-certification thereafter.
7. No other additional family members of live in care attendant may reside in unit with participant.

In instances where the family receives payments from Human Services through the In Home Supportive Services (IHSS) program, the live-in aide reported to the “AUTHORITY” must be the same person on record

with IHSS.

The "AUTHORITY" may deem it necessary to re-verify the necessity of a live-in aide at any time.

The live-in aide's qualification for housing occupancy terminates when the individual needing the supportive services leaves the unit or fails to qualify for continued occupancy, or when the need for live-in aide assistance ceases. The live-in aide does not qualify for continued occupancy as a remaining member of the tenant family, even if they are related by blood, marriage or operation of law.

### **Visitors**

Visitors are not members of the family. If the person is a visitor and does not intend to become a "permanent" member of the family, the "AUTHORITY" does not have to consider this a change in family composition.

Any adult not included on the HUD 50058 form who has been in the unit more than fourteen (14) consecutive days (construed as overnight stays) without "AUTHORITY" approval, or a total of thirty (30) days in a twelve (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, as well as other evidence presented will be considered in making the determination. Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

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

Minors and college students who were part of the family but who now live away from home during the school year and are not considered members of the household may visit up to 120 calendar days per year without being considered a member of the household.

### **Joint Custody of Children**

If children are a part of an assisted household pursuant to a court order joint custody agreement, a document from the court indicating the nature of the custody should be submitted.

Children who are subject to a joint custody agreement but live in the unit at least 51% of the time will be considered members of the household. If both families are on the program or the waiting list, the child may be claimed by only one parent. The parents will be encouraged to make a decision as to which parent claims the child as a family member. (This does not pertain to the Family Unification Program in which families are reunited and may not have 50% custody of children but need a unit in order for the courts to allow family to have custody of children for certain period of time)

If there is no agreement by both parties, "51 percent of the time" is defined as 183 days of the year, (which do not have to run consecutively).

In some instances both parents will have joint custody of a child, and the child will reside with one parent more than 51 percent of the time, but the other parent will receive the TANF benefits. In these cases the "AUTHORITY" will do an investigation with the welfare department and will make a determination based on that investigation.

Other factors that the "AUTHORITY" will consider to determine subsidy standard and/or deductions are:

- Which family takes child as dependent on most recent Federal Income Tax Return.
- School records showing address of child.
- Who pays for the primary medical care of child.
- Any other court documents pertaining to custody or details of support for the child.

#### **Reporting Additions to Owner and "AUTHORITY"**

Reporting changes in household composition to the "AUTHORITY" is both a HUD and a "AUTHORITY" requirement.

The family obligations require the family to request "AUTHORITY" approval to add any other family member as an occupant of the unit and to inform the "AUTHORITY" of the birth, adoption or court-awarded custody of a child. The family must request prior approval from the "AUTHORITY" to add additional family members to the household. This includes a request for a live-in aide. 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.

Families are required to report any additions to the household, due to birth, adoption or court-ordered custody of a child, in writing to the "AUTHORITY" within 30 business days of the change.

In addition, the "AUTHORITY" will require the family to obtain prior written approval from the owner when there are additions to the family composition, unless the addition is due to birth, adoption or court-ordered custody.

The "AUTHORITY" will check criminal history for all adults requested to be added into a household to determine whether that person has violated any of the prohibited behaviors as referenced in the section on screening and termination's policy (Chapter 15, "Denial or Termination of Assistance") of this Administrative Plan.

The "AUTHORITY" will perform criminal history background checks to determine whether any household member is subject to a lifetime sex offender registration requirement, to include but not limited to the use of the Dru Sjodin National Sex Offender database located at [www.nsopw.gov](http://www.nsopw.gov).

If the family does not obtain prior written approval from the "AUTHORITY", any person the family has permitted to move in will be considered an unauthorized household member. In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to the "AUTHORITY" in writing within thirty (30) days of the maximum allowable time.

An interim reexamination will always be conducted for any additions or deletions of family members.

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

#### **Reporting Absences to the "AUTHORITY"**

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

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

permanently absent. This includes a live in aide.

The "AUTHORITY" will conduct an interim evaluation for changes which affect the Total Tenant Payment (TTP) in accordance with the interim policy.

#### **D. AVERAGING INCOME**

When annual income cannot be anticipated for a full twelve (12) months, the "AUTHORITY" 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 (12) 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.

#### **E. MINIMUM INCOME**

There is no minimum income requirement. Families who report zero income are required to undergo an interim recertification every ninety (90) days.

Families that report zero (\$0) income will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc., by completing a Monthly Expenditure Form.

The "AUTHORITY" may request credit checks for all adult members of families who report zero income. Where credit reports show credit accounts open and payments current, the "AUTHORITY" will take action to investigate the possibility of fraud or program abuse (see Chapter 17, "Program Integrity Addendum" of this Administrative Plan).

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

#### **F. INCOME OF PERSON PERMANENTLY CONFINED TO**

**NURSING HOME [24 CFR 982.54(D) (10)]**

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

- 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 confined family member goes directly to the family member, then the income and deductions will be INCLUDED. Person permanently confined to the nursing home and give the family the medical deductions allowable on behalf of the person in the nursing home.

**G. 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 (TTP).

Any contribution or gift received every six (6) months or more frequently will be considered a "regular" contribution or gift. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts (see Chapter 7, "Verification Procedures" of this Administration Plan for additional information).

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

**H. ALIMONY AND CHILD SUPPORT**

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment (TTP). If the amount of child support or alimony received is less than the amount awarded by the court, the "AUTHORITY" will use the amount awarded by the court unless the family can verify that they are not receiving the full amount and verification of item(s) below are provided.

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

- The "AUTHORITY" receives verification from the agency responsible for enforcement or collection.
- The family furnishes documentation of child support or alimony



collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

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

#### **I. LUMP-SUM PAYMENTS [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 is 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 the Social Security Administration (SSA) or Supplemental Security Income (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 the amount of retroactive tenant rent that the family owes as a result of the lump sum receipt:

- The "AUTHORITY" uses a calculation method which calculates retroactively or prospectively depending on the circumstances.

#### **Prospective Calculation Methodology**

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

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

If amortizing the payment over one year will cause the family to pay

the entire total contract rent as tenant rent, the "AUTHORITY" and family may enter into a Repayment Agreement, with the approval of the Director of Housing Programs, for a partial of the lump sum receipt, not to exceed 50% of the total amount.

#### **Retroactive Calculation Methodology**

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

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

The family has the choice of paying this "retroactive" amount to the "AUTHORITY" in a lump sum. At the "AUTHORITY"'s option, the "AUTHORITY" may enter into a payment agreement with the family. Otherwise, the family will need to pay the full amount due to the "AUTHORITY". 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.

#### **J. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS**

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

- While an individual is employed, count as assets only the 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.

#### **K. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE [24 CFR 5.609(b)(d)(3)]**

The "AUTHORITY" must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The "AUTHORITY" will count the difference between

the market value and the actual payment received in calculating total assets.

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

The "AUTHORITY"'s minimum threshold for counting assets disposed of for less than fair market value is \$1,000. If the total value of assets disposed of within a one-year period is less than \$1,000, they will not be considered an asset.

*Checking & Savings Accounts:*

If the total of both checking and savings account balances of a family are less than \$1,000, then the "AUTHORITY" will not verify the assets or count the income from such assets.

Where the family has net family assets in excess of \$5,000, the "AUTHORITY" must obtain supporting documentation (e.g. bank statements) from the family to confirm the assets.

**K-L. CHILD CARE EXPENSES [24 CFR 5.603]**

Child care expenses for children under the age of thirteen (13) years old 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.

In cases where an adult family member is available to provide child care, child care expenses will not be allowed as a deduction unless there is a documented reason that the family member is unable to care for the child.

Examples of those adult members who would be considered unable to care for the child include:

- The abuser in a documented child abuse situation; or
- A person with disabilities or older person unable to take care of a small child, as verified by a reliable knowledgeable source.

Allowable deductions for child care expenses are based on

the following guidelines: Child Care to Work

The maximum child care expense allowed cannot exceed 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 "AUTHORITY" will survey the local care providers in the community and collect data as a guideline. If the hourly rate materially exceeds the guideline, the "AUTHORITY" may calculate the allowance using the guideline.

#### **L.M. MEDICAL EXPENSES [24 CFR 5.603]**

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

Non-prescription medicines and chiropractic care must be doctor recommended in order to be considered a medical expense. Non-prescription medicines will be counted toward medical expenses for families who qualify if the family furnishes legible receipts.

#### **M.N. MEDICARE DRUG PRESCRIPTION PROGRAM (Part D)**

##### Medicare Prescription Drug Benefits

The "AUTHORITY" must treat any Medicare prescription drug discount cards and transitional assistance received by a family as a standard medical deduction so that the family continues to receive a deduction for the full cost of its prescription drugs.

- This means that neither the drug discount nor the transitional assistance should be considered in reimbursement for the purpose of calculating the family's medical expense deduction.
- This also means that the "AUTHORITY" must verify the FULL cost of the family's prescription drugs, not the out-of-pocket cost to the family.

This includes bills credited to credit cards. Deductions will not be given, except for the monthly minimum amount the credit card company demands monthly. Deductions will not be given for medical expenses credited to some other person's credit card, such as parents of disabled person.

Medical deductions will not be given for the buying or repair or upkeep of a car, even if car is equipped for the disabled.

Medical insurance, however, is considered an anticipated medical deduction.

Nonprescription medicines must be doctor-recommended in order to be considered a medical expense, and family must furnish legible receipts.

Acupuncture, Acupressure, herbal medicines and chiropractic services will be considered allowable medical expenses.

The "AUTHORITY" will require a family to obtain verification on a "service" animal that:

In addition, the "AUTHORITY" will require the family to obtain a physician, psychiatrist, social worker, or other mental health professional that the animal provides emotional support that alleviates one or more of the identified symptoms or effects of an existing disability. Such documentation is sufficient if it establishes that an individual has a disability and that the animal in question will provide some type of disability-related assistance or emotional support.

Medical expenses that may be allowed for a service animal include:

- Food
- Medical expenses, including well-care for the animal
- Additional training expenses, only if it mandated by the organization where the service animal originated. Verification will be required.
- Reasonable mileage costs to obtain medical services

Medical expenses will not be given for a service animal for the following:

- Toys
- Kennel fees, unless due to hospitalization of the animal
- Expenses relating to taking animal to dog show, including fee for dog shows, mileage, kennel fees or any supplies for the service animal
- Any magazines or publications of whatever source
- Special diet food, unless with a veterinarian's written verification of the need

Under no circumstances will medical expenses be allowed for a service animal without verification of amount spent, which includes an original

receipt showing address, phone number, and name of seller. In addition, credit card bills cannot be submitted in lieu of original receipts. Vague verifications, such as receipts showing "dog supplies", will not be acceptable. The receipt must reflect clearly what each item is.

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, including the cost of mileage which will be allowed.

Medicare prescription drug coverage is insurance that covers both brand-name and generic prescription drugs at participating pharmacies. Medicare prescription drug coverage provides protection for people who have very high drug costs. Everyone with Medicare, regardless of income, health status, or prescription drug usage, will have access to prescription drug coverage beginning on January 1, 2006, as follows:

- Low income families with limited assets will qualify, but family must enroll in a plan that meets their prescription drug needs.
- Persons receiving Supplemental Security Income (SSI) will automatically qualify.
- A one-time \$600 subsidy (transitional assistance) will be provided to eligible Medicare beneficiaries. This subsidy must be excluded as income. The family may provide this verification (if not, the "AUTHORITY" will need to do a third-party verification).
- Un-reimbursed out-of-pocket expenses for prescription drugs must be counted in the family's medical expense deduction.
- Some persons may be required to pay a monthly premium up to \$37 which will be counted as a medical deduction. The family may pay the premium directly or it may be deducted directly from their SSI check.

Families are not required to report they have enrolled until their next recertification.

#### **N.O. PRO-RATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.520] Applicability**

Pro-rating of assistance must be provided 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.

#### **Pro-rated Assistance Calculation**

Pro-rated 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.

#### **~~O.P.~~ INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS**

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

- Fraud by a family member in connection with the welfare program;
- Failure to participate in an economic self-sufficiency program; and/or
- Noncompliance with a work activities requirement.

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

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

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

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

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

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

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

The "AUTHORITY" will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud

or noncompliance with economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

The welfare agency, at the request of the "AUTHORITY", will inform the "AUTHORITY" of:

- Amount and term of specified welfare benefit reduction for the family;
- Reason for the reduction; and
- Subsequent changes in term or amount of reduction.

**P.O. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS [24 CFR 982.513, 982.517]**

When funding is available, the "AUTHORITY" will provide families an allowance for tenant paid utilities. 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 allowances are based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The "AUTHORITY" 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 "AUTHORITY"'s utility allowance schedule and the utility allowance for an individual family must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards. The "AUTHORITY" may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

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



as specified by HUD.

A tenant-paid air conditioning allowance will be provided throughout our jurisdiction. The air conditioning allowance will only be granted to families in the area when the "AUTHORITY" has confirmed that the unit actually has an air conditioner in the unit.

The approved utility allowance schedule is given to families along with their voucher. The utility allowance is based on the actual voucher size issued to the family.

When the calculation on the HUD 50058 form results in a utility reimbursement payment due to the family, the "AUTHORITY" may make a utility reimbursement payment directly to the gas and electric company that provides services to the family's assisted unit. The check will be made out directly to the gas and electric company.

## Chapter 7

### VERIFICATION PROCEDURES

[24 CFR Part 5, 24 CFR 982.516]

#### **INTRODUCTION**

HUD regulations require that the factors of eligibility and Total Tenant Payment be verified by the "AUTHORITY". "AUTHORITY" staff will be trained to explain to applicants/participants the verification procedures including the types of information that will be verified and the methods used. "AUTHORITY" staff will obtain written verification from independent sources whenever possible and will document tenant files whenever third party verifications are not possible as to why third party verification was impossible to obtain.

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

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

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

~~**HUD's Verification Hierarchy [Notice PIH 2010-19 (HA), as extended by Notice PIH 2015-02, 2017-12]**~~

~~Housing Authorities should begin with the highest level of verification techniques.~~

~~Housing Authorities are required to access the EIV system and obtain an Income Report for each household. The "AUTHORITY" is required to maintain the Income Report in the tenant file along with the form HUD-50058 and other supporting documentation to support income and rent determinations for all mandatory annual reexaminations of family income and composition. If the Income Report does not contain any employment and income information for the family, the "AUTHORITY" should attempt the next lower level verification technique, as noted in the below chart.~~

<b>Level</b>	<b>Verification</b>	<b>Rankn</b>
<b>6</b>	<b>Upfront Income Verification (UIV)</b> using HUD's Enterprise Income Verification (EIV) system	<b>Highest (Mandatory)</b>
<b>5</b>	<b>Upfront Income Verification</b>	<b>Highest (Optional)</b>
<b>4</b>	<b>Written third Party Verification</b>	<b>High</b> (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV reported employment and income information <b>and</b> is unable to provide acceptable documentation to support dispute)
<b>3</b>	<b>Written Third Party Verification Form</b>	<b>Medium-Low</b> (Mandatory if written third party verification documents are not available or rejected by the "AUTHORITY"; and when the applicant or tenant is unable to provide acceptable documentation)
<b>2</b>	<b>Oral Third Party Verification</b>	<b>Low</b> (Mandatory if written third party verification is not available)
<b>1</b>	<b>Tenant Declaration</b>	<b>Low</b> (Use as a last resort when unable to obtain

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**Note:** This verification hierarchy applies to income determinations for applicants and participants. However, EIV is not available for verifying income of applicants.

#### **Enterprise Income Verification (EIV)**

The "AUTHORITY" utilizes HUD's Enterprise Income Verification (EIV) system as an on-line source for income verification before or during a reexamination, through an independent source that systematically and uniformly maintains income information in a computerized format for a large number of individuals. This system enables the "AUTHORITY" to check a variety of income sources for all family members, regardless of

income sources reported by applicants and participants.

The "AUTHORITY" staff may not disclose EIV data to any third parties (EIV data is property of HUD and protected by the Federal Privacy Act). Staff may only provide EIV data to the individual to whom the record pertains. EIV data of minors may be provided to the minor's parent or guardian.

### **Third-Party Verification Techniques**

#### **Upfront Income Verification (UIV) (Level 6/5)**

The verification of income before or during a family reexamination through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals. The EIV system is available to all Housing Authority's as a UIV technique. Housing Authority's are encouraged to continue using other non-HUD UIV tools, such as The Work Number (an automated verification system) and state government databases, to validate tenant-reported income.

#### **Written Third Party Verification (Level 4)**

An original or authentic document generated by a third party source dated either within the sixty (60) day period preceding the reexamination or "AUTHORITY" request date. Such documentation may be in the possession of the tenant (or applicant) and is commonly referred to as tenant-provided documents.

Examples of acceptable tenant-provided documentation (generated by a third party source) include, but are not limited to:

- a. Paystubs or payroll summary report
- b. Employer notice/letter of hire/termination
- c. SSA benefit verification letter
- d. Bank statements
- e. Child support payment stubs
- f. Welfare benefit letters and/or printouts
- g. Unemployment monetary benefit notices
- h. Pharmacy printouts

The "AUTHORITY" is required to obtain at a minimum, two (2) current and consecutive pay stubs for determining annual income from wages. The "AUTHORITY" will continue to request six (6) current and cumulative paycheck stubs. For new income sources or when two (2) pay stubs are

not available, the "AUTHORITY" should project income based on the information from a traditional written third party verification form or the best available information.

**Note:** Documents older than sixty (60) days (from the "AUTHORITY" interview/determination or request date) are acceptable for confirming dates of income.

The "AUTHORITY" may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information.

If SSA/SSI benefit information cannot be obtained through EIV and the participant and/or household member are unable to provide the requested document(s), ask the participant/household member to utilize the following option:

- Ask the participant to request a *Proof of Income Letter* from SSA's toll-free number at 1-800-772-1213; **or**
- While meeting with the applicant, help the applicant ask the resident to request a benefit verification letter from SSA's website at [www.socialsecurity.gov](http://www.socialsecurity.gov). This service is free and SSA will send the letter to the applicant within ten (10) days. To access the site for requesting benefit verification letters, go to the Social Security Online front page and select *What You Can do Online* and follow the instructions for requesting a *Proof of Income Letter*. Assist the applicant in answering questions and explain how the applicant should provide the letter once they receive it. Upon receipt, the applicant/household member should provide the "AUTHORITY" with the original SSA benefit letter. The "AUTHORITY" should make a photocopy of the document for the "AUTHORITY" file and return the original document to the individual. The "AUTHORITY" should use the listed gross benefit amount to calculate annual income from social security benefits. SSA encourages recipients to use the SSA's website rather than the toll-free number to request *Proof of Income Letters*

The SSA will charge the "AUTHORITY" a fee for third party verifications of social security benefits. Therefore, to avoid incurring third party verification costs, the "AUTHORITY" will use the method noted above to obtain verification for each household member that receives social

security benefits

### **Written Third Party Verification Form (Level 3)**

Traditional written third party verification is used to verify information directly from the source. Third party written verification forms will be sent directly to the third party source by mail, electronic mail or fax. The form is completed by the third party by hand (in writing or typeset). The family will be required to sign an authorization for the information source to release the specified information.

### **Oral Third Party Verification (Level 2)**

Oral third party verification will be used when written third party verification is not possible, or in the event that the independent source does not respond to "AUTHORITY" request in a reasonable time frame, i.e. ten (10) business days. When this method is used, staff will be required to document in the file, the name of the person contacted and telephone number, the date and time of the conversation, and the facts provided. The following time line should be followed:

- If the attempt at the written third party verification failed, you need to call to the employer/agency and document information obtained on the "Third Party Oral Verification Form".
- If oral third party is not available, the "AUTHORITY" will document the attempts and move on to the next method of verification, "non-third party verification". The "AUTHORITY" will accept faxed documents and will accept photo copies provided the information is confirmed over the phone.

### **Non-Third Party Verification Technique**

#### **Tenant Declaration (Level 1)**

The tenant submits an affidavit or notarized statement of reported income and/or expenses to the "AUTHORITY". This verification method should be used as a last resort when the "AUTHORITY" has not been successful in obtaining information via all other verification techniques. When the "AUTHORITY" relies on the tenant declaration, the "AUTHORITY" must document on the tenant file why third party verification was not available.

**Third party verification requirements.** In accordance with 24 CFR 960.259(c)(1) and 24 CFR 982.516(a)(2), the "AUTHORITY" must obtain and document in the tenant file third party verification of the following factors, or must document in the tenant file why third party verification was not available: (i) reported family annual income; (ii) the value of assets; (iii) expenses related to deductions from annual income; and (iv) other factors

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that affect the determination of adjusted income.

**Exceptions to Third Party Verification Requirements**

HUD is aware that in some situations, third party verification is not available for a variety of reasons. In these cases, the "AUTHORITY" is required to document the reason(s) why third party verification was not available.

The "AUTHORITY" **must** request written third party verification under the following circumstances:

- a. When the tenant disputes the EIV information and is unable to provide acceptable documentation support his/her dispute (24 CFR 5.236(b):
- b. When the "AUTHORITY" requires additional information that is not available in EIV and/or the tenant is unable to provide the "AUTHORITY" with current acceptable tenant-provided documentation. Examples of additional information, includes but is not limited to:
  - 1. Effective dates of income (i.e. employment, unemployment compensation, or social security benefits)
  - 2. For new employment: pay rate, number of hours worked per week, pay frequency, etc.

Confirmation of change in circumstances (i.e. reduced hours, reduced rate of pay, temporary leave of absence, etc.).

**If the EIV report reveals an income source that was not reported by the tenant or a substantial difference in the reported income information, the "AUTHORITY" is required to take the following actions:**

- 1. Discuss the income discrepancy with the tenant; and
- 2. Request the tenant to provide any documentation to confirm or dispute the unreported or underreported income and/or income sources; and
- 3. In the event the tenant is unable to provide acceptable documentation to resolve the income discrepancy, the "AUTHORITY" is required to request from the third party source, any information necessary to resolve the income discrepancy; and
- 4. If applicable, determine the tenant's underpayment of rent as a result of unreported or underreported income, retroactively\*; and

5. Take any other appropriate action as directed by HUD or the "AUTHORITY's" administrative policies.

\*The "AUTHORITY" is required to determine the retroactive rent as far back as the existence of complete file documentation (form HUD-50058 and supporting documentation) to support such retroactive rent determinations.

**Note:** A substantial difference is defined as an amount equal to or greater than \$2,400 annually. The tenant must be provided an opportunity to contest the "AUTHORITY's" determination of tenant rent underpayment.

### VERIFYING FAMILY INFORMATION

#### VERIFICATION OF LEGAL IDENTITY

##### "AUTHORITY" Procedure

The "AUTHORITY" will require families to furnish verification of legal identity for each household member.

<u>Verification of Legal Identity for Adults</u>	<u>Verification of Legal Identity for</u>
<input type="checkbox"/> <u>Certificate of birth, naturalization papers</u> <input type="checkbox"/> <u>Church issued baptismal certificate</u> <input type="checkbox"/> <u>Current, valid driver's license or Department of Motor Vehicle identification card</u> <input type="checkbox"/> <u>U.S. military discharge (DD</u>	<input type="checkbox"/> <u>Certificate of birth</u> <input type="checkbox"/> <u>Adoption papers</u> <input type="checkbox"/> <u>Custody agreement</u> <input type="checkbox"/> <u>Health and Human Services ID</u> <input type="checkbox"/> <u>School records</u>

If a document submitted by a family is illegible or otherwise questionable, more than one of the documents listed above may be required.

If none of these documents can be provided and at the "AUTHORITY's" discretion, a third party who knows the person may attest to the person's identity. The certification must be provided in a format acceptable to the "AUTHORITY" and be signed in the presence of an "AUTHORITY" representative or "AUTHORITY" notary public. Legal identity will be verified on an as needed basis.

#### **DISCLOSURE OF SOCIAL SECURITY NUMBERS [PIH Notice 2010-3 (HA)] Families are required to provide verification of Social Security**



Numbers (SSN) for all family members prior to admission. If the Housing Authority determines that the assistance applicant is otherwise eligible to participate in a program, the assistance applicant may retain its place on the waiting list for the program but cannot become a participant until it can provide the following documentation to verify the SSN of each member of the household.

- A valid SSN card issued by the SSA;
- 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
- Such other evidence of the SSN as HUD may prescribe in administrative instructions

If a child under the age of 6 years was added to the assistance applicant household within the 6-month period prior to the household's date of admission the assistance applicant may become a participant, so long as the documentation referenced in the bullets above is provided to the

"AUTHORITY" within 90 calendar days from the date of admission into the program. The "AUTHORITY" must grant an extension of one additional 90-day period if the "AUTHORITY" determines that, in its discretion, the assistance applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside the control of the assistance applicant. If the applicant family fails to produce the documentation referenced in the bullets above within the required time period, the processing entity must follow the provisions of 24 CFR 5.218.

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.

#### Disclosure Requirements

Disclosure of Social Security Numbers is required. The requirements of this section apply to applicants and participants. Each applicant and participant must submit complete and accurate Social Security Numbers assigned to the applicant and to each member of the applicant's household.

Each person, except those 62 years of age or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010, must submit a valid SSN if the participant has:

Not previously disclosed a SSN;

Previously disclosed a SSN that HUD or the SSA determined was invalid; or

Been issued a new SSN

**Enterprise Income Verification (EIV):** The "AUTHORITY" utilizes HUD's Enterprise Income Verification (EIV) system as an on-line source for income verification before or during a reexamination, through an independent source that systematically and uniformly maintains income information in a computerized format for a large number of individuals. This system enables the "AUTHORITY" to check a variety of income sources for all family members, regardless of income sources reported by applicants and participants.

The "AUTHORITY" staff may not disclose EIV data to any third parties (EIV data is property of HUD and protected by the Federal Privacy Act). Staff may only provide EIV data to the individual to whom the record pertains and to the receiving Housing Authority during a portability transfer (the Administrative Plan). EIV data of minors may be provided to the minor's parent or guardian.

**Upfront Income Verification (UIV):**

Up-Front income verification (UIV/EIV) refers to the "AUTHORITY"'S use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. Currently, the "AUTHORITY" uses HUD's Enterprise Income Verification (EIV) system. HUD's EIV system contains data showing earned income, unemployment benefits, Social Security and SSI benefits for participant families. HUD requires that the "AUTHORITY" use the EIV system.

The purpose of the EIV/UIV data is to VALIDATE tenant-reported income and supplement tenant-provided documents.

Use of the EIV/UIV system simplifies the verification process because:

- Tenant reports income
- Tenant provides the "AUTHORITY" with current documentation
- The "AUTHORITY" consults the UIV/EIV system and prints income details report

- If additional information is not needed, the "AUTHORITY" uses the current tenant provided documents to calculate anticipated annual income. (If additional income is needed, the "AUTHORITY" will request written third-party verification).

There may be legitimate differences between the information provided by the family and EIV/UIV generated information. If the family disputes information provided by the UIV/EIV system, the "AUTHORITY" staff will refer to the procedural guidelines on how to resolve this issue. No adverse action can be taken against a family until the "AUTHORITY" has independently verified the UIV/EIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process.

Although UIV/EIV replaces third party verification, third party verification may continue to be used to complement UIV/EIV such as when there is a discrepancy between documents provided by the participant or when the tenant disputes the information received via UIV/EIV

#### **Written Third Party Verification:**

An original or authentic document generated by a third party source dated either within the 60-day period preceding the reexamination or the "AUTHORITY" request date. Such documentation may be in the possession of the tenant (or applicant) and is commonly referred to as tenant provided documents. Examples of acceptable tenant provided documentation (generated by a third party source) include, but are not limited to:

- Paystubs or payroll summary report
- Employer notice/letter of hire/termination
- SSA benefit verification letter
- Bank statements
- Child support payment stubs
- Welfare benefit letters and/or printouts
- Unemployment monetary benefit notices
- Pharmacy printouts

The "AUTHORITY" is required to obtain at a minimum, two current and consecutive pay stubs for determining annual income from wages. The "AUTHORITY" may request six current and consecutive paycheck stubs. For new income sources or when two pay stubs are not available, the "AUTHORITY" should project income based on the

~~information from a traditional written third party verification form or the best available information.~~

~~**Note:** Documents older than sixty (60) days (from the "AUTHORITY" interview/determination or request date) are acceptable for confirming dates of income.~~

~~The "AUTHORITY" may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information.~~

~~If SSA/SSI benefit information cannot be obtained through EIV and the participant and/or household member is unable to provide the requested document(s), ask the participant/household member to utilize one of the following option:~~

- ~~• Ask the participant to request a Proof of Income Letter from SSA's toll-free number at 1-800-772-1213; **or**~~
- ~~• While meeting with the applicant, help the applicant request a benefit verification letter from SSA's website at [www.socialsecurity.gov](http://www.socialsecurity.gov). This service is free and SSA will send the letter to the applicant within 10 days. To access the site for requesting benefit verification letters, go to the Social Security Online front page and select What You Can do Online and follow the instructions for requesting a Proof of Income Letter. Assist the applicant in answering questions and explain how the applicant should provide the letter once they receive it. Upon receipt, the applicant/household member should provide the "AUTHORITY" with the original SSA benefit letter. The "AUTHORITY" should make a photocopy of the document for the "AUTHORITY" file and return the original document to the individual. The "AUTHORITY" should use the listed gross benefit amount to calculate annual income from social security benefits. SSA encourages recipients to use the SSA's website to request Proof of Income Letters.~~

~~The SSA will charge the "AUTHORITY" a fee for third party verifications of social security benefits. Therefore, to avoid incurring third party verification costs, the "AUTHORITY" will use the methods noted above to obtain verification for each household member that receives social security benefits.~~

~~**Traditional Written Third Party Verification:** Traditional third party written verification is used to verify information directly from the source. Third party written verification forms will be sent directly to the third party source by mail, electronic mail or fax. The family will~~

~~be required to sign an authorization for the information source to release the specified information.~~

~~**Oral Third Party Verification:** Oral third party verification will be used when written third party verification is delayed or not possible. When third party oral verification is used, staff will be required to document in the file, noting with whom they spoke, the date and time of the conversation, and the facts provided.~~

- ~~• If oral third party is not available, the "AUTHORITY" will document the attempts and move on to the next method of verification, "non-third party verification". The "AUTHORITY" will accept faxed documents and will accept photo copies provided the information is confirmed over the phone.~~

~~**Self-Certification/Self-Declaration**~~

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

~~Self-certification means a statement under penalty of perjury~~

~~**Non-Third Party Verification Tenant Declaration:**~~

~~The tenant submits an affidavit or notarized statement of reported income and/or expenses to the "AUTHORITY". This verification method should be used as a last resort when the "AUTHORITY" has not been successful in obtaining information via all other verification techniques. When the "AUTHORITY" relies on the tenant declaration, the "AUTHORITY" must document on the Method of Verification (MOV) Form the reason(s) why third party verification was not available.~~

~~**Exceptions to Third Party Verification Requirements:** HUD is aware that in some situations, third party verification is not available for a variety of reasons. In these cases, the "AUTHORITY" is required to document on the MOV Form the reason(s) why third party verification was not available.~~

~~The "AUTHORITY" **must** request written third party verification under the following circumstances:~~

- ~~• When the tenant disputes the EIV information and is unable to provide acceptable documentation to support his/her dispute (24 CFR 5.236(b));~~

- ~~When the "AUTHORITY" requires additional information that is not available in EIV and/or the tenant is unable to provide the "AUTHORITY" with current acceptable tenant-provided documentation. Examples of additional information, includes but is not limited to:~~
  - ~~Effective dates of income (i.e. employment, unemployment compensation, or social security benefits)~~
  - ~~For new employment: pay rate, number of hours worked per week, pay frequency, etc.~~
  - ~~Confirmation of change in circumstances (i.e. reduced hours, reduced rate of pay, temporary leave of absence, etc.)~~

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

Each family member age 18 years and older and each family head and spouse, regardless of age 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 9886, 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.

The head of household is also required to sign the Supplement to Application for Federally Assisted Housing Form.

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

**C. COMPUTER MATCHING [ 24 CFR 5.234]**

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

The "AUTHORITY" will utilize the HUD established computer-based Enterprise Income Verification (EIV) System for obtaining Social Security Benefits, Supplemental Security Income, benefit history and tenant income discrepancy reports.

When computer matching results in a discrepancy with information in the "AUTHORITY" records, the "AUTHORITY" will follow up with

the family and other verification sources to resolve this discrepancy. If the family has unreported or underreported income, the "AUTHORITY" will follow the procedures in this Administrative Plan.

**D. ITEMS TO BE VERIFIED [24 CFR 982.516]**

Items to be verified include but are not limited to:

- All income.
- Zero income status of household. Zero income applicants and residents may be required to complete a Monthly Expenditure form at each certification or recertification.
- 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 the preceding two years.
- Child care expense where it allows an adult family member to be employed, is actively seeking employment or to further their education.
- Total medical expenses of all family members in household 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 allows an adult family member to be employed.
- U.S. citizenship/eligible immigrant status.
- Social Security numbers for all family members over 6 years of age or older who have been issued a social security number.
- "Preference" status based upon "AUTHORITY" preferences.
- Familial or marital status when needed for head or spouse definition.
- Disability for determination of preferences, allowances or deductions.
- Verification of Reduction in Benefits for Noncompliance. The "AUTHORITY" will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance before denying the family's request for rent reduction.
- Legal Identity.
- Family Composition.

**E. VERIFICATION OF INCOME [24 CFR 982.516]**

This section defines the methods the "AUTHORITY" will use to verify various types of income. Acceptable methods of verification include, in this order:

**Employment income**

Employment verification forms request the employer to specify the

following:

- Dates of employment
- Amount and frequency of pay (If paid twice a month for example, on the 15<sup>th</sup> and the 30<sup>th</sup>, frequency of pay is 24 times per year. If paid every two weeks, frequency of pay is 26 times per year).
- 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
  - Check stubs or earning statements which indicate the employer's gross pay, frequency of pay or year to date earnings.
  - W-2 forms plus income tax return forms.
  - Employment verification form completed by employer
  - Telephone contact with employer documented on "AUTHORITY"'s oral verification form.

The "AUTHORITY" may request the family's most recently submitted IRS federal income tax form. Applicants and program participants who do not have a copy of their most recently submitted IRS federal income tax form will be requested to obtain their income tax return directly from IRS. Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

Applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service (IRS) for further verification of income.

**Self-certifications** or income tax returns signed by the family may be used for verifying self-employment income or income from tips and other gratuities. (For some self-employment types, where there is the potential for substantial income, self-certification should be unacceptable.)

### **Social Security, Pensions, Supplemental Security Income (SSI), Disability Income**

Acceptable method of verification may include, in this order:

- Enterprise Income Verification (EIV) System printout
- Benefit verification form completed by agency providing the benefits
- Award or benefit notification letters prepared and signed by the providing agency



- Computer report electronically obtained or in hard copy
- Bank statement for direct deposit

Social Security Benefit verification letters must be current and dated within 60 days of working up the file. Applicants/household members can obtain current benefit verification letters by:

- Calling the SSA at 1-800-772-1213
- Accessing the SSA website at [www.socialsecurity.gov](http://www.socialsecurity.gov)

### **Unemployment Compensation**

Acceptable methods of verification may include, in this order:

- Enterprise Income Verification (EIV) System printout
- Verification form completed by the Employment Development Department (EDD)
- Computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amount.
- Payment stubs

### **Welfare (TANF) Payments or General Assistance**

Acceptable methods of verification may include, in this order:

1. "AUTHORITY" verification form completed by payment provider
2. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.
3. Computer-generated Passport to Services printout and/or Notice of Action.

### **Alimony or Child Support Payments**

Acceptable methods of verification may include, in this order:

1. "AUTHORITY" verification form completed by payment provider.
2. Copy of latest check and/or payment stubs from the issuing agency.
3. Oral verification from the District Attorney's Child Support Division.
4. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
5. Family's self-certification of amount received and 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:

1. "AUTHORITY" verification form completed by parent provider or person paying the support.
2. A welfare notice of action showing amounts received by the welfare agency for child support.
3. A written statement from an attorney certifying that a collection or enforcement action has been filed.

4. An affidavit from the family indicating the amount(s) received.
5. A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.

### **Net Income from a Business**

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

Acceptable methods of verification include:

- IRS Form 1040
- Schedule C (Small Business)
- Schedule E (Rental Property Income)
- Schedule F (Farm Income)
- Audited or un-audited financial statement(s) (profit and loss) of the business
- Credit report or loan application
- 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 twelve (12) months. The family will be advised to maintain these documents in the future if they are not available.
- Family's self-certification as to net income realized from the business during previous years.
- If the family is performing a cash based business and have not been in business long enough to have filed a tax return for the business, they will be required to complete a form detailing information regarding name of customers and amount paid and signature of customer. When the families' self-employment income is a new business, has sporadic income, or is not expected to earn the same amount as reported on the tax return, the HASM may conduct interim reevaluations every 120 days and provide the log information about customers, income and expenses

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

### **Child Care Business**

If an applicant/participant is operating a licensed day care business, income will be verified as with any other business.

If the applicant/participant is operating a “cash and carry” operation (which may or may not be licensed), the “AUTHORITY” may require that the applicant/participant complete a form for each customer which indicates: name of person, name of children who are being cared for, phone number, number of hours the children are being cared for, method of payment (check/cash), amount paid, and signature of person.

If the family has filed a tax return, the family will be required to provide it.

The “AUTHORITY” may conduct interim reevaluations every ninety (90) days and require the participant to provide a log with the information about customers and income.

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

### **Recurring Gifts**

When a family receives a recurring gift, the “AUTHORITY” will verify the income by mailing verification directly to the providing source. As a last resort, the “AUTHORITY” will accept the families self-certification.

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

The “AUTHORITY” will follow the third-party verification procedures as outlined in Section A of this chapter.

### **Zero Income Status**

The “AUTHORITY” will employ the use of the UIV/EIV process (e.g., TANF, EDD work history) and other written third-party verification when the family claims to have no other income. Families claiming to have no income will be required to sign verification forms to determine that forms of income such as unemployment benefits, Temporary Assistance for Needy Families (TANF), SSI, etc. are not being received by the household.

The “AUTHORITY” may request information from the State Employment Development Department and the IRS.

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

Families with zero income will be required to report to the "AUTHORITY" the first of each month by completing a Monthly Expense Form.

The "AUTHORITY" may run a credit report if information is received that indicates the family has an unreported income source.

### **Minimum Income**

There is no minimum income requirement. Families who report zero (\$0) income are required to undergo an interim recertification every ninety (90) days. Families that report zero (\$0) income will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc., by completing a Monthly Expenditure Form.

The "AUTHORITY" may request credit checks for all adult members of families who report zero (\$0) income. Where credit reports show credit accounts open and payments current, the "AUTHORITY" will take action to investigate the possibility of fraud or program abuse (see Chapter 17, "Program Integrity Addendum" of this Administrative Plan).

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

### **Full-time Student Status**

Only the first \$480 of the earned income of full time students, other than head or spouse, will be counted towards family income. Unemployment income is not considered as earned income and the full amount will be counted.

For purposes of determining the eligibility of a person to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), any financial assistance (in excess of amounts received for tuition and any other required fees and charges) that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except for a person over the age of 23 with dependent children

Housing Authorities must include amounts of financial assistance an individual receives in excess of tuition and other required fees and charges when determining annual income in accordance with 24 CFR 5.609(b)(9).

Verification of full-time student status includes:

1. Written verification from the registrar's office or other school official indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.
2. Oral third-party must be documented in the applicant/participant file.
3. If verification cannot be received directly from the educational institution to the "AUTHORITY", the file must be documented with the reason.

**F. INCOME FROM ASSETS [24 CFR 982.516]  
Checking/Savings Account Interest Income and Dividends**

Where the family has net family assets in excess of \$5,000, "AUTHORITY" must obtain supporting documentation (e.g. bank statements) from the family to confirm the assets.

Acceptable methods of verification include, in this order:

- Account statements, passbooks, certificates of deposit, or "AUTHORITY" verification forms completed by the financial institution.
- 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.
- IRS Form 1099 from the financial institution, provided that the "AUTHORITY" must adjust the information to project earnings expected for the next twelve (12) months.

The "AUTHORITY" will require the necessary information to determine the current cash value of each asset (the net amount the family would receive if the asset were converted to cash).

**Interest Income from Mortgages or Similar Arrangements**

Acceptable methods of verification include, in this order:

- A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next twelve (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).

- Amortization schedule showing interest for the twelve (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:

- IRS Form 1040 with Schedule E (Rental Income).
- Copies of latest rent receipts, leases, or other documentation of rent amounts.
- 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.
- Lessee's written statement verifying rent payments to the family and family's self- certification as to net income realized.

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

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

If the family certifies that they have disposed of assets for less than fair market value, verification is required that shows:

- All assets disposed of for less than FMV;
- The date they were disposed of;
- The amount the family received; and
- The market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

## **G. VERIFICATION OF ASSETS**

### **Family Assets**

The "AUTHORITY" will require the information necessary to determine the current cash value of the family's assets (the net amount the family would receive if the asset were converted to cash). Acceptable verifications may include any of the following:

- "AUTHORITY" verification forms, letters, or documents completed by a financial institution or broker.
- Passbooks, checking/savings 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 deducted 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.

#### **H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME [24 CFR 982.516]**

##### **Child Care Expenses**

The "AUTHORITY" will use documents in lieu of requesting third-party verification when an expense is less than \$500 annually and the family has original documents that support the detailed amount.

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

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

The family must provide certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

##### **Medical Expenses and Disability Assistance Expenses**

In order for a family to qualify for medical expenses, the head or spouse must be disabled. If the head or spouse is disabled, all medical expenses for all family members in the household will be counted. 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 twelve (12) months. A computer printout will be accepted.
- Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.
- Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. "AUTHORITY" may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.

The "AUTHORITY" will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment that is expected in the current year.

#### **Attendant Care Expenses**

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. The following items will be accepted:

- 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 twelve (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 twelve (12) months.
- Receipts or other records of medical expenses incurred during the past twelve (12) months that can be used to anticipate



future medical expenses. The "AUTHORITY" may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for a one time nonrecurring expense.

**I. ASSISTANCE TO PERSONS WITH DISABILITIES [24 CFR 5.611]**

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 them to be employed or to function sufficiently and independently or 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 and written certification from doctor or rehabilitation agency, that the care is necessary to employment of household member.

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

**Auxiliary Apparatus**

- Written certification from source of cost and purpose of apparatus. Written certification from doctor or rehabilitation agency that use of apparatus is necessary to employment of any household member. In case where the disabled person is employed, statement from employer that apparatus is necessary for employment.
- Copies of receipts or evidence of periodic payments for apparatus.

**Medicare Drug Prescription Program (Part D)**

Medicare prescription drug coverage is insurance that covers both brand-name and generic prescription drugs at participating pharmacies. Medicare prescription drug coverage provides protection for people who have very high drug costs. Everyone with Medicare, regardless of income, health status, or prescription drug usage, will have access to prescription drug coverage beginning on January 1, 2006, as follows:

- Low income families with limited assets will qualify, but family must enroll in a plan that meets their prescription drug needs.
- Persons receiving SSI will automatically qualify.
- A one-time \$600 subsidy (transitional assistance) will be

provided to eligible Medicare beneficiaries. This subsidy must be excluded as income. The family may provide this verification (if not, the "AUTHORITY" will need to do a third-party verification).

- Un-reimbursed out-of-pocket expenses for prescription drugs must be counted in the family's medical expense deduction.
- Some persons may be required to pay a monthly premium up to \$37 which will be counted as a medical deduction. The family may pay the premium directly or it may be deducted directly from their SSI check.
- Families are not required to report they have enrolled until their next recertification through February, 2007.

## J. VERIFYING NON-FINANCIAL FACTORS

### Verification of Legal Identity

In order to prevent program abuse, the "AUTHORITY" will require applicants to furnish verification of legal identity for all family members.

One or more of the documents listed below will be considered as 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. ("AUTHORITY" has the discretion to determine what is needed for verification:

- Current, valid Driver's license or Department of Motor Vehicles Identification Card [or REAL ID](#)
- Certificate of birth, naturalization papers, adoption papers
- Legal Alien Card
- Church issued baptismal certificate
- Current valid driver's license
- U.S. military discharge (DD 214)
- U.S. Passport
- Voter's registration card
- Company/agency identification card
- Court records (marriage, divorce, bankruptcy etc.)
- Hospital records

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

- Certificate of birth, Hospital Certificate, Naturalization Papers
- Legal Alien Card
- Adoption papers
- Custody agreement
- Health and Human Services ID (identification card)
- School records
- Church baptismal records

### **Verification of Lifetime Sex Offender Registration**

For any admissions after June 25, 2001 (the effective date of the Screening and Eviction for Drug Abuse and other Criminal Activity final rule), if the recertification/reexamination screening reveals that the tenant or a member of the tenant's household is subject to a lifetime sex offender registration requirement, or that the tenant has falsified information or otherwise failed to disclose his or her criminal history on their application and/or recertification/reexamination forms, the "AUTHORITY" will propose termination of tenancy. The "AUTHORITY" will use the following process at initial eligibility and at each recertification determination:

1. Ask households whether any member is subject to a lifetime registration requirement under a state sex offender registration program.
2. Use the Dru Sjodin National Sex Offender website at [www.nsopw.gov](http://www.nsopw.gov) to confirm that applicants and federal housing assistance recipients are not lifetime registered sex offenders.
3. Aggressively pursue termination of tenancy or assistance, as appropriate, for tenants subject to a state lifetime sex offender registration requirement to the extent currently allowed by law.

### **Verification of Marital Status**

Verification of marital status must be verified to determine marital status and relationships. Verification of a separation may be a copy of court-ordered documentation or other records. Verification of divorce status will be a certified copy of the divorce decree, signed by a court officer.

The following will be considered acceptable verification:

- A certified copy of the marriage certificate or a divorce/dissolution decree, signed by a Court Officer.
- Verification of a separation may be a copy of court-ordered maintenance or other official records.

### **Familial Relationships**

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification. The following verifications will always be required if applicable:

#### **Verification of Relationship**

- Official identification showing names
- Birth certificates
- Baptismal certificates

#### **Verification of Guardianship**

- Court-ordered assignment
- Verification from social services agency

- School records
- Affidavit of parent

#### **Evidence of an Established Family Relationship**

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

#### ***Verification from social services agency and/or school records***

#### **Verification of Permanent Absence of Family Member**

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

1. Husband or wife institutes divorce or legal separation. Appropriate documentation from the court is required.
2. Order of protection/restraining order obtained by one family member against another.
3. Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement, if available.
4. 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.
5. If no other proof can be provided, the "AUTHORITY" will accept a self-certification from the family.
6. 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.
7. If no other proof can be provided, the "AUTHORITY" 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 "AUTHORITY" may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or Department of Motor Vehicles (DMV) records, law enforcement agencies and other sources.

When the family notifies the "AUTHORITY" of a family member leaving the assisted household, they must furnish the following information:

- The date the family member moved out and the new address of the

- family member if available.
- The "AUTHORITY" may require the family to verify that the person is residing at the new address.

#### **Verification of Disability**

Verification of disability must be receipt of Supplemental Security Income (SSI) or Social Security Administration (SSA) disability payments under Section 221 of the Social Security Act or 102(8) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(8)) 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. The "AUTHORITY" has a verification form specifically for this purpose and this form must be used for the verification of disability.

#### **Verification for Approval of Live In Aide Attendant**

A Live in Aide will not be approved to reside in the unit if the HUD definition of a live in aide is not met. Also, the "AUTHORITY" will also not approve the addition of the live in aide in the unit in any of the following cases:

1. The live in aide has been on a federal housing program and evicted from public housing or terminated from Housing Choice Voucher Program due to program violation.
2. The live in aide owes any amounts of money to any federal housing program.
3. The live in aide has drug related criminal activity, violent criminal activity, (includes registered sex offenders) as pertains to this administrative plan, or HUD regulations; or the live in aide whose alcohol abuse, or criminal activity hinders the health, safety or peaceful enjoyment of other persons residing in the immediate vicinity of the premises.
4. The live in aide has employment outside of the home.
5. Another person is residing in the unit who is capable of providing the care for participant.
6. Participant requiring live in aide must supply the "AUTHORITY" with verification from a reliable, knowledgeable professional, such as a medical doctor, social worker or case worker. The verification must demonstrate that a live-in aide is necessary and the family would not be equally well served by a home health care service or a care provider who does not live in the unit. This verification will be required to be given to the "AUTHORITY" not only at the initial time the live-in aide begins to reside in the subsidized unit but also at every annual re-certification thereafter.

7. No other additional family members of live in care attendant may reside in unit with participant.

In instances where the family receives payments from Human Services through the In Home Supportive Services (IHSS) program, the live-in aide reported to the "AUTHORITY" must be the same person on record with IHSS.

The "AUTHORITY" may deem it necessary to re-verify the necessity of a live-in aide at any time. The family will be required to submit verification at every annual recertification.

The live-in aide's qualification for housing occupancy terminates when the individual needing the supportive services leaves the unit or fails to qualify for continued occupancy. The live-in aide does not qualify for continued occupancy or where the need for live-in aide's assistance ceases as a remaining member of the tenant family, even if they are related by blood, marriage or operation of law.

**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 the United States Citizenship and Immigration Services (USCIS). Each family member must declare their status once.

Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the "AUTHORITY" hearing is pending.

- (a) Citizens or nationals of the United States are required to sign a declaration under penalty of perjury. The "AUTHORITY" will require citizens to provide documentation of citizenship.

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

- United States birth certificate
- United States Passport
- Resident alien/registration card
- Social Security card
- Other appropriate documentation as determined by the "AUTHORITY"

- (b) Eligible immigrants, 62 years of age or over, are required to sign a declaration of eligible immigration status and provide proof of age.
- (c) Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The "AUTHORITY" verifies the status through the USCIS system. If this primary verification fails to verify status, the "AUTHORITY" must request within ten (10) days that the USCIS conduct a manual search.
- (d) Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.
- (e) Non-citizen students on a student visa 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.

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

For family members added after other members have been verified, the verification occurs at the same time the member is added to the household or at the first recertification after the new member moves in.

Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if

the initial "AUTHORITY" does not supply the documents, the "AUTHORITY" must conduct the determination.

**Extensions of Time to Provide Documents**

The "AUTHORITY" will grant an extension of thirty (30) 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:

- Alien Registration Receipt Card (I-551)
- Resident Alien Card (I-551)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688 A or B)
- Receipt issued by the USCIS for issuance of replacement of any of the above documents that show the 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 (5) years.

The "AUTHORITY" will verify the eligibility of a family member at any time such eligibility is in question, without regard to their position of the family on the waiting list.

If the "AUTHORITY" determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated for twenty-four (24) months, unless the ineligible individual has already been considered in pro-rating the family's assistance.

**Verification of Social Security Numbers [24 CFR 5.216]**

Disclosure Requirements:

Disclosure of Social Security Numbers (SSN) is required. The requirements of this section apply to applicants and participants. Each applicant and participant must submit a complete and accurate SSN assigned to the applicant and to each member of the applicant's household.

Each person, except those 62 years of age or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010, must submit, a valid SSN if the participant has:



- Not previously disclosed a Social Security number;
- Previously disclosed a Social Security number that HUD or the Social Security Administration (SSA) determined was invalid; or
- Been issued a new Social Security number.

Once a participant has disclosed and the "AUTHORITY" has verified each SSN, the following rules apply:

*Addition of new household member who is at least 6 years of age or under the age of 6 and has an assigned SSN.* When the participant requests to add a new household member who is at least 6 years of age, or is under the age of 6 and has an assigned SSN, the participant must provide the SSN to the "AUTHORITY" at the time of the request, or at the time of processing the interim reexamination or recertification of family composition that includes the new member(s).

*Addition of new household member who is under the age of 6 and has no assigned SSN.* When a participant requests to add a new household member who is under the age of 6 and has not been assigned a SSN, the participant shall be required to provide the complete and accurate SSN assigned to each new child within 90 calendar days of the child being added.

The "AUTHORITY" shall grant an extension of one additional ninety (90) day period if the processing entity, in its discretion, determines that the participant's failure to comply was due to circumstances that could not have reasonably been foreseen and were outside the control of the participant.

The mandatory social security number requirements do not apply to individuals in mixed families, who do not contend eligible immigration status under HUD's non-citizens regulation nor does it interfere with existing requirements relative to pro-ration of assistance or screening for such families.

#### Termination of assistance or termination of participants

The HA must terminate the assistance or tenancy or both of a participant, if the participant does not meet the applicable SSN disclosure, documentation and verification requirements.

#### Submission of evidence of citizenship or eligible immigration status (continues to be the same):

- For U.S. citizens or U.S. nationals, the evidence consists of a

signed declaration of U.S. citizenship or U.S. national. The "AUTHORITY" must obtain verification of the declaration by requiring presentation of a U.S. Passport, U.S. birth certificate, Employment Authorization card, Temporary Resident card or other appropriate documentation outlined in section 214.

- For non-citizens, adequate evidence of a signed declaration or eligible immigration status on the Section 214 document.

HUD makes it clear that the above requirements are not intended to apply to individuals in mixed families, who do not contend eligible immigration status under HUD's non-citizens regulation nor does it interfere with existing requirements relative to pro-ration of assistance or screening for such families, or authorize their eviction or denial of admission on the basis of the new requirements pertaining to obtaining social security numbers.

#### **Medical Need for Larger Unit**

A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable professional. If the family member gets written certification that the need for the larger unit is based on a permanent disability, ~~this certification will only need to be obtained once. If the certification does not indicate how long the larger unit is necessary,~~ the medical need will be verified annually at the recertification as part of the reasonable accommodation.

When a victim of domestic violence requests special consideration, (e.g. to transfer to another unit during the first year of tenancy, or to refrain from being terminated from the HCV program due to being evicted from a unit as a result of being a victim of a domestic violence act), the "AUTHORITY" will require that the individual certify via a HUD-approved certification form that s/he is a victim of domestic violence, dating violence, or stalking, and that the incident/s in question are bona fide incidents of the actual or threatened abuse: as well as to provide any documentation required by the "AUTHORITY" or victims self-certification.

#### **K. VERIFICATION OF WAITING LIST PREFERENCES [24 CFR 982.207] Local Preferences as determined by the "AUTHORITY"**

##### **VERIFICATION OF WAITING LIST PREFERENCES [24 CFR 982.207]**

~~**Independent Living Skills Program:** Foster youth/young adults transitioning from foster care and who are at risk for homeless and who are referred by partnering agency where MOU is in place.~~

~~**Involuntarily Displaced:** written verification must be made by local,~~

state or federal agency verifying declared disaster. Families who claim they are being or have been displaced due to either a disaster or government action:

- Family to provide written verification by the displacing agency, or by a service agency such as the Red Cross.

Families who claim they have been or are about to be displaced to avoid reprisals for providing information to assist police in a criminal investigation:

- Certification of threat assessment by a law enforcement agency. Oral or written recommendation from law enforcement agency or HUD.

Displacement by HUD disposition of a project:

- Written verification from HUD.

Determination of Standard Replacement Housing:

- Inspection by a "AUTHORITY" inspector and/or certification by landlord.

Displacement by emergency relocation, extensive rehabilitation, insufficient funding or other local disaster:

- Written verification from "AUTHORITY" Executive Director

Families who were receiving Housing Choice Voucher assistance will take precedence over other waiting list place holders. New applicants to the Housing Choice Voucher program must be a family displaced by a natural disaster, including disasters recognized by the Federal government, which extensively damaged or destroyed their dwelling.

**Veteran Preference:** The "AUTHORITY" will require U.S. Government documents, which indicate that the applicant qualifies under the following definition: is a current member of the US Military Armed Forces or a veteran ~~is any person~~ who served in the United States military or served 6 years as a reservist or national guardsman (not including the two years of standby).

If the spouse is applying for a veteran status, verification will be required or marital status to the veteran. If the veteran is deceased, the spouse cannot have remarried.

**Residency Preference:** verification that person currently lives, works or has been hired to work within the "AUTHORITY"'s area of jurisdiction. In order to verify that an applicant is a resident, the "AUTHORITY" will require a minimum of three (3) of the following documents: rent receipts, leases, utility bills, employer or agency records, school records, driver's license or REAL ID, voter's registration records or credit reports. For families that have been hired to work in jurisdiction of the "AUTHORITY", a statement from the employer will be required.

#### Involuntary Displacement

Families who claim they are being or have been displaced due to either a disaster or government action:

- Family to provide written verification by the displacing agency, or by a service agency such as the Red Cross.

Families who claim they have been or are about to be displaced to avoid reprisals for providing information to assist police in a criminal investigation:

- Certification of threat assessment by a law enforcement agency.
- Oral or written recommendation from law enforcement agency or HUD.

#### HUD Displacement

by inaccessibility of unit:

- A statement from the owner of the critical elements that are inaccessible, and that the owner is not going to make the needed modifications, or permit the family to make the modifications.
- An inspection by the "AUTHORITY" to verify inaccessibility of critical elements.
- Statement from the owner of the building that the accommodations required will not be made.
- If the owner permits the tenant to make the modifications, verification that the family cannot afford the expense.

#### Displacement by HUD disposition of a project:

- Written verification from HUD.

#### Determination of Standard Replacement Housing:

~~Inspection by a "AUTHORITY" inspector and/or certification by landlord.~~

~~**Federally Declared Disaster Areas**~~

~~Families who were receiving Housing Choice Voucher assistance will take precedence over other waiting list place holders. New applicants to the Housing Choice Voucher program must be a family displaced by a natural disaster, including disasters recognized by the Federal government, which extensively damaged or destroyed their dwelling.~~

~~**Elderly/Disabled or Disabled Elderly Preference:** verification of birth or Social Security or Supplemental Security benefits; verification of Social Security disability benefits or completion of "AUTHORITY"'s disability verification form.~~

~~The "AUTHORITY" will not inquire as to the nature of the disability as defined in this Administrative Plan. The "AUTHORITY" will require appropriate documentation from a knowledgeable professional.~~

~~**Set Aside Preference:** written verification must be provided by partnering homeless service organization who are a part of the Merced County Continuum of Care and have signed agreement with the "AUTHORITY".~~

~~**Verification of a Local Preference**~~

~~Documents will be accepted, as applicable, as proof of residency and veteran/active serviceperson status. Other situations that qualify a family for a local preference must be certified by a third party.~~

~~**Federally Declared Disaster Areas**~~

~~Families who were receiving Housing Choice Voucher assistance will take precedence over other waiting list place holders. New applicants to the Housing Choice Voucher program must be a family displaced by a natural disaster, including disasters recognized by the Federal government, which extensively damaged or destroyed their dwelling.~~

~~**Involuntary Displacement**~~

~~Families who claim they are being or have been displaced due to either a disaster or government action:~~

~~Family to provide written verification by the displacing agency or by a service agency such as the Red Cross.~~

~~Families who claim they have been or are about to be displaced to avoid reprisals for providing information to assist police in a criminal investigation.~~

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~~Certification of threat assessment by a law enforcement agency;  
 Oral or written recommendation from law enforcement agency or HUD; Displacement by inaccessibility of unit;  
 A statement from the owner of the critical elements that are inaccessible, and that the owner is not going to make the needed modifications, or permit the family to make the modifications;  
 An inspection by the "AUTHORITY" to verify inaccessibility of critical elements;  
 Statement from the owner of the building that the accommodations required will not be made;  
 If the owner permits the tenant to make the modifications, verification that the family cannot afford the expense.~~

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~~Displacement by HUD disposition of a project;~~

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~~Written verification from HUD;~~

~~Determination of Standard Replacement Housing;~~

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~~Inspection by a "AUTHORITY" inspector and/or certification by landlord;~~

• **Set Aside Preferences**

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Written verification must be provided by the referring Continuum of Care CES partnering homeless service organization or Human Services Agency.

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**U.S. Department of Housing and Urban Development (HUD) Privacy Protection Guidance for Third Parties(PIH 2015-06)**

1) Purpose: This notice informs all public housing agencies (PHAs) about their responsibilities for safeguarding personally identifiable information (PII) required by HUD and preventing potential breaches of this sensitive data. HUD is committed to protecting the privacy of individuals' information stored electronically or in paper form, in accordance with federal privacy laws, guidance, and best practices. HUD expects its third party business partners, including Public Housing Authorities, who collect, use, maintain, or disseminate HUD information to protect the privacy of that information in accordance with applicable law.

General HUD program requirements are set forth in 24 C.F.R. Part 5, Subpart B, Disclosure and Verification of Social Security Numbers and

Employer Identification Numbers: Procedures for Obtaining Income Information. Subpart B enables HUD and

PHAs to obtain income information about applicants and participants in the covered programs through computer matches with State Wage Information Collection Agencies (SWICAs) and Federal agencies, in order to verify an applicant's or participant's eligibility for or level of assistance.

i) *Restrictions on Use of Income Information Obtained from SWICA and Federal Agencies.* The restrictions of 42 U.S.C. 3544(c)(2)(A) apply to the use by HUD or a PHA of income information obtained from a SWICA and the restrictions of 42 U.S.C. 3544(c)(2)(A) and of 26 U.S.C. 6103(l)(7)(C) apply to the use by HUD or a PHA of income information obtained from the Internal Revenue Service or the Social Security Administration.

The Privacy Act and other requirements for grants and contracts is spelled out in 24 C.F.R. 5.212 which states:

i) *Compliance with the Privacy Act.* The collection, maintenance, use, and dissemination of SSNs, EINs, any information derived from SSNs and Employer Identification Numbers (EINs), and income information under this subpart shall be conducted, to the extent applicable, in compliance with the Privacy Act (5 U.S.C. 552a) and all other provisions of Federal, State, and local law.

*Privacy Act Notice.* All assistance applicants shall be provided with a Privacy Act notice at the time of application. All participants shall be provided with a Privacy Act notice at each annual income recertification.

c) The Federal Acquisition Regulation (FAR), 48 C.F.R. 24.104, sets forth that compliance with the requirements of the Privacy Act be included in HUD contracts at clause 52.224-2, which provides in part:

(a) *The Contractor agrees to—*

(1) *Comply with the Privacy Act of 1974 (the Act) and the agency rules and regulations issued under the Act*

Definitions

As used in this Notice, the following terms are defined as:

i) *Personally Identifiable Information (PII).* Defined in OMB M-07-16 as ". . . information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked

or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc."

ii) Sensitive Personally Identifiable Information. PII that when lost, compromised or disclosed without authorization could substantially harm an individual. Examples of sensitive PII include social security or driver's license numbers, medical records, and financial account numbers such as credit or debit card numbers.

**Guidance on Protecting Sensitive Privacy Information:** The Privacy Act requires that federal agencies maintain only such information about individuals that is relevant and necessary to accomplish its purpose. The Privacy Act also requires that the information be maintained in systems or records – electronic and paper – that have the appropriate administrative, technical, and physical safeguards to protect the information, however current. This responsibility extends to contractors and third party business partners, such as Public Housing Authorities, who are required to maintain such systems of records by HUD.

a) Contractors and third party business partners should take the following steps to help ensure compliance with federal requirements:

#### **i) Security Awareness and Privacy Training**

(1) The National Institute of Standards and Technology (NIST) publishes templates and guides for what security awareness trainings should entail in order to be FISMA compliant. These guidelines focus on the following key aspects:

**Confidentiality** - Protecting information from unauthorized access and disclosure.

**Integrity** - Assuring the reliability and accuracy of information and IT resources by guarding against unauthorized information modification or destruction.

**Availability** - Defending information systems and resources to ensure timely and reliable access and use of information. As such, systems are vulnerable to misuse, interruptions and manipulation.

**Threat**- A threat in the case of IT security is the potential to cause unauthorized disclosure, unavailability, changes, or destruction of protected information.

**Vulnerability**- Any flaw or weakness that can be exploited and could result in a breach or a violation of a system's security policy

**Risk** is the likelihood that a threat will exploit vulnerability.



□ **Controls** are policies, procedures, and practices designed to decrease the likelihood, manage the impact, or minimize the effect of a threat exploiting a vulnerability

(2) Additionally, the NIST provides publications for reference on Building an Information Technology Security Awareness and Training Program and Security and Privacy Controls for Federal Information Systems and Organizations

(3) PHAs should maintain adequate documentation that supports the training for all staff as well as maintain auditable records of training completion. Although there is not required reporting on the training, Office of Field Operations personnel may spot-check compliance on on-site visits.

### **ii) Limit Collection of PII**

(1) Do not collect or maintain sensitive PII without proper authorization. Collect only the PII that is needed for the purposes for which it is collected.

(2) Consistent with the provisions of this Notice, PHAs may enter into agreements (or in some cases be required) to provide PII to legitimate researchers under contract

or other agreement with HUD to support studies on the effects and operations of HUD programs. Further, HUD encourages PHAs to supply PII to other legitimate researchers who do not have contracts or other agreements with HUD in support of such studies, so long as the PHA in question has taken reasonable precautions to prevent disclosure of PII outside of the research team. Such reasonable precautions generally involve written agreements between the PHA and one or more researchers that specify the legal obligations of the latter to protect PII from disclosure.

### **iii) Manage Access to Sensitive PII**

(1) Only share or discuss sensitive PII with those personnel who have a need to know for purposes of their work. Challenge anyone who asks for access to sensitive PII for which you are responsible.

(2) Do not distribute or release sensitive PII to other employees, contractors, or other third parties unless you are first convinced that the release is authorized, proper and necessary.

(3) When discussing sensitive PII on the telephone, confirm that you are speaking to the right person before discussing the information and inform him/her that the discussion will include sensitive PII.

(4) Never leave messages containing sensitive PII on voicemail.

(5) Avoid discussing sensitive PII if there are unauthorized personnel, contractors, or guests in the adjacent cubicles, rooms, or hallways who may overhear your conversations.

(6) Hold meetings in a secure space (i.e., no unauthorized access or eavesdropping possible) if sensitive PII will be discussed and ensure that the room is secured after the meeting.

(7) Treat notes and minutes from such meetings as confidential unless you can verify that they do not contain sensitive PII.

(8) Record the date, time, place, subject, chairperson, and attendees at any meeting involving sensitive PII.

#### **iv) Protect Hard Copy and Electronic Files Containing Sensitive PII**

(1) Clearly label all files containing sensitive PII by placing appropriate physical labels on all documents, removable media such as thumb drives, information systems, and application. Examples of appropriate labels might include –For Official Use Only or –For (Name of Individual/Program Office) Use Only.

(2) Lock up all hard copy files containing sensitive PII in secured file cabinets and do not leave unattended.

(3) Protect all media (e.g., thumb drives, CDs, etc.) that contain sensitive PII and do not leave unattended. This information should be maintained either in secured file cabinets or in computers that have been secured.

(4) Keep accurate records of where PII is stored, used, and maintained.

(5) Periodically audit all sensitive PII holdings to make sure that all such information can be readily located.

(6) Secure digital copies of files containing sensitive PII. Protections include encryption, implementing enhanced authentication mechanisms such as two-factor authentication, and limiting the number of people allowed access to the files.

(7) Store sensitive PII only on workstations that can be secured, such as workstations located in areas that have restricted physical access.

**v) Protecting Electronic Transmissions of Sensitive PII via fax, email, etc.**

(1) When faxing sensitive PII, use the date stamp function, confirm the fax number, verify that the intended recipient is available, and confirm that he/she has received the fax. Ensure that none of the transmission is stored in memory on the fax machine, that the fax is in a controlled area, and that all paper waste is disposed of properly (e.g., shredded). When possible, use a fax machine that uses a secure transmission line.

(2) Before faxing PII, coordinate with the recipient so that the PII will not be left unattended on the receiving end.

(3) When faxing sensitive PII, use only individually-controlled fax machines, not central receiving centers.

(4) Do not transmit sensitive PII via an unsecured information system (e.g., electronic mail, Internet, or electronic bulletin board) without first encrypting the information.

(5) When sending sensitive PII via email, make sure both the message and any attachments are encrypted.

(6) Do not place PII on shared drives, multi-access calendars, the Intranet, or the Internet.

**Protecting Hard Copy Transmissions of Files Containing Sensitive PII**

(1) Do not remove records about individuals with sensitive PII from facilities where HUD information is authorized to be stored and used unless approval is first obtained from a supervisor. Sufficient justification, as well as evidence of information security, must be presented.

(2) Do not use interoffice or translucent envelopes to mail sensitive PII. Use sealable opaque solid envelopes. Mark the envelope to the person's attention.

(3) When using the U.S. postal service to deliver information with sensitive PII, double-wrap the documents (e.g., use two envelopes – one inside the

other) and mark only the inside envelope as confidential with the statement –To Be Opened By Addressee Only.

### **Records Management, Retention, and Disposition**

(1) Follow records management laws, regulations, and policies applicable within your jurisdiction.

(2) Ensure all Public Housing Authority locations and all entities acting on behalf of the Authority are managing records in accordance with applicable laws, regulations, and policies.

(3) Include records management practices as part of any scheduled oversight protocols.

(4) Do not maintain records longer than required.

(5) Destroy records after retention requirements are met.

(6) Dispose of sensitive PII appropriately – use cross-cut shredders or burn bags for hard copy records and permanently erase (not just delete) electronic records.

### **Incident Response**

(1) Supervisors should ensure that all personnel are familiar with reporting procedures.

(2) Promptly report all suspected compromises of sensitive PII related to HUD programs and projects to HUD's National Help Desk at 1-888-297-8689.

### **Residency Preference**

~~For families who live, work or have been hired to work in the jurisdiction of the "AUTHORITY". In order to verify that an applicant is a resident, the "AUTHORITY" will require a minimum of three (3) of the following documents: rent receipts, leases, utility bills, employer or agency records, school records, driver's license, voter's registration records or credit reports. For families who have been hired to work in jurisdiction of the "AUTHORITY", a statement from the employer will be required.~~

### **Veterans Preference**

~~This preference is available to current members of the U.S. Military Armed Forces, veterans, or surviving spouses of veterans. The "AUTHORITY" will require U.S. government documents which indicate that the applicant qualifies under the above definition.~~

**Disability Preference**

This preference is available for families with a member who has a disability as defined in this Administrative Plan. The "AUTHORITY" will require appropriate documentation from a knowledgeable professional.

The "AUTHORITY" will not inquire as to the nature of the disability except as to verify necessity for accessible unit. An award letter or other proof of eligibility for Social Security disability or SSI will be acceptable.

## Chapter 8

### VOUCHER ISSUANCE AND BRIEFINGS

[24 CFR 982.301, 982.302, 982.303; 982.313, 982.315, 982.316, 982.54]

#### **INTRODUCTION**

The "AUTHORITY"'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 "AUTHORITY" 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, "AUTHORITY" 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 "AUTHORITY" will issue vouchers to applicants whose eligibility has been determined. The issuance of Vouchers must be within the dollar limitations set by the ACC budget.

The number of vouchers issued must ensure that the "AUTHORITY" stays as close as possible to 100 percent (100%) lease-up. The "AUTHORITY" performs a monthly calculation electronically to determine whether vouchers can be issued and to what extent the "AUTHORITY" can over-issue (issue more Vouchers than the budget allows).

The "AUTHORITY" may over-issue Vouchers only to the extent necessary to meet leasing goals.

#### **B. BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR 982.301]**

##### **Initial Applicant Briefing**

A full HUD required oral briefing will be conducted for applicant

families who are determined to be eligible for assistance. The briefings will be conducted in groups and individual meetings. Families who attend group briefings and still have the need for individual assistance will be referred to their selected Eligibility Specialist. Briefings will be conducted in English.

Portable families coming into Merced County's jurisdiction, whether absorbed or not by "AUTHORITY", will be required to attend the scheduled voucher briefing.

*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 the program with potential owners and property managers.*

The "AUTHORITY" 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, and the "AUTHORITY" staff confirm that it is a valid reason, will be automatically scheduled for the next briefing. Applicants who fail to attend the first scheduled briefing, without prior notification and approval of the "AUTHORITY", may be denied admission. The "AUTHORITY" will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

If the family includes a person with disabilities, the "AUTHORITY" will ensure compliance with 24 CFR 8.6 to ensure effective communication.

When the "AUTHORITY" selects a family to participate in a tenant-based program, the "AUTHORITY" must give the family an oral briefing. The briefing must include information on the following subjects:

1. A description of how the program works;
2. Family and owner responsibilities; and
3. Where the family may lease a unit, including renting a dwelling unit inside or outside the "AUTHORITY" jurisdiction, and any information on selecting a unit that HUD provides.

### **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

"AUTHORITY" also includes other information and/or materials which are not required by HUD.

The family is provided with the following information and materials:

1. A completed HUD Voucher, showing the term of the voucher, and the "AUTHORITY" policy for requesting extensions to the term of the voucher (referred to as "tolling") or suspensions of the voucher.
2. A description of the method used to calculate the housing assistance payment for the family, including how the "AUTHORITY" determines the payment standard for a family; how the "AUTHORITY" determines total tenant payment for a family and information on the payment standard and utility allowance schedule.
3. How the maximum allowable rent is determined.
4. The boundaries of the geographical area in which the family may lease a unit including an explanation of portability.
5. The HUD required tenancy addendum, which must be included in the lease.
6. The Request for Tenancy Approval form, and a description of the procedure for requesting approval for a unit.
7. "AUTHORITY" privacy notice on providing information about families to prospective owners.
8. The Subsidy Standards, when and how exceptions are made.
9. The HUD brochure, "A Good Place to Live" on how to select a unit that complies with HQS.
10. The HUD brochure on lead-based paint, including form for Disclosure of Lead Based Paint to be signed by owner and Housing Choice Voucher participant.
11. Information on federal, State and local equal opportunity laws including the pamphlet "Fair Housing: It's Your Right" and other information about fair housing laws and guidelines; the form for reporting suspected discrimination; and the phone number of the local fair housing agency.  
A unit listing of landlords interested to lease to assisted families or help in the search and 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.
12. Available accessible units known to the "AUTHORITY" will be identified on the unit listing form.
13. The Family Obligations and Owner responsibilities under the program.



14. Informational Sheet on Reporting Changes in Family Income/Composition and Policy on Missed Appointments
15. The grounds on which the "AUTHORITY" may terminate assistance for a participant family because of family action or failure to act.
16. Sample of a HUD contract.
17. Any supplemental material the Housing Choice Voucher Department may deem necessary, such as:
  - HUD Inspection Form/Initial
18. 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 may move under portability.
19. Expanding Housing Opportunities, includes:
  - Maps of Poverty and Minority Areas (Low Poverty and Low Minority Areas), as well as Housing Choice Voucher Impacted Areas
  - Information includes schools, employment and any outreach programs.
  - Bus routes
20. HUD Form 903.1 – "Are You a Victim of Housing Discrimination?"
21. Intent to Vacate Notice
22. "AUTHORITY" Informal Hearing procedures including when the "AUTHORITY" is required to offer an applicant or participant family the opportunity for an informal hearing, and how to request the hearing.
23. Family Self-Sufficiency Brochure
24. "AUTHORITY"'s sample lease for owners who do not use their own lease for their tenants.

**Other Information to be Provided at the Briefing [24 CFR 982.301(a)]**

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

*The briefing presentation emphasizes:*

- Family and owner responsibilities
- Where a family may lease a unit inside and outside its jurisdiction
- How portability works for families eligible to exercise portability
- Advantages to moving to area with low concentration of poor families if family is living in a high poverty census tract in the "AUTHORITY"'s jurisdiction
- Choosing a unit carefully and only after due consideration.

- Procedures for notifying the "AUTHORITY" 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 recertification.
- Advantages of Family Self-Sufficiency Program

### **Move Briefing**

Appropriate information will be provided to participants who will be reissued a voucher to move, and who have been recertified within the last one hundred twenty (120) days, and have given notice of intent to vacate to their landlord. This briefing may include incoming portable families.

### **Owner Briefing**

Briefings are held for owners as needed. Prospective owners are also welcome at the tenant briefing. The purpose of the briefing is to assure successful owner participation in the program. The briefing covers the responsibilities and roles of the three parties.

## **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 "AUTHORITY" will provide assistance to families who wish to do so.

The "AUTHORITY" has areas of poverty and minority concentration clearly delineated in order to provide families with information and encouragement in seeking housing opportunities outside highly concentrated areas.

The "AUTHORITY" will investigate and analyze when voucher holders are experiencing difficulties locating or obtaining housing units outside areas of concentration.

The assistance provided to such families includes:

- Providing families with a search record form to gather and record information
- Direct contact with landlords
- Counseling with the family

- Providing information about services in various non-impacted areas
- Formal or informal discussions with landlord groups
- Formal or informal discussions with social service agencies
- Meeting with rental referral companies or agencies
- Meeting with Fair Housing groups or agencies

**D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION**

If staff receives a Fair Housing complaint, it will be referred immediately to Management pursuant to the Fair Housing Complaint Investigation Policy of the "AUTHORITY" (refer to Chapter 1).

Any Fair Housing complaints will be fully investigated and reviewed by "AUTHORITY" pursuant to said policy.

The "AUTHORITY" will then take whatever appropriate action is necessary.

**E. SECURITY DEPOSIT REQUIREMENTS [24 CFR 982.313]**

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

Security deposits charged by owners may not exceed those charged to unassisted tenants (or the maximum prescribed by State or local law.)

For families leasing in place, the 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]**

During the briefing session, each household will be issued a voucher which represents a contractual agreement between the "AUTHORITY" 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. The voucher is valid for a period of at least sixty (60) calendar days from the date of issuance. The family must submit the Request for Tenancy Approval (RFTA) and a Lease/Rental Agreement within the sixty (60) day period unless an extension has been granted by the "AUTHORITY".

**Extensions**

The "AUTHORITY" may extend the voucher in one or more increments.

Unless approved by the Director of Housing Programs or their designee, no more than two (2) thirty (30) days or less will be granted and never for a total of more than one hundred twenty (120) days. If as a reasonable accommodation, the family needs an extension in excess of one hundred twenty (120) days, the "AUTHORITY" will review such request on a case by case basis.

A family must submit 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 "AUTHORITY" up to a maximum of an additional sixty (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 (60) day period (verification may be required).
- The "AUTHORITY" is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the "AUTHORITY", throughout the initial sixty (60) day period. A completed search record may be required.
- The family was prevented from finding a unit due to disability accessibility requirements or a large size five (5) bedroom unit requirement. The search record may be required as verification.

### **Expirations**

The Voucher is valid for a period of 60 calendar days from the date of issuance. The family must submit a Request for Tenancy Approval within the 60-day period unless a request for a reasonable accommodation has been granted by the "AUTHORITY".

If the Voucher has expired, and has not been extended by the "AUTHORITY" or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. The family will need to reapply to the program.

If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect before the 60-day period has expired.

### **Tolling Days**

The voucher term will be suspended (the clock on the family's voucher is stopped) from the date a

Request for Tenancy Approval is received until the "AUTHORITY" approves or denies the request. The "AUTHORITY" may grant a

family a suspension of the voucher term if the family has submitted a request for approval of the tenancy during the term of the voucher. The family is entitled to any remaining time from suspension date to the voucher expiration date.

### **Assistance to Voucher Holders**

Families who require additional assistance during their search may contact the "AUTHORITY" office to request assistance. Voucher holders will be notified at their briefing session that they may access updated listings of available units by visiting our office or the agency website at: [www.merced-pha.com](http://www.merced-pha.com).

The "AUTHORITY" will assist families with negotiations with owners and provide other assistance related to the families' search for housing.

After the first sixty (60) days of the search, the "AUTHORITY" may require the family to provide a search record.

### **G. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS [24 CFR 982.315]**

In those instances when a family assisted under the Housing Choice Voucher 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 Director of Rental Assistance or his or her designee shall consider the following factors to determine which of the families will continue to be assisted:

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

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the "AUTHORITY" is bound by the court's determination of which family members continue to receive assistance in the program.

Documentation of these factors will be the responsibility of the requesting parties. If documentation is not provided, the "AUTHORITY" 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 "AUTHORITY" 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.
- The "AUTHORITY" 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 children for an indefinite period.
- A reduction in family size may require a reduction in the voucher family unit size.

## Chapter 9

### REQUEST FOR APPROVAL OF TENANCY AND CONTRACT EXECUTION [24 CFR 982.302]

#### **INTRODUCTION [24 CFR 982.305(a)]**

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

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the "AUTHORITY".

- Families will be permitted to move outside of the "AUTHORITY"'s jurisdiction under portability procedures after the first year of the lease (first year of admission to the Housing Choice Voucher Program).

The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payment (HAP) Contract with the "AUTHORITY". This chapter defines the types of eligible housing, the "AUTHORITY"'s policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of the Request for Tenancy Approval (RFTA).

#### **A. TERM OF ASSISTED TENANCY [24 CFR982.309]**

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 RFTA in the form and manner required by the "AUTHORITY".

The RFTA must be signed by both the owner and voucher holder. The "AUTHORITY" will not permit the family to submit more than one RFTA at a time. The "AUTHORITY" will review the proposed lease and the RTA 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 and approvable
- The security deposit is approvable in accordance with State or local law
- The proposed lease complies with HUD and "AUTHORITY" requirements (see "Section D" of this chapter)
- The owner is approvable, and there are no conflicts of interest (see this Administrative Plan)

In addition to the above, at the time a family initially receives assistance (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 forty percent (40%) of the family monthly adjusted income (see this Administrative Plan).

### **Disapproval of Request for Tenancy Approval (RFTA)**

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

The owner will be given a maximum of 30 calendar days to submit an approvable RFTA from the date of disapproval.

When an RFTA is not approved, the "AUTHORITY" will furnish another RFTA form to the family so that the family can continue to search for eligible housing, as long as the family is still eligible for the Housing Choice Voucher Program. The time limit on the Voucher will be suspended while the RFTA is being processed.

## **B. ELIGIBLE TYPES OF SPECIAL HOUSING [24 CFR 982.352]**

The "AUTHORITY" will only approve the following special housing types. All other special housing types are ineligible.

- ~~Manufactured home rented by family (with the space on which the home is located). (Excluded are manufactured homes owned by the family who leases a manufactured home space or who do not lease a space.)~~
- Shared Housing

A family can own a rental unit but cannot reside in it while being assisted.



The "AUTHORITY" may not permit a Voucher holder to lease a unit which is receiving Project-Based Housing Choice Voucher assistance or any duplicative rental subsidies, or any other housing prohibited by HUD.

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

- All structure types can be utilized.
- Manufactured homes where the tenant leases the mobile home and the pad.
- Manufactured homes where the tenant owns the mobile home and leases the pad.
- Units owned (but not subsidized) by the "AUTHORITY" (following HUD prescribed requirements).
- Shared housing units that meets Housing Quality Standards.
- Assisted Living Units.

The "AUTHORITY" will not approve:

- A unit occupied by the owner or by any person with an interest in the unit, other than manufactured homes as described above.
- ~~The owner of a shared housing unit may reside in the unit. A resident owner may enter into a Housing Assistance Payment (HAP) Contract with the "AUTHORITY". However, housing assistance may not be paid on behalf of an owner. An assisted person may not be related by blood or marriage to a resident owner.~~
- Nursing homes or other institutions that provide care.
- School dormitories and institutional housing.
- Any other type of housing prohibited by HUD.

**C. RESTRICTION ON RENTING FROM RELATIVES [24 CFR 982.306 (d)]**

Effective June 17, 1998, the Department of Housing and Urban Development (HUD) has limited the circumstances under which landlords can lease a unit to relatives under the Housing Choice Voucher program. This policy applies to new admissions and to transfers. The "AUTHORITY" will not approve a unit if the landlord is related to any of the tenant's family members in one of the following ways:

- Parent

- Child
- Grandparent
- Grandchild
- Sister
- Brother

The Housing may approve a unit where the owner and the tenant are related if it determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities.

The "AUTHORITY" will not approve shared housing assistance for a family if the owner resides in the unit and is related by blood and/or marriage to the assisted family. Although other regulations permit the leasing of a rental unit from certain relatives when needed as a reasonable accommodation, the U.S. Department of Housing and Urban Development (HUD) has not established a similarly regulatory provision for shared housing.

**D. LEASE REVIEW [24 CFR 982.308]**

The "AUTHORITY" will review the lease, particularly noting the approvability of optional charges and compliance with regulations and State and local law. The tenant also must have legal capacity to enter a lease under State and local law. Responsibility for utilities, appliances and optional services must correspond to those provided on the RFTA.

The family and owner must submit a standard form 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

House rules of the owner may be attached to the lease as an addendum, provided they are approved by the "AUTHORITY" to

ensure they do not violate any fair housing provisions and do not conflict with the tenancy addendum.

If the owner does not have a standard form lease or wishes to use the "AUTHORITY"'s standard lease, they may do so.

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 the owner may evict the 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.

### **Actions before Lease Term**

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

- The "AUTHORITY" has inspected the unit and has determined that the unit satisfies Housing Quality Standards (HQS)
- The "AUTHORITY" has determined that the rent charged by the owner is reasonable
- The landlord and the tenant have executed the lease, including the HUD prescribed tenancy addendum
- The "AUTHORITY" has approved leasing of the unit in accordance with program requirements when the gross rent exceeds the applicable payment standard for the family, the "AUTHORITY" must determine that the family share (total family contribution) will not be more than forty percent (40%) of the family's monthly adjusted income.

### **Term of the Assisted Tenancy**

The initial term of the lease must be for at least one year. The "AUTHORITY" may approve a shorter initial term if the "AUTHORITY"

determines that:

- The shorter term would improve housing opportunities for the tenant
- The shorter term is the prevailing local market practice

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

#### **E. SEPARATE AGREEMENTS**

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

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

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

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

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

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

attached to the lease.

The "AUTHORITY" will not approve separate agreements for modifications to the unit for persons with disabilities. The modifications are usually within the dwelling and are critical to the use of the dwelling.

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

See Chapter 10, "Housing Quality Standards and Inspections" in this Administrative Plan.

**G. RENT LIMITATIONS**

The "AUTHORITY" will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

- The "AUTHORITY" will disapprove the unit if the tenant's portion of rent plus the utility allowance or total family contribution (TFC) exceeds 40% of monthly-adjusted income, and the gross rent of the unit is larger than the payment standard for the family's voucher size.

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

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

**H. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]  
PROPOSED RENT [24 CFR 982.502]**

In any of the programs, if the proposed contract rent is not reasonable, at the family's request, the "AUTHORITY" will negotiate with the owner to reduce the rent to a reasonable rent.

If the rent is not affordable because the family share would be more than 40% of the family's monthly-adjusted income, the "AUTHORITY" will negotiate with the owner to reduce the rent to an affordable rent

for the family.

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

If the rent can be approved after negotiations with the owner, the "AUTHORITY" will continue processing the Request for Tenancy Approval and Lease. If the revised rent involves a change in the provision of utilities, the Request for Tenancy Approval must be initialed by the owner where the change of utilities has occurred.

If the owner does not agree on the Rent to Owner after the "AUTHORITY" has tried and failed to negotiate a revised rent, the "AUTHORITY" will inform the family and owner that the RFTA is disapproved.

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

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

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

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

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

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

- The "AUTHORITY" will not provide documented information regarding tenancy history, except the "AUTHORITY" will provide the following information based on documentation in its possession: family composition, past annual inspections and rating of past housekeeping.

The information will be provided for the last 12 months only, and may be provided orally.

The "AUTHORITY"'s policy on providing information to owners will apply uniformly to all families and owners.

The "AUTHORITY" will provide documented information regarding tenancy history for the past two (2) years to prospective landlords, upon written request from the landlord (if such information is available to the "AUTHORITY").

The information will be provided in writing.

Only designated staff may provide this information. The "AUTHORITY"'s policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

**J. OWNER DISAPPROVAL [24 CFR 982.306]**

See Chapter 16, "Owner Disapproval and Restriction" of this Administrative Plan."

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

When the family reports changes in factors that will increase the Total Tenant Payment (TTP) prior to the effective date of the HAP contract at admission, the information will be verified but the TTP will not be recalculated until the first of the month following the lease up date/admission date. However, if the increase results in the family being over the low income limits for the Housing Choice Voucher program, the application will be withdrawn.

The TTP will be recalculated before the HAP contract is executed if the information results in a decrease to the TTP. If the family does not report any change, the "AUTHORITY" need not obtain new verifications before signing the HAP Contract, even if verifications are more than 60 days old.

If family is transferring from one unit to another, and annual re-

examination was conducted within 4 months, the "AUTHORITY" does not need to re-verify income at the time the HAP contract and lease is executed, unless there has been a change in income.

**L. CONTRACT EXECUTION PROCESS [24 CFR 982.305]**

The "AUTHORITY" prepares the Housing Assistance Payment (HAP) Contract for execution. The family and the owner will execute the lease agreement, and the owner and the "AUTHORITY" will execute the HAP Contract. Copies of the documents will be furnished to the parties who signed the respective documents. The "AUTHORITY" will retain a copy of all signed documents.

The "AUTHORITY" makes every effort to execute the HAP Contract before the commencement of the lease term. The HAP Contract may not be executed more than sixty (60) days after commencement of the lease term and no payments will be made until the contract is executed.

The following "AUTHORITY" representative(s) is/are authorized to execute a contract on behalf of the "AUTHORITY": Eligibility Specialists/Lead Eligibility Specialists, Housing Choice Voucher Director; Executive Director.

Owners must provide the current address of their residence (not a Post Office box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit's address.

Owners must provide a Federal Employer Tax Identification number or Social Security number. The owner must provide a home telephone number and business number if applicable. A driver's license or other photo identification may be requested. Owners must also submit proof of ownership of the property, such as a Grant Deed or Tax Bill, and a copy of the Management Agreement if the property is managed by a management agent.

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



**M. CHANGE IN OWNERSHIP (Also see Chapter on "Owner Disapproval and Restriction")**

A change of ownership does not require execution of a new contract.

- The "AUTHORITY" will process a change of ownership only upon written request of the new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title and the Employee Identification Number or Social Security number of the new owner, along with a completed IRS form, W-9.
- The change of ownership cannot be backdated. When written verification of the change has been received by the "AUTHORITY", the change will be effective the first of the following month.
- In changes of ownership, involving a divorce/dissolution, written verification as stated in first bullet will be required.

**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 inspections 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 Housing Assistance Payment (HAP) contract.

The “AUTHORITY” may inspect each unit under contract at least annually/biennially. Biennial inspections may be utilized for units that have a record of good property maintenance and have two consecutive passes (pass or a pass with comment) on the last two annual HQS inspections. The “AUTHORITY” shall have a supervisor or other qualified person perform quality control inspections on the number of files required for file sampling by Section Eight Management Assessment Program (SEMAP) annually to maintain the “AUTHORITY”’s required standards and to assure consistency in the “AUTHORITY”’s program. This Chapter describes the “AUTHORITY”’s procedures for performing HQS and other types of inspections and “AUTHORITY” standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners. The use of the term “HQS” in this Administrative Plan refers to the combination of both HUD and “AUTHORITY” requirements. (See the additions to HQS listed under “Acceptability Criteria and Exceptions to HQS” later in this chapter).

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

The “AUTHORITY” has adopted local requirements of acceptability in addition to those mandated by the HUD Regulations.

All units must meet the minimum standards set forth in the Building/Housing Code. In cases of inconsistency between the Code and these HQS, the stricter of the two shall prevail.

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards. The “AUTHORITY” will not

promote any additional acceptability criteria which are likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

All utilities must be in service prior to the effective date of the "AUTHORITY" contract inspection. If the Inspector goes out to a unit and the utilities are not on, the Inspector will not conduct 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. An inspection will be re-scheduled.

If the tenant is responsible for supplying the stove and/or the refrigerator, the "AUTHORITY" will allow the stove and refrigerator to be placed in the unit after the "AUTHORITY" passed all other HQS requirements. The family must then certify that the appliances are in the unit. The "AUTHORITY" may or may not conduct a re-inspection.

There are four types of inspections the "AUTHORITY" will perform:

1. Initial/move-in: conducted upon receipt of Request for Tenancy Approval (RFTA)
2. Annual/Biennial Inspections:
  - Annual inspections may be conducted within 12 months of the last "AUTHORITY" inspection.
  - Biennial Inspections may be conducted within 24 months of the last "AUTHORITY" inspection.

High performing units that have a history of passing HQS Inspections may qualify for biennial Inspections

3. Special/complaint: at the request of owner, family, an agency or a third-party a unit may be inspected to ensure compliance with "AUTHORITY" and HQS standards.
4. Quality Control: "AUTHORITY" will conduct inspections on a random sample of units to ensure consistency and accuracy.

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

### **Timely Initial HQS Inspection**

The "AUTHORITY" will make every reasonable effort to conduct initial HQS inspections for the family and owner in a manner that is time efficient and indicative of good customer service. The "AUTHORITY"

will periodically review the average time required for a family and owner to have a unit inspected from the time the RFTA is submitted by the family and owner to the Housing Authority.

The "AUTHORITY" will inspect the unit, determine whether the unit satisfies the HQS and notify the family and owner of the determination within fifteen (15) days unless the "AUTHORITY" determines that it is unable to do so in the stated timeframe, in which case the file will be appropriately documented.

If the "AUTHORITY" determines after a review of files that the average time for a family and owner to obtain an initial inspection is longer than fifteen (15) days, the "AUTHORITY" will review staffing needs relevant to the HQS inspection.

The initial inspection will be conducted to:

- Determine if the unit and property meet the HQS defined in this Administrative 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 HQS inspection, the family and owner will be advised to notify the "AUTHORITY" 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.

If the time period given by the Inspector to correct the repairs has elapsed, or the maximum number of failed re-inspections has occurred, the family must select another unit. The owner will be allowed up to two (2) re-inspections for repair work to be completed.

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

The "AUTHORITY" conducts an inspection in accordance with HQS at least annually, as required by SEMAP. Special inspections may be scheduled between anniversary dates. HQS deficiencies, which cause a unit to fail, must be corrected by the landlord, unless it is a

deficiency for which the tenant is responsible.

In accordance with Section 220 of the 2014 Appropriations Act, the "AUTHORITY" may conduct biennial inspections in lieu of annual inspections. Once the "AUTHORITY" has conducted a complete inspection under a Housing Assistance Payment Contract, it may not re-inspect until the lapse of 24 months following the last inspection. This does not apply to initial inspections for units that are not yet under a Housing Assistance Payment Contract. Initial inspections are still required. The "AUTHORITY" will continue to conduct special inspections on an as needed basis. The "AUTHORITY" may conduct more frequent inspections on units under Housing Assistance Payment Contract that are suspected of detrimental failed items.

The family must allow the "AUTHORITY" to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)]. Inspections will be conducted on business days only. Reasonable hours to conduct an inspection are between 7:30 a.m. and 5:00 p.m. The "AUTHORITY" will notify the family in writing or by phone at least 24 hours prior to the inspection.

The family and owner are notified of the date and time of the inspection appointment by mail and/or phone. If the family is unable to be present, they may authorize a representative who is 18 years of age or older to be present to allow the inspector access to unit to conduct the inspection. The family may provide written permission for the property manager or owner to allow the inspector entry into the unit or the family must reschedule the appointment so that the inspection is completed within thirty (30) days.

If the unit fails the inspection, the family and owner are notified of the deficiencies by mail. Verification that the deficiencies are corrected may be done by other means than a re-inspection. If the family is not at home for the re-check appointment, a card will be left at the unit and a final appointment is automatically scheduled. The appointment letter contains a warning of abatement (in the case of owner responsibility) and a notice of the owner's responsibility to notify the family.

If the family misses two (2) inspection appointments, the family has violated a family obligation and their assistance will be terminated in accordance with the termination procedures in this Administrative Plan.

**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.

For non-emergency items, repairs must be made within 30 days. For major repairs, the Inspector may approve an extension beyond 30 days.

**Rent Increases**

Rent to owner increases will not be approved if the unit is in a failed condition. Rent increases will not be approved within the initial contract term. The unit must have had a passed an HQS inspection within the previous twelve (12) month period.

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

If at any time the family or owner notifies the "AUTHORITY" that the unit does not meet HQS, the "AUTHORITY" may conduct an inspection.

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

The "AUTHORITY" will inspect only the items which were reported, but if the inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

If the annual inspection date is within one hundred twenty (120) days of a special inspection, and as long as all items are inspected that are included in an annual inspection, the special inspection will be categorized as an annual and all annual procedures will be followed.

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

Quality Control inspections may be performed by the Director of Housing Programs or his/her designee on the number of files required by SEMAP. The purpose of Quality Control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS.

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

**F. ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS [24 CFR 982.401 (a)] CALIFORNIA HEALTH AND SAFETY CODE 13260**

The "AUTHORITY" adheres to the acceptability criteria in the program regulations with local codes and the additions described below:

**Smoke detectors for persons with hearing disabilities.** One smoke detector for the hearing impaired will be required in the household per the following criteria:

- Must meet National Fire Protection Association Standard 74 (or its successor standard).
- Must be located within the bedroom of the hearing impaired person. If existing smoke detectors are hardwired, the smoke detector designed for the hearing impaired must be hardwired to the primary smoke detector. If the existing smoke detector system is not hardwired, the hearing impaired smoke detector must be installed within the bedroom. It is not required to be hardwired but must have a battery back-up.
- Hearing impaired smoke detectors must meet the following qualifications:
  - 177 candela strobe light
  - 85 decibel (DBA)

The "AUTHORITY" may accept landlord or tenant certification that the appropriate criteria has been met.

**Carbon monoxide detector.** California Health and Safety Code 13260 requires that an owner or owner's agent of a dwelling unit intended for human occupancy that rents or leases the dwelling unit to a tenant shall maintain carbon monoxide devices in the dwelling unit.

Carbon Monoxide detectors shall be installed on every floor, including the basement and outside each sleeping area.

The carbon monoxide device shall be operable at the time that the tenant takes possession of the unit. A tenant shall be responsible for notifying the owner or owner's agent if the tenant becomes aware of an inoperable or deficient carbon monoxide device within his or her unit. The owner or owner's agent shall correct any reported deficiencies or inoperability's in the carbon monoxide device.

California's Carbon Monoxide Poisoning Prevention Act of 2010 requires that all residential properties be equipped with a carbon monoxide detector when the property has a fossil fuel burning heater such as a gas stove, gas furnace, gas water heater or any other appliance, fireplace, and/or attached garage. All single family homes in the above mentioned structure types must be equipped with a detector on or before July 1, 2011.

All other multi-family residential units (apartments, duplex's, etc.) must be equipped with a carbon monoxide detector on or before January 1, 2013.

**Bedrooms.** A bedroom must have a floor area of not less than seventy (70) square feet.

Bedrooms in basements or attics are not allowed unless they meet local code requirements; must have adequate ventilation, emergency exit capability and a smoke detector.

Minimum bedroom ceiling height is 7'6" or local code, whichever is greater.

Sloping ceilings may not slope to lower than five feet in the 70 square foot area.

Access to any required exits of a room or suite of rooms designated as bedrooms for these purposes is permissible passing through a bathroom, toilet room, or another bedroom, if all bedrooms or rooms used as sleeping areas have an emergency exit.

Each bedroom must have a window present that can be opened.

Rooms identified as bedroom must have a closet and a door for privacy.

- Free standing closets may substitute built-in closets, if no hazard is posed.
- If a closet is present, a clothes pole must be provided by the owner.
- Closet doors are not required; will be considered a tenant preference.
- Closet door guides will not be required if it does not pose a potential safety risk.



**Cabinets.** If present, cabinet drawers and doors must be intact, with proper door hinges and on tracks.

**Countertops.** In areas where tile is broken or grout is missing, it must be repaired or replaced if it poses any hazard.

**Doors.** Doors cannot have double key dead bolt locks. The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

All exterior doors must be weathertight to avoid any air or water infiltration, have no holes larger than the size of a quarter (coin), have all trim intact, and have a threshold.

All interior doors must have a doorknob and all trim intact. Tenant must have keys.

Doors must be present on all bedrooms and rooms used for sleeping and bathrooms. Doors need not be present on the master bedroom bathroom.

All exterior doors must have single cylinder deadbolt locks, front and back doors, which includes the garage door. Garage door to the interior of the unit must have self-closing hinge and be solid (no windows).

**Fences.** For safety reasons, owners may be requested to install, repair or remove a fence.

**Floors.**

- All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be re-secured and made level. If they cannot be leveled, they must be replaced.
- All floors must be in a finished state, including common hallways and balconies.

**Electricity.**

- GFCI outlets must work properly. If 3-prong, must be grounded.
- No open light sockets allowed.
- Globes on interior lights are not required.

**Landscaping.** All yards must conform to neighborhood standards. Single family units or duplexes must have one operating outside water faucet.

**Mail Boxes.** Each unit must have its own official mailbox where the U.S. Postal Service officially delivers mail to the physical addresses.

**Miscellaneous.**

The existence of any unused and abandoned open pipe, well, or excavation, building foundation, or buildings which are abandoned, or boarded up, partially destroyed, or unfinished and not properly secured on the property is prohibited.

The keeping and storage of property owned by the owner on the property may be allowable if:

- Property is in storage shed that is locked.
- Accessible to the Owner without disturbing tenant.
- Storage shed detached from the unit.
- No hazardous materials can be stored in the shed.
- Allowable if detached garage; however, all of the above applies and in addition,
  - "AUTHORITY" will require signed statement from participant that they are aware and allowing owner permission to store belongings in the detached garage.
  - The keeping and storage of an inoperable, dismantled, or not currently registered automobile, trailer, house trailer, boat or vehicle or major part thereof within the view of persons on the public streets or other properties adjacent to said premises is prohibited.

Tenant may not park vehicles on the lawn.

Fireplaces must have a "cap"/spark arrester. The "AUTHORITY" may require at the time of inspection that the chimney be cleaned and/or inspected.

**Modifications.** Modifications or adaptations to a unit due to a disability must meet all applicable HQS and building codes.

Extension for repair items not required by HQS will be granted for modifications/adaptations to the unit if agreed to by the tenant and landlord. "AUTHORITY" will allow execution of the "AUTHORITY" contract if unit meets all requirements and the modifications do not

affect the livability of the unit.

**Pools.** Swimming pools are allowed in single family and multi-family units, as long as they are properly secured and must be clean and sanitary to avoid health hazards. Swimming pools are defined as pools that are more than 2 feet in depth. Included but not limited to: Wading/swimming pools, below or above ground pools, ponds requiring filters. They must be properly secured with a fence that separates it from the remainder of the yard, have a self-locking gate, fence must be at least 4 feet high and recommended pool gate alarm.

Community swimming pools, such as those in an apartment complex, must be at all times clean and sanitary, to avoid health hazards. In addition, pool must be secured with a fence/security gate at times when pool is not open. Management must take all other signs and safety precautions adhering to pool regulations.

**Sanitary.** The "AUTHORITY" may fail unsanitary conditions where exposed food, garbage, and excrement exist to a degree where health may be endangered.

Trash bags will not be considered "adequate covered facilities" in buildings with four or more units.

Private water supply systems (wells) may be required to be tested.

Septic tanks will require leech lines.

Excessive grease buildup on the stove or overhead is considered a fail item due to fire hazard.

The accumulation of waste paper, hay, grass, dirt, straw, weeds, litter or combustible trash upon the premises or in front of said premises or upon any roof or building, entrance way, court, or yard is a condition detrimental to health, safety, or general welfare is prohibited.

**Security.** If window security bars or security screens are present on an emergency exit window, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

**Sinks.** All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

**Garbage disposal** must have acceptable splashguard. Worn splashguards are unacceptable.

**Toilet Seats.** Cracked toilet seats and tank lids must be replaced. Toilet tank lid must fit properly

**Utility Meters.** Each unit must have individual meters to measure the family's consumption if they are to be responsible for paying certain utilities, such as gas, water and electricity. The owner will be responsible for paying utilities for units with centralized meters.

**Windows.**

- All window sashes must be in good condition, solid and intact, and fit properly in the window frame. Damaged or deteriorated sashes must be replaced.
- Windows must be weather-stripped as needed to ensure a watertight seal.
- Any room for sleeping must have a window.
- Units may be required to have an air conditioning unit or evaporative cooler supplied by the owner. However, if the tenant's preference is not to have an air cooling device, the unit will then be required to have screens on all exterior doors and windows at the time of the initial and annual inspection. (Windows must open). In all other initial and annual inspections, the unit will require one screen at one window per room. All screens must be in place on all second story and higher windows at all times.
- Window screens must be in good condition. (Applies only if screens are present or a required per HQS.)

**Water Heater.**

Water heaters must have a temperature-pressure relief valve and discharge line (directed towards the floor or outside of the living area) as a safeguard against buildup of steam if the water heater malfunctions. Discharge pipes must be made of rigid pipe material (not garden hose or thin plastic pipe). Water heaters shall be anchored, braced or strapped to resist horizontal displacement due to earthquake motion. Strapping shall be at points within the upper one-third and lower one-third of the appliance's vertical dimensions. At the lower point, the strapping shall maintain a minimum distance of 4 inches above the controls.

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

Any exterior or interior surfaces with peeling or chipping paint on units built prior to 1978 must be scraped and painted with two coats of unleaded paint or other suitable material, according to lead-based paint abatement regulations. If the peeling or chipping paint is excessive on units built 1978 and after, scraping and repainting will also be required.

Any exterior or interior surfaces with graffiti must be painted with as many coats of unleaded paint or other suitable material to cover all the graffiti.

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

Any exterior vents must be covered to prevent rodents from entering the unit.

Visible mold/mildew must be eliminated

**Tenant Preference Items**

HUD requires the "AUTHORITY" to enforce minimum HQS but also requires that certain judgment about acceptability be left to the family.

**G. EMERGENCY REPAIR ITEMS [24 CFR 982. 404]**

Emergency items that are identified through an inspection or verified by another public agency which endanger the family's health or safety must be corrected by within twenty-four (24) hours of notification.

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

- Any condition that jeopardizes the security of the unit.
- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling.
- Natural gas leak or fumes.
- Electrical problem which could result in shock or fire.

- Absence of a working heating system when outside temperature is below 50 degrees Fahrenheit on the day of inspection. If there is a weather forecast predicating temperatures to be below 50 degrees Fahrenheit at any point within 48 hours of the actual time of inspection, the absence of a working heating system will be addressed immediately as a health and safety issue on a case-by-case basis.
- Utilities not in service, including no running hot water.
- Broken glass where someone could be injured.
- Conditions that present imminent possibility of injury.
- Obstacles that prevent safe entrance or exit from the unit.
- Absence of any functioning toilet in the unit.
- Inoperable smoke detector.
- Inoperable carbon monoxide detector.
- Window bars in bedrooms with no release mechanism.
- Combustible materials near the gas water heater or gas furnace.

The "AUTHORITY" may give a short extension (not more than 72 additional hours) whenever the responsible party cannot be notified or it is impossible to correct the repair within the twenty- four (24) hour period.

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

If the emergency repair item(s) are not corrected in the time period required by the "AUTHORITY" and the owner is responsible, the HAP 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 "AUTHORITY", and it is an HQS breach which is a family obligation, the "AUTHORITY" will terminate the assistance to the family.

### **Smoke Detectors**

Inoperable smoke detectors are a serious health threat and will be treated by the "AUTHORITY" as an emergency (24 hour) fail item.

Each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of

the dwelling unit, including basements (except for crawl spaces and unfinished attics). Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing impaired person, smoke detectors must have an alarm system, designed for hearing impaired person as specified in NFPA 74 (or successor standards).

If the smoke detector is not operating properly the "AUTHORITY" will contact the owner by phone and request the owner to repair the smoke detector within 24 hours.

If the "AUTHORITY" determines that the family has purposely disconnected the smoke detector (by removing batteries or other means), the family will be required to repair the smoke detector within 24 hours and the "AUTHORITY" will re-inspect the unit the following day.

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

### **Carbon Monoxide Detectors**

California Health and Safety Code 13260 requires that an owner or owner's agent of a dwelling unit intended for human occupancy that rents or leases the dwelling unit to a tenant shall maintain carbon monoxide devices in the dwelling unit.

Carbon Monoxide detectors shall be installed on every floor, including the basement and outside each sleeping area. The carbon monoxide device shall be operable at the time that the tenant takes possession of the unit. A tenant shall be responsible for notifying the owner or owner's agent if the tenant becomes aware of an inoperable or deficient carbon monoxide device within his or her unit. The owner or owner's agent shall correct any reported deficiencies or inoperability's in the carbon monoxide device.

California's Carbon Monoxide Poisoning Prevention Act of 2010 requires that all residential properties be equipped with a carbon monoxide detector when the property has a fossil fuel burning heater such as a gas stove, gas furnace, gas water heater or any other

appliance, fireplace, and/or attached garage. All single family homes in the above mentioned structure types must be equipped with a detector on or before July 1, 2011.

All other multi-family residential units (apartments, duplex's, etc.) must be equipped with a carbon monoxide detector on or before January 1, 2013.

**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 HQS, and the owner is responsible for completing the necessary repair(s) in the time period specified by the Housing Authority, the HAP to the owner will be abated.

**Abatement**

If an owner fails to correct HQS deficiencies by the time specified by the "AUTHORITY", HUD requires the "AUTHORITY" to abate housing assistance payments. 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 "AUTHORITY"'s portion of rent that is abated. Owner rents are not abated as a result of HQS violations caused by the family.

A notice of abatement and termination of contract will be sent to the owner after the unit is found in non-compliance with the "AUTHORITY" local inspection standards at the correction date. The abatement will be effective no later than the first of the month following the specified correction period (including any approved extension). The contract termination date will be 30 days after the effective date of the abatement.

The owner may still make repairs on the unit during the abatement period. However, the owner must notify the "AUTHORITY" in writing that all repairs have been completed. After receiving notification of completed repairs, the "AUTHORITY" may conduct a reinspection. The family and owner will be notified of the reinspection date in one or more of the following methods: writing, by telephone or via email.

No retroactive payments will be made to the owner for the period of time rent was abated and the unit did not comply with HQS.



**Extensions**

Extensions will be granted in cases where the "AUTHORITY" has determined that the owner has made a good faith effort to correct the deficiencies and is unable to do so for reasons beyond the owner's control such as:

- There is an unavoidable delay in completing repairs due to difficulties in obtaining parts contracting for services.
- 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.
- Other extenuating circumstances may be considered by the "AUTHORITY" on a case by case basis.

The extension will be made for a period of time not to exceed ninety (90) days. At the end of that time, at the "AUTHORITY"'s discretion, if the work is not completed or substantially completed, the "AUTHORITY" 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. The participants will receive a copy of the notice. If the tenant wishes to vacate the unit the participant must give the owner proper notice to move and the participant may be issued a voucher, as long as the family is in compliance with family obligations.

If repairs are completed before the effective termination date, the termination may be rescinded by the "AUTHORITY" if the tenant chooses to remain in the unit.

**I. DETERMINATION OF RESPONSIBILITY [24 CFR 982.404]**

The family is responsible for a breach of the HQS that is caused by any of the following:

- The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;
- The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or
- Any member of the household or guest damages the dwelling unit or premises (damages beyond ordinary wear and tear).

The owner may be responsible for all other HQS violations, other than those listed above.

The owner is responsible for vermin infestation even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The "AUTHORITY" may terminate the family's assistance on that basis.

The inspector will make a determination of owner or family responsibility during the inspection to the best of their ability. If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs.

**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 "AUTHORITY" will require the family make any repair(s) or corrections within 24 hours for emergency violations and thirty (30) days for non-emergency. If the repair(s) or correction(s) are not made in this time period, the "AUTHORITY" will terminate assistance to the family, and provide an opportunity for an informal hearing. The owner's rent will not be abated for items which are the family's responsibility. Extensions in these cases must be approved by the Director of Housing Program or his or her designee. The owner's rent will not be abated for items which are the family's responsibility. If the tenant is responsible and corrections are not made, the HAP Contract will terminate when assistance is terminated.

**LEAD-BASED PAINT AND HQS [24 CFR Part 35]**

Childhood lead poisoning has serious negative consequences on childhood growth and development. The U.S. Centers for Disease Control and Prevention (CDC) has consistently affirmed that deteriorated lead-based paint and lead-contaminated dust are the most hazardous sources of lead exposure in children. Lead-based paint can be found in homes built before 1978, with an increased prevalence in very old homes with original painted windows, doors, and trim (Jacobs et al., 2002; Cox et al., 2015). In 2012, the CDC lowered its reference level for lead in the blood of children under age 6 to 5 micrograms of lead per deciliter of blood, and provided guidance for health departments and medical professionals at [www.cdc.gov/nceh/lead/acclpp/cdc\\_response\\_lead\\_exposure\\_recs.pdf](http://www.cdc.gov/nceh/lead/acclpp/cdc_response_lead_exposure_recs.pdf).

On January 13, 2017, HUD amended the LSHR to align it with CDC's updated guidance.

Consistent with CDC's guidance, HUD is now using the reference level of 5 micrograms per deciliter to identify children with an EBLL. This new level is the blood lead level of the highest 2.5 percent of U.S. children ages 1 to 5 years. CDC may revise this level in the future, and if so, HUD will update its EBLL as used under the LSHR, via the notice and comment process, as provided by the definition of EBLL in the amendment (24 CFR 35.110).

However, if a state or local government establishes more protective standards in response to lead in children's blood, LSHR's section 35.150 directs PHAs to follow those standards

The Lead-Based Paint Poisoning Prevention Act as amended (42 U.S.C. 4821-4846), the

In order to comply with the Residential Lead-Based Paint Hazard Reduction Act of 1992 and PIH Notice 2017-18 the HUD regulations of September 15, 1999 requirements apply to the housing choice voucher program and project based voucher program.

the "AUTHORITY" will adopt the following policies. For all pre-1978 dwelling units with a child under 6 years of age, during the initial and annual inspections, the "AUTHORITY" will conduct a visual assessment of all painted surfaces in order to identify any deteriorated paint. If deteriorated paint is found, the owner will be required to perform paint stabilization. If the area to be stabilized is above "de-minims levels", the owner will be required to use "safe work practices" as defined in 24 CFR Part 35.1350. For common terms used regarding lead hazard reduction see the end of this section.

**Key Definitions:**

**Assisted Units** means the Lead Safe Housing Rule covers federally-assisted and federally-owned "target" housing, which includes units assisted under Sections 8 and 9 of the United States Housing Act of 1937, as amended.

**Designated Party** means the housing agency or the property owner, as indicated in the applicable section, is responsible for complying with applicable requirements.

**Elevated Blood-Lead Level (EBLL)** means a confirmed concentration of lead in whole blood of a child under age 6 equal to or greater than the concentration in the most recent guidance published

by the U.S. Department of Health and Human Services (HHS) on recommending that an environmental intervention be conducted.

A confirmed concentration is one that is measured by a venous (from a vein) blood draw, and not a finger prick/quick capillary screening test.

**Environmental Intervention Blood Lead Level (EIBLL)** means a confirmed concentration of lead in whole blood equal to or greater than 20 ug/dl (micrograms of lead per deciliter) for a single test or 15 to 19 ug/dl in two tests taken at least 3 months apart.

**Environmental Investigation** means a risk assessment with additional questions for the family regarding other sources of lead exposure (e.g., water, pottery, daycare settings), and testing of other potential sources of lead exposure.

**Expected to Reside** means the actual knowledge that a child will reside in a 0-bedroom dwelling unit or in a dwelling unit reserved or designated for the elderly and/or persons with disabilities. If a resident woman is known to be pregnant, there is actual knowledge that child will reside in the dwelling unit.

**Index Unit** means a unit where a child with an elevated blood lead level resides.

**Multi-unit Property** means a residential property containing two or more dwelling units. For the purposes of the LSHR, all buildings with assisted units or servicing those buildings (e.g., garages, toolsheds, etc) associated with the property are covered by the requirements.

**Other Covered Units** means federally-assisted where a child under age 6 resides or is expected to reside in a multiunit property that has an index unit. The child's age is considered as of the date the Environmental Investigatin in the index unit and associated common areas is completed.

**Target Housing** means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities or any 0-bedroom dwelling (unless a child of less than 6 years of age resides or is expected to reside in such housing). In the case of jurisdictions which banned the sale or use of lead-based paint prior to 1978, HUD may designate an earlier date.

### **Summary of Changes and Requirements**

The LSHR uses the approach of having a “designated party” responsible for complying with its requirements under a particular assistance program. Under some subparts of the LSHR, just the property owner is responsible, under some subparts, just the PHA, and under other subparts, the owner is responsible for certain activities, and the PHA, for others. Specifically:

- For the PBV project-based assistance program, the owner is the designated party and is responsible for all the activities regarding EBLL response.

- For HCV tenant-based rental assistance program, while the PHA is the designated party, the LSHR provides that the owner is responsible for certain EBLL response activities and the PHA other EBLL response activities.

The update to the LSHR revised the type of evaluation that must be performed for the housing unit of a child with an EBLL, and added risk assessment requirements covering certain other units, and new reporting requirements. Under the new regulations, the evaluation for the child's unit must be an environmental investigation.

For Housing Choice Voucher (HCV) units, when a child under 6 is identified with an EBLL, the PHA or the owner, as described below, must take certain steps. (For a more detailed explanation, please refer to section 6.) For the HCV program, the regulations identify the PHA as the designated party for ensuring compliance with all the regulations. This includes the same steps as for public housing, except that the owner is responsible for some of the steps, and the PHA, other steps. In addition, for several steps, as described below, the PHA may wish to collaborate with the owner to expedite implementation.

The Owner is responsible for:

- **Initial notification of a confirmed case to HUD:** Notifying the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes of the case – that is, the child's address – within 5 business days. The PHA may wish to collaborate with the owner on this notification process, such as by agreeing with the owner to be notified of the case by the owner and to forward the notification to the two HUD offices.

- **Initial notification of the public health department, when necessary:** When the owner is notified of the case by any medical health care professional other than the public health department, the owner shall notify the public health department of the name and address of the child within 5 business days. The PHA may wish to collaborate with the owner on

this notification process, such as by agreeing with the owner to inform the public health department.

**• Verification of the case, when necessary:** When the owner receives information from a person who is not a medical health care provider that a case may have occurred, the owner should immediately convey the information to the PHA so the PHA may notify the public health department, if the PHA has indicated, or indicates at this time, that it wishes to collaborate with the owner on implementation of the rule, as described below.

**• Control of lead-based paint hazards:** Completing the reduction of lead-based paint hazards in the index unit and common areas servicing that unit that were identified by the environmental investigation conducted by the PHA within 30 calendar days, using a certified lead-based paint abatement firm or certified lead renovation firm. Work shall include occupant protection, and clearance of the unit and common areas servicing that unit by an independent certified risk assessor or a trained dust sampling technician working under the risk assessor in accordance with section 35.1340.

**• Notification to other residents:** As already required by the LSHR, in a multiunit property, the owner must notify all residents of lead evaluation and hazard control activities.

**• Ongoing maintenance:** Maintaining covered housing without deteriorated paint if there is child under 6 in the family in accordance with sections 35.1220 and 35.1355(a).

The PHA is responsible for:

**• Verification of the case, when notification is not from a medical health care provider:** The PHA may wish to collaborate with the owner on this verification of an EBLL case, such as by agreeing with the owner to receive the information about the possible case. The PHA shall immediately verify the information with the public health department or other medical health care provider.

**• Environmental Investigation:** Conducting an environmental investigation of the child's unit and the common areas servicing that unit in accordance with Chapter 16 of the HUD *Guidelines*, as described in section 6 below. If lead-based paint hazards are found in the child's unit (the index unit) in a multiunit property, see section 9 below regarding risk assessments to be conducted in other covered units with a child under age 6 and the common areas servicing those units.

**Monitoring of owner's compliance with LSHR:** Monitoring the owner's compliance with the LSHR in accordance with the Housing Assistance Payments (HAP) contract between the PHA and the owner. PHAs can perform oversight of this in conjunction with periodic Housing Quality Standards (HQS) inspections, but not at a frequency less than annually if there was deteriorated paint or known lead-based paint hazards identified in the child's unit or common areas servicing that unit. This includes such actions as (see above) monitoring the owner's:

o Notifying HUD of a confirmed case;

o Notifying the public health department when any other medical health care professional notified the owner of the case;

o Verifying the case when the owner receives information from a person who is not a medical health care provider that a case may have occurred;

o Ensuring that any required lead hazard control (including passing clearance) is complete;

o Ensuring that residents of other units in a multiunit property were notified of lead evaluation and hazard control activities; and

o Ensuring that ongoing maintenance of paint is conducted in accordance with sections 35.1220 and 35.1355(a).

**• Control:** Ensuring the owner completes and clears the control of lead-based paint hazards identified in the Environmental Investigation of the index unit and the common areas servicing that unit. If lead-based paint hazards are found in the index unit in a multiunit property, and the risk assessments in other covered units with a child under age 6 and the common areas servicing those units identified lead-based paint hazards, control those lead-based paint hazards as described in below.

The PHA may wish to collaborate with the owner on the response, including providing the names of qualified and certified lead hazard control contractors, providing for the clearance examination, and ensuring notification to other residents in a multi-unit property.

The following table summarizes the responsibilities of PHAs and HCV rental property owners for compliance when a child in the HCV program is identified with an EBLL.

### **Responding to EBLLs, Environmental Investigations, and Lead Hazard Control Verification:**

The first step a PHA or owner, as applicable, based on the type of

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assistance, or the PHA on behalf of the owner, if they have decided to collaborate in that way, must take when learning of a child with an EBLL from a parent, guardian, or other person or entity that is not a medical health care provider is to verify the results, and determine whether it is a confirmed EBLL. In accordance with Chapter 16 of the HUD Guidelines, a confirmed EBLL is one measured through a venous (i.e., from a vein) blood draw, or two capillary blood specimens, drawn within 12 weeks of each other, both with elevated lead concentration. If the parent or guardian suspects that a child under 6 has an EBLL based on a single finger print, they should see a medical health care provider to obtain confirmation.

PHAs and owners can verify the report with the local health department or the child's medical health care provider. For the HCV and PBV programs, the owner may wish to collaborate with the PHA to notify the PHA of the EBLL within 5 days so that the PHA can notify the public health department or the child's medical health care provider.

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If the parent or guardian provides the PHA or owner, as applicable, with a written EBLL diagnosis from a medical healthcare professional, or the public health department notifies the PHA or owner, as applicable, of the case, no additional verification is needed.

If an EBLL has been reported but not verified, the PHA or owner shall make at least 2 attempts to verify the information with the medical health care provider or health department. If the PHA's verification attempts fail, the PHA must inform the Field Office, which must attempt its own verification and/or inform OLHCHH, which will attempt the verification.

Once an EBLL has been verified, the PHA (for public housing) or owner (for PBV or HCV housing), as applicable, must notify their field office representative and OLHCHH within 5 business days. Notifications to OLHCHH must be by done via email to LeadRegulations@hud.gov. The PHA may wish to collaborate with the owner on this notification process, such as by agreeing with the owner to be notified of the results and then forwarding them to the Field Office and OLHCHH.

In the notification to their field office representative and OLHCHH, the PHA or owner, as applicable, must provide:

- PHA code and name, if the PHA is providing the notification, or Owner's name and address, if the owner is;
- Date of EBLL test result;
- Program (public housing, HCV, project-based vouchers);



- Unit address and, if the housing is in a multi-unit property or development, the development name; and
- Whether the PHA or owner has notified the public health department of the EBLL, or been notified by the health department, and the date of that notification.

Information emailed to HUD should not include the child's name or blood result. This information is considered personally identifiable information (PII), and is also confidential medical information which shall be maintained in accordance with the PHA's policy for private medical information. If the PHA must transmit PII, it shall be done in a secure manner or in an encrypted email. For more information on Privacy Protection Guidelines for PHAs, see PIH-2015-06.

**Investigation:**

Next, the PHA or owner, as applicable, based on the type of assistance, or the PHA on behalf of the owner, if they have decided to collaborate in that way (see section 5, above), must next ensure that a certified Lead-Based Paint Risk Assessor performs an "environmental investigation," as defined above, in the child's home and any common areas that service the unit.

The environmental investigation must be completed within 15 calendar days after verification or notification by a public health department or other medical health care provider. PHAs and owners can find certified lead risk assessment firms through either their state lead licensing agency or EPA's website at [www.epa.gov/lead](http://www.epa.gov/lead).

In some cities and counties, the local public health department will evaluate the child's home for lead-based paint hazards and other possible sources of lead exposure when a child is found with an EBLL. In these instances, the PHA or owner, as applicable, is not required to perform an additional environmental investigation, and can rely on the results of the health department's evaluation.

After receiving the results of an environmental investigation (or an evaluation report from the health department), the PHA must notify their assigned HUD field office contact within 10 business days and the family of the results within 15 calendar days. The notifications must include the date the investigation was completed. If the evaluation was completed in a multiunit property, the PHA must also notify all residents that an evaluation was completed in accordance with section 35.125. This must be done by letter or notice delivered to each occupied dwelling unit affected by the

evaluation, and not by central posting. The LSHR prohibits, for the protection of the privacy of the child and the child's family or guardians, notice of environmental investigation being posted to any centrally located common area. (See section 35.125(c)(4)(iii).)

### **Required Lead-Based Paint Hazard Control**

If lead-based paint hazards are identified by the environmental investigation, the hazards must be addressed within 30 calendar days of receiving the results. This means performing any necessary lead-based paint hazard control work in the unit and common areas servicing the unit, and conducting a clearance examination on the unit and common areas when the work is complete. The work must be performed by a certified lead abatement or lead renovation firm, with the clearance examination performed by a certified risk assessor or clearance sampling technician as described in section 35.1340.

The party that does the hazard control work and the clearance examination depends on the assistance program:

- In the HCV and PBV programs, the owner is responsible for completing the hazard control work and conducting the clearance examination. The PHA may wish to collaborate with the owner on conducting the clearance examination, as described in section 5, above.

The HUD field office must be notified of the lead hazard control work that was completed and the results of the clearance examination within 10 business days of passing clearance. The party that does this notification depends on the assistance program:

- In the HCV and PBV programs, the owner is responsible for notifying the HUD field office. The PHA may wish to collaborate with the owner on notifying the HUD field office, as described in section 5, above.

The table below summarizes the timelines for environmental investigations, lead hazard control work, clearance, and field office notifications when the PHA learns a child has an EBLL.

### **Index Units**

In a case where the child discovered to have an EBLL lives in a multiunit property, the child's home is considered the "index unit" under the new regulations. As described in section 9 below, if the index unit is found to contain lead-based paint hazards, additional evaluation is required for other assisted target housing units in the property where children under age 6 reside (known as other "covered

units”). Note that a multiunit property can include multiple buildings, and all buildings are covered if they meet the definition of target housing. This requirement already existed for public housing under 35.1130(f). Under this new rule, the requirement has been extended to the HCV and PBV programs.

### **Index Units Recently Tested**

An index unit may not need a full environmental investigation under the following scenarios:

- An environmental investigation was performed by the health department or another party between the time that the child’s blood was last sampled and the date that the PHA, designated party or owner (as applicable) was notified of the EBLL. If a risk assessment was performed, a certified risk assessment firm can be brought in to conduct the elements of an environmental investigation that go beyond the requirements of a risk assessment.
  - o If a risk assessment was performed on the unit prior to the date that the child’s blood was last sampled, the results of the risk assessment cannot be relied on, and a full environmental investigation must be performed.

- If the unit is scheduled for redevelopment or demolition, and the tenants are expected to be relocated within 45 calendar days. In this scenario, the PHA does not have to perform the environmental investigation if the family is relocated within 15 calendar days. In this scenario, the PHA may not know if the index unit contains lead-based paint hazards. Without test results, the PHA would have to presume all covered units contain lead-based paint hazards.

- o Allowing the family to move from the index unit would not exempt any other covered unit in the property from the need for a risk assessment, unless those units are also scheduled for redevelopment or demolition and relocation is scheduled within 45 days.

- o If the PHA chooses to perform an environmental investigation in the index unit anyway, and finds there are no lead-based paint hazards, additional testing or expedited relocation of families in covered units would not be necessary.

### **Other Covered Units of the Property (and Common Areas Servicing those Units)**

If the environmental investigation indicates there are lead-based paint hazards in the index unit or common areas servicing that unit, any other assisted units in the property with a child under age 6 residing (“Other Covered Units”) must receive a risk assessment, as must common areas

servicing those units. This includes other assisted units designated as housing for the elderly and/or persons with disabilities where a child under age 6 resides or is expected to reside. The party that conducts the risk assessments depends on the assistance program:

- In the HCV and PBV programs, the owner is responsible for conducting the risk assessments. The PHA may wish to collaborate with the owner on conducting the risk assessments, as described above.

The risk assessments of the other covered units must be conducted within 30 calendar days of receiving the results of the environmental investigation for a property with 20 other covered units or fewer, and within 60 calendar days for a property with more than 20 other covered units.

While a PHA or owner may, for its own strategic reasons, choose to conduct risk assessments on all the other assisted dwelling units with a child under age 6 (or even all the other assisted dwelling units or all the other dwelling units), random sampling of other covered dwelling units to be assessed is permissible in properties with more than 20 covered dwelling units for pre-1960 properties, and more than 10 covered dwelling units for 1960-1977 properties. HUD's sampling protocol can be found in Table 7.3 of the *Guidelines*, on page 7-38. For example, for a 1925 multiunit property in which there are 47 other covered units (with certain characteristics identified in the table) shows that at least 31 units are to be sampled randomly.

If the evaluation was completed in a multiunit property, all assisted residents must be notified that an evaluation was completed. The party that conducts the resident notification depends on the assistance program:

- In the HCV and PBV programs, the owner is responsible for notifying the assisted residents. The PHA may wish to collaborate with the owner on notifying the assisted residents, as described above.

All lead-based paint hazards identified by the risk assessments must be controlled. As under the original LSHR, if a random sampling of units and/or common areas is used in the risk assessment, if lead-based paint hazards were found in that sample, all units and/or common areas represented by the random sampling must have corresponding building components that have lead-based paint hazards in sampled and un-sampled units controlled, because the components in un-sampled units are presumed to have lead-based paint hazards.

The table below summarizes the timelines for risk assessments, lead hazard work, and clearance for other covered dwelling units depending on the number of units in the property.

### **Exemptions for Other Covered Units**

A covered dwelling unit *is* exempt from needing a risk assessment under the following scenarios:

- The property has been certified by a State- or EPA-certified lead inspector as lead-based paint free or all lead-based paint has been identified and removed through abatement, and clearance has been achieved. Lead-based paint free means that the housing has been found to be lead-based paint free by a State- or EPA-certified lead inspector in accordance with Chapter 7 of the Guidelines. This exemption would not be applicable to units that have undergone lead abatement through enclosure or encapsulation, because they still contain lead-based paint behind the enclosure or encapsulant.

- The dwelling unit is scheduled for demolition. While units scheduled for redevelopment are generally not exempt, language in the preamble to the Final Rule permits exemption of a dwelling unit for redevelopment where start of construction and completion of tenant relocation is to occur within 45 calendar days (i.e., the sum of the 15-day period for conducting the environmental investigation and the 30-day period for conducting lead hazard control in the unit). In that scenario, the dwelling unit does not need a risk assessment; however, the family must be relocated out of the unit within 15 calendar days.

A covered dwelling unit *may* be exempted from needing a risk assessment if one was recently performed and hazards were already controlled.

Specifically:

- The PHA or owner conducted a risk assessment of the covered dwelling unit in question and the common areas servicing that unit, and any necessary interim controls on identified lead-based paint hazards were performed, including passing clearance. The risk assessment and controls must have been performed between the date the child's blood was last sampled and the date the owner received the notification of the elevated blood lead level; and

- The PHA or owner has documentation of compliance with evaluation, notification, lead disclosure, ongoing lead-based paint maintenance, and lead-based paint management requirements under this part throughout the 12 months preceding the date the owner received the environmental investigation report; and Certified documentation is provided to the HUD field office to this effect, including copies of the risk assessment and the

results, and a copy of the clearance exam. The party that provides this documentation depends on the assistance program:

- In the HCV and PBV programs, the owner is responsible for providing the documentation to the HUD field office. The PHA may wish to collaborate with the owner on providing the documentation, as described in section 5, above.

### **11. Monitoring and Enforcement**

HUD may request documentation of compliance with the LSHR at any time, for the HCV, PBV, and public housing programs.

#### **HCV and PBV Program**

PHAs are responsible for ensuring compliance with the regulations, and, for the HCV programs, funding initial lead evaluations, but the HCV or PBV owner has certain requirements that the PHA must oversee in accordance with their housing assistance payment contract with the owner, including:

- The owner is responsible for promptly notifying the HUD field office and the Office of Lead Hazard Control and Healthy Homes of EBLL cases, although the PHA may wish to collaborate with the owner on this notification, as described in section 5, above.

- The owner is responsible for performing the lead hazard control work, and for incorporating ongoing lead-based paint maintenance activities into regular building operations (see section 35.1355(a)), including conducting a visual assessment for deteriorated paint, dust-lead hazards, bare soil, and the failure of any hazard reduction measures at unit turnover and every twelve months.

The PHA can assist owners in finding certified contractors, or in obtaining training and submitting the documentation to become certified to perform lead hazard control work themselves. See the EPA lead website, [www.epa.gov/lead](http://www.epa.gov/lead). PHAs can also opt to have a certified risk assessor on staff with the PHA becoming a certified risk assessment firm, where required, or available via contract (the PHA does not have to become a certified risk assessment firm). PHAs must also ensure units that had lead-based paint hazards identified receive annual and turnover visual assessments to ensure that the interim controls have not failed and that there is no new deteriorated paint. The party that conducts the visual assessments depends on the assistance program:

- In the HCV and PBV programs, the owner is responsible for conducting the visual assessments. The PHA may wish to collaborate with the owner on conducting the visual assessments, as described in section 5, above.

If the required evaluation and lead hazard control work is not completed for the index unit or other covered units within the established timeframes, the dwelling unit(s) shall be considered out of compliance with HQS. Enforcement may include suspension, reduction, or termination of housing assistance payments (HAP). If the owner does not meet the requirements after enforcement, the unit is not in compliance with HQS, and the PHA must terminate the HAP contract and assist the family in finding a unit that will meet HQS and is lead-safe. A lead safe unit is one that is either built after 1977, or one built before 1978 that has had a risk assessment, control of any lead-based paint hazards identified, and met clearance. PHAs should follow the existing regulations at section 982.404 for HQS enforcement of the HCV and PBV programs before the family moves in. (If the owner or PHA, as applicable, is unable to comply with the deadline for lead hazard control work due to weather conditions, the PHA can allow additional time in accordance with section 35.115(a)(12).)

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See the Non-Reporting segment below for guidance on instances when the owner has not reported an EBLL case to HUD or the public health department, either directly or through the PHA, or when the PHA, after being notified of an EBLL case by the owner, has not reported the case to HUD or the public health department, when required.

**Non-Reporting in HCV, PBV, and Public Housing Programs**

If a person becomes aware of an EBLL case where the owner or PHA did not report the EBLL to HUD or the public health department when required, the person should report the case to the OLVCHH at [LeadRegulations@hud.gov](mailto:LeadRegulations@hud.gov), and to the Office of the Inspector General via the OIG Hotline at [www.hudoig.gov/hotline](http://www.hudoig.gov/hotline). Under the Whistleblower Protection Act, it is illegal for HUD, PHAs, HCV property owners, and PBV property owners to retaliate against their employees and personal service contractors for disclosing a case to the OIG. See 5 U.S.C. § 2302; 41 U.S.C. § 4712.

**Preparing for Full Compliance**

Preparations for PHAs managing HCV housing should include:

- Ensuring that HQS inspectors have completed training in visual assessment for deteriorated paint posted at [www.hud.gov/offices/lead/training/visualassessment/h00101.htm](http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm) and are performing this enhanced visual inspection at initial and periodic inspections in target housing dwelling units when a family has a child under age six. (HQS inspectors who are certified lead risk assessors do not need the visual

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assessment training above; the subject is covered in their risk assessment course.)

- Determining whether lead evaluations will be performed by trained, certified staff or through a contract. If staff are to be certified, the PHA's obtaining certification as a firm in the discipline(s) in which the staff will be certified.
- Confirming a current contact person at the local or state health department for communication and data sharing.
- Informing residents of target housing of the risks of lead-based paint and encouraging them to have young children tested for lead in their blood. Notify residents of how to promptly report EBLLs to the PHA. This may include written notice in the leasing package, and/or at the next regular reexamination.
- Informing and engaging HCV owners about lead safety and their obligations under the LSHR, including the Lead Disclosure Rule. Note that for project-based vouchers (PBV) the rules regarding lead-based paint are different from those applying to tenant-based vouchers. PHAs with project-based vouchers in their HCV programs should ensure that those PBV dwelling units with vouchers for a property valued at over \$5,000 per unit per year have already received a risk assessment and hazard control as outlined in 24 CFR 35, Subpart H, 35.700 et seq.; if the PBV vouchers are for no more than \$5,000 per unit per year, the units should have already received a visual assessment for deteriorated paint and paint stabilization as outlined in 24 CFR 35, Subpart H.

#### **Data Sharing with Public Health Departments**

At least quarterly, the PHA must provide an updated list of their HCV property target housing addresses to the health department so that the health department may evaluate whether they have information about incidences of EBLL cases in assisted housing. If the health department does not want, or is unable, to receive this data, the PHA should document this for HUD compliance reviews. PHAs should also attempt quarterly to obtain the names and addresses of children under age 6 with an EBLL that live in their owned or managed housing from the health department. If a match occurs, the PHA shall comply with all requirements of the LSHR and this guidance.

If a health department agrees to share EBLL information, the PHA must ensure that this information is protected and maintained as confidential, and is used only for the public health protection of children and their families from lead exposure.

#### **Lead Based Requirements for the Project-Based Voucher (PBV)**

Housing Authority of the County of Merced  
Housing Quality Standards (HQS) Prior to  
HAP Effective Date



**Program**

PBV units, while funded through the Tenant-Based Rental Assistance/HCV Program appropriations, are regulated under the Lead Safe Housing Rule (LSHR) as a project-based assistance under 24 CFR Part 35, Subpart H. Under Subpart H, owners of target housing properties receiving more than \$5,000 annually per unit in project-based assistance are required to ensure that target housing receives a lead risk assessment by a certified risk assessor, regardless of whether there is a child under age 6 in residence, and that occupants are notified of the results of the risk assessment.

Owners must ensure that lead-based paint hazards identified by the risk assessment receive interim controls by a certified renovation or abatement firm, that clearance by a certified risk assessor is passed before re-occupancy occurs, and that assisted occupants are notified of the results of the hazard reduction activity. Owners must monitor and maintain any remaining lead-based paint and the hazard controls, with annual visual assessments and a reevaluation with dust testing every two years by a certified risk assessor.

Owners in the PBV program are also responsible for complying with notification and response for a child with an EBLL under Section 35.730. Because the comprehensive requirements of Subpart H may not be broadly understood by all PHAs and owners participating in the PBV program, HUD plans to issue additional guidance to assist them in complying with the requirements.

For the PBV project-based assistance program, the owner is the designated party and is responsible for all the activities regarding EBLL response.

For project-based vouchers, when a child under 6 is identified with an EBLL, the owner must take the following steps. (For a more detailed explanation, please refer to section 6.) For several steps, as described below, the PHA may wish to collaborate with the owner to expedite implementation. The owner is responsible for:

- **Initial notification of a confirmed case to HUD:** Notifying the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes of the case – that is, the child's address – within 5 business days. The PHA may wish to collaborate with the owner on this notification process, such as by agreeing with the owner to be notified of the case by the owner and to forward the notification to the two HUD offices.

• **Initial notification of a confirmed case to public health department, when necessary:** When the owner is notified of the case by any medical health care professional other than the public health department, the owner shall notify the public health department of the name and address of the child within 5 business days. The PHA may wish to collaborate with the owner on this notification process, such as by agreeing with the owner to inform the public health department.

• **Verification of the case, when necessary:** When the owner receives information from a person who is not a medical health care provider that a case may have occurred, the owner shall immediately convey the information to the public health department, asking that department to verify the information to determine whether the child has an EBLL. The PHA may wish to collaborate with the owner on this verification process, such as by agreeing with the owner to receive the information, convey the information to the public health department and ask for that department's verification, and convey the result of the verification to the owner for further action if the case is confirmed or closing out the action if not.

• **Environmental Investigation:** Within 15 calendar days, conducting an environmental investigation of the child's unit and the common areas servicing that unit in accordance with Chapter 16 of the HUD *Guidelines*, as described in section 6 below. The PHA may wish to collaborate with the owner on this evaluation process, such as by agreeing with the owner to conduct the environmental investigation. If lead-based paint hazards are found in the child's unit (the index unit) in a multiunit property, see section 9 below regarding risk assessments to be conducted within 30 or 60 calendar days in other covered units with a child under age 6 and the common areas servicing those units depending on the number of units.

• **Control:** The owner must control (and clear) any lead-based paint hazards identified by the environmental investigation within 30 calendar days using a certified lead-based paint abatement firm or certified lead renovation firm, including having the unit and common area pass a post-work dust clearance exam in accordance with section 35.1340. If lead-based paint hazards are found in the index unit in a multiunit property, and the risk assessments in other covered units with a child under age 6 and the common areas servicing those units identified lead-based paint hazards, control those lead-based paint hazards within 30 or 90 days depending on the number of units as described in section 9 below.

• **Notification to other residents:** As already required by the LSHR, in a multiunit property, the owner must notify all residents of lead evaluation and hazard control activities.

• **Follow-up notification:** The owner must notify the HUD Field Office of the results of the environmental investigation and then of the lead hazard control work within 10 business days of the deadline for each activity. The PHA may wish to collaborate with the owner on this notification process, such as by agreeing with the owner to be notified of the results and then forward them to the Field Office.

• **Ongoing lead-based paint maintenance:** As already required by the LSHR in sections 35.715(c) and 35.720(b), after the work passes clearance, the owner must ensure that the unit and common areas are maintained as lead-safe for continued occupancy, which includes no deteriorated paint or failed lead hazard control methods. The requirements for ongoing LBP maintenance are in section 35.1355(a).

• **Reevaluation if PBV exceeds \$5,000 per unit per year:** As already required by the LSHR in section 35.715(c), if the PBV is for more than \$5,000 per unit per year, the owner must generally conduct periodic reevaluations every two years, using a certified lead risk assessor, and respond to them. The reevaluations shall be for: deteriorated paint surfaces unless they are known not to be lead-based paint, deteriorated or failed interim controls of lead-based paint hazards or encapsulation or enclosure treatments, dust-lead hazards, and soil-lead hazards in newly-bare soil. Exceptions from the reevaluation requirement are in section 35.1355(b)(1) and (4); the requirements for responding to the reevaluations are in section 35.1355(c).

The PHA is responsible for:

• **Monitoring of owner's compliance with LSHR:** Monitoring the PBV owner's compliance with the LSHR in accordance with the Housing Assistance Payments (HAP) contract between the PHA and the owner. This includes such actions as (see above) monitoring the owner's compliance in:

o Notifying HUD of a confirmed case;

o Notifying the public health department when any other medical health care professional notified the owner of the case;

o Verifying the case when the owner receives information from a person who is not a medical health care provider that a case may have occurred;

o Ensuring that any required lead hazard control (including passing clearance) is complete;

o Ensuring that residents of other units in a multiunit property were notified of lead evaluation and hazard control activities; and

o Ensuring that ongoing maintenance of paint is conducted.

The PHA may wish to collaborate with the owner on this monitoring, such as in ways described above.

● **Housing Assistance Payments Contract monitoring:** For the owner to allow the resident family to return to full occupancy of their housing unit, the owner must notify the family of the completion of work and passing of clearance. Because the PHA will be monitoring the owner's compliance with the LSHR in accordance with the HAP contract between the PHA and the owner, the PHA may wish to collaborate with the owner on this monitoring process, such as by agreeing to have the owner inform the PHA that the lead hazard control (including passing clearance) is complete, and providing documentation.

● **Lead Hazard Control:** Ensuring the owner completes and clears the control of lead-based paint hazards identified in the Environmental Investigation of the index unit and the common area servicing that unit. If lead-based paint hazards are found in the index unit in a multiunit property, and the risk assessments in other covered units with a child under age 6 and the common areas servicing those units identified lead-based paint hazards, control those lead-based paint hazards as described in section 9 below.

● **Ongoing monitoring:** Units with identified lead-based paint hazards must have annual re-examinations for deteriorated paint and/or failed hazard control. This can be done in conjunction with periodic HQS inspections, but not at a frequency less than annually if there was deteriorated paint or known lead-based paint hazards identified in the child's unit or common areas servicing that unit.

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~~For HCV tenant-based rental assistance program, while the "AUTHORITY" is the designated party, the LSHR provides that the~~

~~owner is responsible for certain EBLL response activities and the "AUTHORITY" other EBLL response activities.~~

~~The update to the LSHR revised the type of evaluation that must be performed for the housing unit of a child with an EBLL, and added risk assessment requirements covering certain other units, and new reporting requirements. Under the new regulations, the evaluation for the child's unit must be an environmental investigation.~~

### ~~**Owner Responsibilities**~~

~~The owner must notify the "AUTHORITY" and the family if aware of any known lead-based paint or lead-based paint hazards on the premises. This must occur prior to execution of the HAP contract.~~

~~The owner must perform paint stabilization when required by the "AUTHORITY" as a result of an HQS inspection.~~

~~Where a pre-1978 dwelling unit is occupied by a child of less than 6 years of age with an Environmental Intervention Blood Lead Level (EIBLL), the owner will:~~

- ~~• Be required to allow the "AUTHORITY" to conduct a risk assessment of the dwelling unit;~~
- ~~• Be advised of the risk assessment inspection and given the opportunity to be present;~~
- ~~• Upon receipt of a written report of the results of the above inspection, the owner must post notice to the tenant;~~
- ~~• If hazard conditions exist, the owner must comply with the scope of the work within 30 days;~~
- ~~• Once interim controls or abatement (corrective actions to reduce or eliminate LBP hazards) have been completed, the owner must contract with a Certified Lead Inspector (CLI) for a clearance examination;~~
- ~~• Once cleared by the CLI, a copy of the Clearance Report must be provided by the owner to the HAFC.~~

### ~~**"AUTHORITY" Responsibilities**~~

~~The "AUTHORITY" staff will conduct a visual assessment at initial and periodic inspections. If during the inspection the family informs the "AUTHORITY" staff person there is a child under 6 years of age with an EIBLL, staff is to give a written report to a Housing Choice Voucher Director of Housing Programs.~~

~~The "AUTHORITY" will attempt to obtain from the health department names and/or addresses of children with EIBLL's. Such information will be matched with "AUTHORITY" address records of assisted families.~~

~~The "AUTHORITY" will report to the health department addresses of assisted units, unless the health department states it does not want such a report.~~

~~Lead-based paint inspection reports, with owner certifications, will be kept for a minimum of three years; indefinitely if chewable surfaces require testing.~~

~~As part of the briefing of applicant/participant families, the "AUTHORITY" will provide the household with a copy of the HUD brochure, "Protect Your Family from Lead in Your Home".~~

~~Where a pre-1978 dwelling unit is occupied by a child of less than 6 years of age with an EIBLL and the "AUTHORITY" has received EIBLL notification by the health department or other medical health care provider, the "AUTHORITY" will:~~

- ~~• Schedule a risk assessment within 15 days and give the owner an opportunity to be present;~~
- ~~• Place the housing assistance payment on hold, if the written report reveals items which must be corrected;~~
- ~~• Notify the owner in writing of the hold, and of the Lead Based Paint Hazard Reduction Procedures [letter], giving 30 days to correct all items;~~
- ~~• Upon receipt of a clearance form per 24 CFR 35.1340, will release the Housing Assistance Payment;~~
- ~~• Notify the owner and family in writing of termination of the contract and housing assistance payments if the required clearance form is not provided by the end of the 30-day correction period;~~
- ~~• If the owner does not obtain a clearance, or if the family decides not to stay in the unit, the "AUTHORITY" will process the family's request to transfer to another unit, if the family serves a proper notice of intent to vacate and meets the other requirements to transfer.~~

~~The unit will be taken off the program and the property tracked so that it will not be allowed back on the program until such time~~

~~as a clearance is supplied.~~

~~**Common Definitions Regarding Lead-Based Paint**~~

~~Below are some of the key terms used in this section. Other definitions are located in 24CFR Part 35.7, 35.110.~~

~~**Abatement** means any set of measures designed to permanently eliminate lead-based paint or lead-based paint hazards. Abatement includes:~~

- ~~• The removal of lead-based paint and dust-lead hazards, the permanent enclosure or encapsulation of lead-based paint, the replacement of components or fixtures painted with lead-based paint, and the removal or permanent covering of soil-lead hazards; and~~

~~All preparation, cleanup, disposal, and post-abatement clearance testing activities associated with such measures.~~

~~**Certified [Inspector]** means licensed or certified to perform such activities as risk assessment, lead-based paint inspection, or abatement supervision, either by a State or Indian tribe with a lead-based paint certification program authorized by the Environmental Protection Agency (EPA), or by the EPA, in accordance with 40 CFR part 745, subparts L or Q.~~

~~**Clearance Examination** means an activity conducted following lead-based paint hazard reduction activities to determine that the hazard reduction activities are complete and that no soil-lead hazards or settled dust-lead hazards, as defined in 24 CFR Part 35, exist in the dwelling unit or worksite. The clearance process includes a visual assessment and collection and analysis of environmental samples. Dust-lead standards for clearance are found in 24 CFR Part 35.1320.~~

~~**De Minimis Levels (aka De Minimis Rule) means:**~~

~~20 sq ft on exterior surfaces,~~

~~2 sq ft in any one interior room, or~~

~~10% of total surface area of an interior or exterior type component with a smaller surface area (e.g., window sills)~~

~~**Deteriorated Paint** means any interior or exterior paint or other coating that is peeling, chipping, chalking or cracking, or any paint or coating located on an interior or exterior surface or fixture that is otherwise damaged or separated from the~~

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substrate.

~~**Environmental Intervention Blood Lead Level (EIBLL)**~~ means a confirmed concentration of lead in whole blood equal to or greater than 20 ug/dl (micrograms of lead per deciliter) for a single test or 15 to 19 ug/dl in two tests taken at least 3 months apart.

~~**Hazard Reduction**~~ means measures designed to reduce or eliminate human exposure to lead-based paint hazards through methods including interim controls or abatement or a combination of the two.

~~**Interim Controls**~~ means a set of measures designed to reduce temporarily human exposure or likely exposure to lead-based paint hazards. Interim controls include, but are not limited to, repairs, painting, temporary containment, specialized cleaning, clearance, ongoing lead-based paint maintenance activities, and the establishment and operation of management and resident education programs.

~~**Paint Stabilization**~~ means repairing any physical defect in the substrate of a painted surface that is causing paint deterioration, removing loose paint and other material from the surface to be treated, and applying new protective coating or paint.

~~**Risk Assessment**~~ means (1) An on-site investigation to determine the existence, nature, severity, and location of lead-based paint hazards; and (2) The provision of a report by the individual or firm conducting the risk assessment explaining the results of the investigation and options for reducing lead-based paint hazards.

~~**Visual Assessment**~~ means looking for, as applicable: (1) Deteriorated paint; (2) Visible surface dust, debris, and residue as part of a risk assessment or clearance examination; or (3) The completion or failure of a hazard reduction measure.



## Chapter 11

### OWNER RENTS, RENT REASONABLENESS, AND PAYMENT

#### STANDARDS [24 CFR 982.503, 982.504, 982.505, 982.507]

#### **INTRODUCTION**

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

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

The "AUTHORITY" will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is the "AUTHORITY"'s responsibility to ensure that the rents charged by owners are reasonable based upon unassisted comparable units in the rental market, using the criteria specified in 24 CFR 982.507(b).

This chapter explains the "AUTHORITY"'s procedures for determination of rent-reasonableness, payments to owners, adjustments to the payment standards, and rent adjustments.

#### **A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM**

The rent to owner is not only limited by rent reasonableness. The "AUTHORITY" must demonstrate that the rent to owner is reasonable in comparison to rent for other comparable unassisted units.

The only other limitation on rent to owner is the maximum rent standard at initial occupancy (24 CFR 982.508). At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, whether it is a new admission (in place or not) or a move to a different unit. The family share may not exceed 40 percent of the family's monthly adjusted income. This 40 percent comparison is used only when the gross rent of the chosen unit is more than the applicable payment standard for the family.

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

When raising the rent, the owner must give at least a 60-day written notice to the tenant and "AUTHORITY".

When funding is available, the "AUTHORITY" will review the owner's request to increase the contract rent.

#### **B. MAKING PAYMENTS TO OWNERS [24 CFR 982.451]**

~~Once the HAP Contract is executed, the "AUTHORITY" begins processing payments to the owner. A HAP register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made automatically to the HAP register by the Business Services Department, for the following month. Checks are disbursed by the Accounting Department to the owner each month. The "AUTHORITY" will issue payments to landlords via direct deposit. As a requirement, all landlords must agree to Electronic Funds Transfer (EFT) as the primary method of payment. If an owner opts not to receive their payment by EFT, they or their designee Checks must be picked up the check by the owner at the "AUTHORITY". Electronic Payments Checks will only be disbursed on the first working day of the month. Exceptions may be made with the approval of the Director of Housing Programs in cases of hardship. Checks that are not received, will not be replaced until a written request has been received from the payee. The "AUTHORITY" will not submit a stop payment on the check until 10 days have elapsed from the date the check was issued.~~

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#### **Excess Payments**

The total of rent paid by the tenant plus the HAP to the owner may not be more than the rent to owner. The owner must immediately return any excess payment to the "AUTHORITY".

Owners who do not return excess payments will be subject to penalties as outlined in this Administrative Plan.

#### **Late Payments to Owners**

The "AUTHORITY" must make HAP payments to the owner promptly and in accordance with the HAP contract.

The "AUTHORITY" will pay a late fee to the owner for HAP that is not received by the owner by the 5<sup>th</sup> business day of the month, if requested by the owner. Any such late fee to be paid by the

"AUTHORITY" will be equal to, but not greater than, the established amount of late fee charged to their tenant for late payment.

~~Proof of "mailed to" date will be:~~

- ~~• The date the HAP register was run; if the first of the month falls on a weekend or legal holiday, payments will be mailed on the following business day.~~

~~Proof of "received by owner" will be:~~

- ~~• Five (5) calendar days after date of mailing by "AUTHORITY" or written certification from the owner, including but not limited to written information from the Post Office and/or postal carrier or other mail processing center. These terms apply to re-certifications only.~~

Payments to owners on all new contracts will be processed electronically mailed within thirty (30) days of a passed HQS inspection, providing that all documents have been executed under program guidelines.

~~To assist the "AUTHORITY" in its outreach efforts to owners and to provide better customer service, the "AUTHORITY" will offer to make automatic monthly HAP deposits into the bank account of the owner. If the owner agrees to such an arrangement with the "AUTHORITY", the date the bank shows as the deposit date, will be the official date of record and will be the determining factor in cases involving late payment penalties.~~

If Housing Assistance Payments are not paid promptly when due after the first two calendar months of the HAP contract term, the "AUTHORITY" shall pay the owner penalties if all of the following circumstances apply:

1. Such penalties are in accordance with generally accepted practices and law, as applicable in the local housing market, governing penalties for late payment of rent by a tenant;
2. It is the owner's practice to charge such penalties for assisted and unassisted tenants; and
3. The owner also charges such penalties against the tenant for late payment of family rent to owner.

The "AUTHORITY" will not be obligated to pay any late payment

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

**C. RENT REASONABLENESS DETERMINATIONS [24 CFR 982.507]**

The "AUTHORITY" will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. The "AUTHORITY" must ensure that the rents paid for HCV assisted units do not exceed the rents for comparable units that are not assisted under a Federal, State, or local government program.

The following are considered to be assisted units and will not be considered when determining rent reasonableness:

- Units where the rent and/or rent increases are controlled or restricted by law or court order
- In cases of a property undergoing a Housing Conversion Action, units occupied by tenants on the date of the eligibility event who do not receive vouchers are considered assisted if the owner chooses to continue below market rents to those families by offering lower rents or other rent concessions to the impacted families

The "AUTHORITY" will not approve a lease until it is determined that the initial rent to owner is a reasonable rent.

The "AUTHORITY" must re-determine the reasonable rent before any increase in the rent to owner, ~~and if there is a five percent (5%) or greater decrease in the published Fair Market Rent (FMR) in effect sixty (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; and/or if directed by HUD.~~

The "AUTHORITY" must re-determine rent reasonableness ~~if directed by HUD and when there has been a 10% decrease in the FMRs from the previous year, based on a need identified by the HACM's auditing system.~~ The "AUTHORITY" may elect to re-determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as

most recently determined or re-determined by the "AUTHORITY".

The owner will be advised that by accepting each monthly Housing Assistance Payment (HAP), they will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the same premises. If requested, the owner must give the "AUTHORITY" information on rents charged by the owner for other units in the premises or elsewhere. The "AUTHORITY" will only request information on the owner's units elsewhere if the "AUTHORITY" has cause to demonstrate that the owner has a tendency to charge higher rents to program participants or if needed for rent reasonableness comparable.

The data for other unassisted units will be gathered from title companies/ mail out to owners, newspapers, realtors, professional associations, inquiries of owners, market surveys, and other available sources.

The market areas for rent reasonableness are census tracks, neighborhoods, and zip codes within the "AUTHORITY"'s jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items may 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

#### **Rent Reasonableness Methodology**

Information is gathered on rental units in the "AUTHORITY"'s market area, and each unit is rated using the "AUTHORITY"'s rent reasonableness system. The "AUTHORITY" maintains an automated database which includes data on unassisted units for use by staff in making rent reasonableness determinations and to identify the rents for units of like size and type within the same market area. Each defined factor of the items listed above on the unit to be assisted will be compared, using a point adjustment system, to those factors of

comparable unassisted units in the database.

The average will be adjusted up or down based on the dollar value of all HUD required comparable items in comparison with the total database.

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

The payment standard is used to calculate the HAP for a family. In accordance with HUD regulation, and at the "AUTHORITY"'s discretion, the voucher payment standard amount is set by the "AUTHORITY" between ninety percent (90%) and one hundred ten percent (110%) of the HUD published Fair Market Rent (FMR). This is considered the basic range.

All PHAs must revise and implement their payment standard amount and schedule, if a revision is necessary to stay within the basic range, no later than 3 months following the effective date of the change in the FMR.

The "AUTHORITY" reviews the appropriateness of the payment standard annually when the FMR is published. In determining whether a change is needed, the "AUTHORITY" will ensure that the payment standard is always within the range of ninety percent (90%) and one hundred ten percent (110%) of the new FMR, unless an exception payment standard has been approved by HUD.

The "AUTHORITY" will establish a single voucher payment standard amount for each FMR area in the "AUTHORITY"'s jurisdiction. For each FMR area, the "AUTHORITY" will establish payment standard amounts for each "unit size". The "AUTHORITY" may have a higher payment standard within the "AUTHORITY"'s jurisdiction if needed to expand housing opportunities outside areas of minority or poverty concentration, as long as the payment standard is within the ninety percent (90%) and one hundred ten percent (110%) of FMR range.

The "AUTHORITY" 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 HAP in order to keep the family's rents affordable. The "AUTHORITY" will not raise payment standards solely to make "high end" units available to voucher holders. The "AUTHORITY" may use some or all of the measures below in making

its determination whether an adjustment should be made to the payment standards.

**Assisted Family Rent Burdens**

The "AUTHORITY" will review its voucher payment standard amounts at least annually to determine whether more than forty percent (40%) of families in a particular unit size are paying more than thirty percent (30%) of their annual adjusted income for rent.

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

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

The "AUTHORITY" will establish a separate voucher payment standard, within the basic range, for designated parts of its jurisdiction if it determines that a higher payment standard is needed in these designated areas to provide families with quality housing choices and to give families an opportunity to move outside areas of high poverty and low income.

**Quality of Units Selected**

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

**"AUTHORITY" Decision Point**

The "AUTHORITY" will review the average percent of income that families on the program are paying for rent. If more than 40% of families are paying more than 30% of monthly adjusted income for a particular unit size, the "AUTHORITY" will determine whether families are renting units larger than their voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by the "AUTHORITY" in this 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 HAM may decline to increase the payment standard. If these are not the primary factors for families paying higher rents, the "AUTHORITY" will

continue increasing the payment standard.

**Rent to Owner Increases**

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

**Time to Locate Housing**

The "AUTHORITY" may consider the average time period for families to lease up under the voucher program.

**Lowering of the Payment Standard (PIH 2011-28 (HA))**

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 ninety percent (90%) of the FMR without authorization from HUD.

Housing Authorities experiencing financial difficulties may request a regulatory waiver for good cause so that reduced payment standards may be applied immediately.

**Decrease in the Payment Standard [24 CFR 982.505]**

If the amount on the payment standard schedule is decreased during the term of the HAP contract, the lower payment standard amount generally must be used to calculate the monthly housing assistance payment for the family beginning at the effective date of the family's second-regular reexamination following the effective date of the decrease in the payment standard amount.

**Financial Feasibility**

Before increasing the payment standard, the "AUTHORITY" may review the budget and budget reserve to determine the impact projected subsidy increases would have on funding available for the program and number of families served.

For this purpose, the "AUTHORITY" will compare the number of families who could be served under a higher payment standard with the number assisted under current payment standards.

**File Documentation**

A file will be retained by the "AUTHORITY" for at least three years to document the analysis and findings to justify whether or not the payment standard was changed.



**F. EXCEPTION PAYMENT STANDARDS**

If the dwelling unit is located in an exception area, the "AUTHORITY" must use the appropriate payment standard amount established by the "AUTHORITY" for the exception area in accordance with regulation 24 CFR 982.503(c).

**G. OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM [24 CFR 982.308(g)]**

The owner is required to notify the "AUTHORITY", in writing, at least sixty (60) 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 [24 CFR 982.507].

## Chapter 12

### RECERTIFICATIONS [24 CFR 982.516]

#### **INTRODUCTION**

In accordance with HUD requirements, the "AUTHORITY" will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments.

Re-certifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition. This chapter defines the "AUTHORITY"'s policy for conducting annual re- certifications 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]**

There are two (2) activities the "AUTHORITY" must conduct on an annual basis. These activities will be coordinated whenever possible:

1. Recertification of income and family composition
2. HQS inspection

At each annual anniversary date of the HAP contract, the "AUTHORITY" must adjust the rent to owner at the request of the owner. The rent must be reasonable (as determined by the "AUTHORITY" in accordance with 982.503).

The "AUTHORITY" produces a monthly listing of units under contract to ensure that timely reviews of rent to owner, housing quality standards, and factors related to total tenant payment (TTP) can be made.

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

#### **Moves between Reexaminations**

At the discretion of the "AUTHORITY" when families move to another dwelling unit, an annual recertification may be scheduled (unless a recertification has occurred in the last one hundred twenty (120) days and the anniversary date ~~may~~**will** be changed). Income limits are not used as a test for continued eligibility at recertification. The transfer will be reported to HUD as an "other change of unit" and the anniversary date will remain the same annually.

### **Reexamination Notice to the Family**

The "AUTHORITY" will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview at least ninety (90) days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the "AUTHORITY" will provide the notice in an accessible format. The "AUTHORITY" will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities.

These accommodations will be granted upon verification that they meet the need presented by the disability.

### **Procedure**

The "AUTHORITY"'s procedure for conducting annual re-certifications may be processed as follows:

- Schedule the date and time of appointment and mail a notification to the family.
- If necessary and appropriate, permit the family to change the scheduled date and time appointment by telephone or in writing.
- By mail as a reasonable accommodation for elderly or disabled families.
- By mail at the discretion of the Director of Housing Programs or his or her designee.

### **Completion of Annual Recertification**

The "AUTHORITY" will have all re-certifications for families completed before the anniversary date. This includes notifying the family of their rent change at least thirty (30) days before the scheduled date of the change in family rent.

### **Persons with Disabilities**

Persons with disabilities who are unable to complete the recertification paperwork by mail may 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 "AUTHORITY" has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate. The "AUTHORITY" will require the family to complete a Personal Declaration Form prior to all recertification interviews.

### **Requirements to Attend**

All adult household members will be required to attend the re-

certification interview. If the head of household is unable to attend the interview, the spouse or co-head may recertify for the family, provided that the head comes in within thirty (30) days to recertify.

**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 prior to the first scheduled appointment.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the "AUTHORITY", the "AUTHORITY" will reschedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the "AUTHORITY" will send the family a notice of proposed termination which gives the family an option to request an informal hearing.

If the annual recertification letter is returned to the "AUTHORITY" with a forwarding address, the Eligibility Specialist will make no more than one (1) attempt to forward the appointment letter to the new forwarding address.

Exceptions to these policies may be made by the Director of Housing Programs or his or her designee, 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 "AUTHORITY" will include instructions for the family to bring/provide the following at time of appointment or within 14 calendar days:

- Personal Declaration Form completed by head of household and all members of 18 years of age
- Documentation of income or no income for all family members
- Documentation of all assets
- Documentation of any deductions/allowances
- Documentation to support claims
- Three (3) current months of rent receipts
- Form HUD 92006
- Medical Marijuana Form
- VAWA
- Social Security Cards, Birth Certificates and Verification of Legal Non-Citizenship status, if applicable at annual reexamination

**Verification of Information**

The "AUTHORITY" will follow the verification procedures and guidelines described in this Administrative Plan. Verifications for reexaminations must be less than one hundred twenty (120) days old.

**College Student Redetermination of Eligibility**

Each college student within a household must provide a written/signed certification that the student does or does not anticipate receiving financial support from the student's parent(s) or guardian(s) and the amount of support.

The college student must not be claimed as a dependent by parent(s) or legal guardian(s) on the Internal Revenue Services (IRS) tax return.

Each college student receiving an athletic scholarship must provide third party verification of amounts used towards housing costs.

The "AUTHORITY" must verify, via independent third-party verification, all amounts anticipated to be received outside of the family during the twelve (12) month period following admission and the effective date of the annual reexamination.

This may be achieved by requesting a copy of the college student's Form 1040EZ, 1040, or 1040A tax returns for the prior year. The "AUTHORITY" will check the box that asks whether the student's parents (or someone else) can claim him/her on their tax return (see box "5" for Form 1040 EZ and box "6a" for Forms 1040 and 1040A). The "AUTHORITY" may also, if practicable, review the college student's parents or guardians tax returns. The college student must supply any information that the "AUTHORITY" or HUD determines is necessary in administration of public housing, voucher, or certificate programs (24 CFR 960.259 and 982.551).

Currently, the full amount of financial assistance from federal and state grants and/or loans, academic scholarships, and work study program wages paid directly to the student or the educational institution is not included in the determination of annual or adjusted income (24 CFR 5.609 (c)(6)). Amounts paid directly to the student for living expenses will be included as income. This excludes any financial assistance received for mandatory fees and charges in addition to tuition.

**Tenant Rent Increase**

If the tenant rent increases, a thirty (30) day notice is mailed to the family prior to the scheduled effective date of the annual recertification.

If less than thirty (30) days are remaining before the scheduled effective date of the annual recertification, the tenant rent increase will be effective on the first of the following month.

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 scheduled effective date of the annual recertification.

**Tenant Rent Decreases**

If the tenant rent decreases, it will be effective on anniversary date. If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the "AUTHORITY". No back HAP payments will be issued.

**B. REPORTING INTERIM CHANGES [24 CFR 982.516]**

Program participants must report all changes in household composition within thirty (30) days to the "AUTHORITY" between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must obtain "AUTHORITY" approval prior to all other additions to the household.

The "AUTHORITY" will not issue a larger voucher due to additions of family members other than by birth, adoption, marriage, or court-awarded custody of a current approved family member.

If any new family member is added, family income must include any income of the new family member. The "AUTHORITY" will conduct a re-examination 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 first interim or regular recertification after moving into the unit.

If the non-citizenship category of the family changes due to a member

becoming a legal non-citizenship or whatever the circumstances, an annual reexamination interim will be conducted to increase or decrease the rent according to the new family category, even if income and family composition remains unchanged.

An interim reexamination does not affect the date of the annual recertification. An interim reexamination will be scheduled for families with zero or unstable income every ninety (90) days.

The "AUTHORITY" will review the Enterprise Income Verification (EIV) Income Report for each New Admission (form HUD-50058 action type 1) within ninety (90) days of the participant's admission date to confirm/validate the income reported by the family during the initial eligibility determination. Any income discrepancies will be resolved with the family within thirty (30) days of the date the EIV Income Report was run.

Any changes reported by participants other than those listed in this section will be noted in the file and computer by the staff person but will not be processed between regularly scheduled annual recertifications.

### **Interim Reexamination Increases in Income**

Families will be required to report all increases in income/assets within thirty (30) days of the increase.

The "AUTHORITY" will not conduct interim reexaminations when families have an increase in monthly adjusted income of \$200 or less. Participants in the Family Self-Sufficiency (FSS) program are exempt from this rule as increases in income will generate a change in their escrow balance.

The "AUTHORITY" will review all reported increases in total household income.

### **Decreases in Income**

Participants may report a decrease in income and other changes which would reduce the amount of tenant rent, such as an increase in allowances or deductions. The "AUTHORITY" must calculate the change if a decrease in income is reported.

Decreases in the tenant portion of the rent will be made effective the first day of the month following the month in which the change was reported, if the change was reported in writing on before the fifteenth

(15<sup>th</sup>) day of the month. If reported after the fifteenth (15<sup>th</sup>) day of the month, the effective date of the tenant portion of rent may be effective on the first day of the second month after the change was reported.

#### **“AUTHORITY” Errors**

If the “AUTHORITY” makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted if necessary to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable retroactive to when the decrease for the change would have been effective if calculated correctly.

### **C. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS**

The “AUTHORITY” will not reduce the family share of rent for families whose welfare assistance is reduced due to a specified welfare benefit reduction in benefits by the welfare agency specifically because of:

- Fraud in connection with the welfare program; or
- Failure to participate in an economic self-sufficiency program
- Noncompliance with a work activities requirement

However, the “AUTHORITY” will reduce the rent if the welfare assistance reduction is a result of:

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

The “AUTHORITY” will notify affected families that they have the right to an informal hearing regarding these requirements.

#### **Definition of “Imputed Welfare Income”**

The amount of annual income, not actually received by a family, as a result of a specified welfare benefit reduction, that is included in the family’s income for purposes of determining rent.

The amount of imputed welfare income is determined by the “AUTHORITY”, based on written information supplied to the “AUTHORITY” by the welfare agency, including:



- The amount of the benefit reduction
- The term of the benefit reduction
- The reason for the reduction
- Subsequent changes in the term or amount of the benefit reduction.

The family's annual income will include the imputed welfare income, as determined at the family's annual or interim reexamination, during the term of the welfare benefits reduction (as specified by the welfare agency). The amount of imputed welfare income will be offset by the amount of additional income the family receives that commences after the sanction was imposed. When additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income will be reduced to zero.

If the family claims the amount of imputed welfare income has been calculated incorrectly, "AUTHORITY" will review the calculation for accuracy. If the imputed welfare income amount is correct, the "AUTHORITY" will provide a written notice to the family that includes:

- A brief explanation of how the amount of imputed welfare income was determined;
- A statement that the family may request an informal hearing if they do not agree with the "AUTHORITY" determination.

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

The "AUTHORITY" will obtain written verification from the welfare agency (Merced County Human Services Agency) stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction. The "AUTHORITY" will rely on the welfare agency's written notice to the "AUTHORITY" regarding welfare sanctions.

The welfare agency, at the request of the "AUTHORITY", will inform the "AUTHORITY" of the:

- Amount and term of specified welfare benefit reduction for the family;
- Reason for the reduction; and
- Subsequent changes in term or amount of reduction.

#### **Family Dispute of Amount of Imputed Welfare Income**

If the family disputes the amount of imputed income and the "AUTHORITY" denies the family's request to modify the amount, the "AUTHORITY" will provide the tenant with a notice of denial, which will include:

- An explanation for the "AUTHORITY"'s determination of the amount of imputed welfare income.

- A statement that the tenant may request an informal hearing.
- A statement that the information received from the welfare agency cannot be disputed at the informal hearing, and the issue to be examined at the informal hearing will be the "AUTHORITY"'s determination of the amount of imputed welfare income, not the welfare agency's determination to sanction the welfare benefits.

### **Cooperation Agreements [24 CFR 5.613]**

The "AUTHORITY" has a written cooperation agreement in place with the local welfare agency which assists the "AUTHORITY" in obtaining the necessary information regarding welfare sanctions.

The "AUTHORITY" has taken an active approach in creating an effective working relationship between the "AUTHORITY" and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to Housing Choice Voucher (HCV) participants.

The "AUTHORITY" and the local welfare agency have mutually agreed to exchange information regarding any economic self-sufficiency and/or other appropriate programs or services that would benefit HCV participants.

The "AUTHORITY" has executed a Memorandum of Understanding with the local welfare agency to ensure timely and accurate verification of noncompliance.

### **D. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS (MEID) [24 CFR 5.616; 982.201(b) (3)]**

The EID is designed to promote self-sufficiency for families with disabilities in the HCV program who meet the definition of a "qualified family" as described in 24 CFR 5.617 and 24 CFR 960.255. The EID benefit is limited to a lifetime 24-month period for the qualifying family member. Once a family member is determined eligible for the EID, the 24-calendar month period will start. If the family member discontinues the employment that initially qualified the family for the EID, the 24-calendar month period continues.

During the first 12–calendar month period, the "AUTHORITY" must exclude all increased income resulting from the qualifying employment of the family member. After the first 12–calendar month period, the "AUTHORITY" must exclude from annual income of the family at least 50 percent of the increase in earned income of such

family member as a result of employment over the family member's income before the qualifying event (i.e., the family member's baseline income). At the end of the 24 months, the EID ends regardless of how many months were "used."

A disabled family qualified for the earned income exclusion is a family that is receiving tenant- based rental assistance under the Housing Choice Voucher Program and must meet one or more of the following conditions:

- 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 (6) 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 twelve (12) months no more than the equivalent earnings for working ten (10) hours per week for fifty (50) weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of an 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).

Amounts to be excluded 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 of TANF received in the six-month period includes monthly income and such benefits and services as one-time payments, wage subsidies and transportation assistance.

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.

Once a family member is determined to be eligible for the EID, the 24-calendar month period starts; If the family member discontinues the employment that initially qualified the family for the EID, the 24-calendar month period continues;

During the 24-calendar month period, EID benefits are recalculated based on changes to family member income and employment;

During the first 12-calendar month period, "AUTHORITY" will exclude all increased income resulting from the qualifying employment of the family member. After the first 12-calendar month period, "AUTHORITY" will exclude from annual income of the family at least 50 percent of any increase in income of such family member as a result of employment over the family member's income before the qualifying event (i.e., the family member's baseline income):

The EID benefit is limited to a lifetime 24-month period for the qualifying family member;

At the end of the 24 months, the EID ends regardless of how many months were "used".

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 in such programs. 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.

### **Applicability to Child Care and Disability Assistance Expense Deductions**

The amount deducted for child care and disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for disabled 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 and disability assistance expense 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 (refer to Section B above)
- 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 twelve (12) month period of exclusion (if any)
- Date the family member has received a total of twelve (12) months of the initial exclusion
- Date the twelve (12) month phase-in period began
- Date(s) earned income ended and resumed during the second twelve (12) month period
  - (phase-in) of exclusion (if any)
- Date the family member has received a total of twelve (12) months of the phase-in exclusion
- Ending date of the maximum twenty-four (24) months, disallowance period.

The "AUTHORITY" 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).

**Initial Twelve-Month Exclusion**

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 twelve (12) month period. After the disabled family receives twelve (12) cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

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

During the cumulative twelve (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 "AUTHORITY" 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 twelve (12) month period after the expiration of the initial cumulative twelve (12) month period referred to above, the "AUTHORITY" must exclude from annual income of a qualified family fifty percent (50%) 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 forty-eight (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 twelve (12) months of full

exclusion of incremental increase, and a maximum of twelve (12) months of phase-in exclusion during the forty-eight (48) month period starting from the date of the initial exclusion.

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

A disabled family qualified for the earned income exclusion is a family that is receiving tenant-based rental assistance under the HCV Program and must meet one or more of the following conditions:

- 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 (6) months after receiving assistance, benefits or services under any State program for Temporary Assistance to Needy Families (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 twelve (12) months no more than the equivalent earnings for working ten (10) hours per week for fifty (50) weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of an 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 ends in the program.

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.

### **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 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 twelve (12) month period of exclusion (if any)
- Date the family member has received a total of twelve (12) months of the initial exclusion
- Date the twelve (12) month phase-in period began
- Date(s) earned income ended and resumed during the second cumulative twelve (12) month period (phase-in) of exclusion (if any)
- Date the family member has received a total of twelve (12) months of the phase-in exclusion
- Ending date of the maximum forty-eight (48) month, four (4) year disallowance period which is forty-eight (48) months from the date of the initial earned income disallowance



The "AUTHORITY" will maintain a tracking system to ensure correct application of the earned income disallowance (see Section B of this chapter, "Reporting Interim Changes" for increases in income that must be reported).

### **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).

### **Family Dispute of Amount of Imputed Welfare Income**

If the family disputes the amount of imputed income and the "AUTHORITY" denies the family's request to modify the amount, the "AUTHORITY" will provide the tenant with a notice of denial, which will include:

- An explanation for the "AUTHORITY"'s determination of the amount of imputed welfare income
- A statement that the tenant may request an informal hearing

## **E. NOTIFICATION OF RESULTS OF REEXAMINATIONS**

The HUD form 50058 will be completed and transmitted as required by HUD no later than 60 calendar days from the effective date of any action recorded on line 2b of the HUD 50058 form.

The Notice of Rent Change is mailed to the owner and the tenant. Signatures are not required by the "AUTHORITY" on the Notice of Rent Change. If the family disagrees with the rent adjustment, they may request an informal hearing as stated on the bottom of the Notice of Rent Change.

## **F. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)**

**[24 CFR 982.516(c)]** The "AUTHORITY" requires that families report interim changes (in writing) in the family composition and/or income to the "AUTHORITY" within thirty (30) days of when the change occurs. Any information, document or signature needed from the family, which is needed to verify the change, must be provided upon request by the Housing Authority.

If the change is not reported (in writing) within the required time period, or if the family fails to provide documentation or signatures, it

will be considered untimely reporting.

### **Procedures when the Change is Reported in a Timely Manner**

The "AUTHORITY" will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

Increases in the Tenant Rent are effective on the first of the month following at least thirty (30) day notice. An increase in a monthly adjusted income of \$200 or less will not result in a change in the tenant's portion.

Decreases in the Tenant Rent are effective the first of the month following that in which the change is reported, if the change was reported in writing on or before the fifteenth (15<sup>th</sup>) day of the month. If reported after the fifteenth (15<sup>th</sup>) day of the month, the effective date of the tenant portion of rent will be effective on the first day of the second month after the change was reported. However, no rent reductions will be processed until all the facts have been verified, and no back HAP will be issued. If a tenant requests a hardship to the written notification requirement of this interim policy, the Director of Housing Programs or his or her designee may approve such request.

The change will not be made until the third party verification is received.

### **Procedures when the Change is Not Reported by the Tenant in a Timely Manner**

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim processing and the following guidelines will apply:

- Increase in Tenant Rent will be effective on the first day of the month that change would have been effective had the change been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to repay the "AUTHORITY" and sign a repayment agreement or make a lump sum payment. In some instances depending on the circumstances, the family may be terminated from the program.
- Decrease in Tenant Rent will be effective on the first of the month following the month that the change was reported, if the change was reported in writing on or before the fifteenth (15<sup>th</sup>) day of the month. If reported after the fifteenth (15<sup>th</sup>) day of the month, the effective date of the tenant portion of rent will be effective on the first day of the second month after the change

was reported. If a tenant requests a hardship to the written notification requirement of this interim policy, the Director of Housing Programs or his or her designee may approve such request.

**Procedures when the Change is Not Processed by the "AUTHORITY" in a Timely Manner**

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the "AUTHORITY" in a timely manner.

In this case, an increase will be effective after the required thirty days' notice prior to the first of the month after completion of processing by the "AUTHORITY".

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

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

Under the Non-citizens Rule, "mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

The non-citizens rule was implemented prior to November 29, 1996, and "mixed" families who were participants as of June 19, 1995, shall continue receiving full assistance if they meet all of the following criteria:

- The "AUTHORITY" implemented the Non-Citizen Rule prior to November 29, 1996; and
- The head of household or spouse is a U.S. citizen or has eligible immigrant status; and
- All members of the family other than the head, the spouse, parents of the head or the spouse, and children of the head or spouse are citizens or eligible immigrants. The family may change the head of household to qualify under this provision.

—"Mixed" families who qualify for continued assistance after November 29, 1996, may receive prorated assistance only.

**H. MISREPRESENTATION OF FAMILY CIRCUMSTANCES**

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the "AUTHORITY" may terminate assistance and may refer the family file/record to the proper authorities for appropriate disposition.

## Chapter 13

### MOVES WITH CONTINUED

#### ASSISTANCE/PORTABILITY [24 CFR 982.314

#### CFR 982.353, 982.354, 982.355(a)]

#### **INTRODUCTION**

HUD regulations permit families to move with continued assistance to another unit within the "AUTHORITY"'s jurisdiction, or to a unit outside of the "AUTHORITY"'s jurisdiction under portability procedures. The regulations also allow the "AUTHORITY" the discretion to develop policies, which define any limitations or restrictions on moves. This chapter defines the procedures for moves, both within and outside of, the "AUTHORITY"'s jurisdiction, and the policies for restriction and limitations on moves.

#### **A. ALLOWABLE MOVES**

A family may move to a new unit with continued assistance if:

- The assisted lease for the old unit has terminated because the "AUTHORITY" has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.
- The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family (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) for owner breach or otherwise.

The "AUTHORITY" will consider protections to victims and/or affiliated individuals of domestic violence in accordance with VAWA 2010 and VAWA 2013.

#### **B. RESTRICTIONS ON MOVES [24 CFR 982.354, 982.552(a)]**

If the family or a member of the family, is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), and the move is needed to protect the health or safety of the family or family member, or if any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-

day period preceding the family's request to move. A Housing Authority may not terminate assistance if the family, with or without prior notification to the Housing Authority, moves out of a unit in violation of the lease, if such move occurs to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believed he or she was threatened with imminent harm from further violence if he or she remained in the dwelling unit. However, any family member that has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's move or request to move is not required to believe that he or she was threatened with imminent harm from further violence if he or she remained in the dwelling unit.

Families will not be permitted to move during the initial year of assisted occupancy.

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

The "AUTHORITY" will deny permission to move if there is insufficient funding for continued assistance. The "AUTHORITY" must provide written notification to the local HUD office within ten (10) business days of determining it is necessary to deny moves to a higher-cost unit based on insufficient funding.

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

Consistent with applicable civil rights laws and regulations, the "AUTHORITY" will deny permission to move if:

- The family has been issued a Notice of Proposed Termination due to a violation of any Family Obligations, Grounds for Termination, or has violated any rules and regulations under the Housing Choice Voucher Program.
- The family owes the "AUTHORITY" money and is in arrears or has defaulted on a repayment agreement.
- The family violates any policies and procedures set forth in this Administrative Plan.

- If the "AUTHORITY" determines that no subsidy would be paid at the new unit, the "AUTHORITY" will not enter into a HAP contract on behalf of the family.
- The family has moved or been issued a voucher within the last twelve (12) months.

**C. PROCEDURE FOR MOVES [24 CFR 982.354]**

**Issuance of Voucher**

Subject to the restrictions on moves and at the discretion of the "AUTHORITY", if the family has not been recertified within the last one hundred twenty (120) days, the "AUTHORITY" may issue the voucher to move after conducting the recertification and receiving the proper Intent to Vacate Notice signed by the owner and the tenant

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

The annual recertification date will not 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 "AUTHORITY" proper written notice of any intent to move.

The family must give the owner the required number of day's written notice of intent to vacate specified in the lease and must give a copy to the "AUTHORITY" simultaneously.

**Time of Contract Change**

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move except that there will be no overlapping assistance.

In a move, assistance stops at the at the end of the month in which the tenant ceased to occupy, unless proper notice was given to end a lease mid-month. Assistance will start on the new unit on the effective date of the lease and contract. Assistance payments may overlap for the month in which the family moves.

**D. PORTABILITY [24 CFR 982.353]**

Portability applies to families moving out of or into the "AUTHORITY"'s jurisdiction within the United States and its territories.

**E. OUTGOING PORTABILITY [24 CFR 982.353, 982.355]**

Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit outside the "AUTHORITY"'s jurisdiction, anywhere in the United States, in the jurisdiction of a "AUTHORITY" with a tenant-based program. When a family requests to move outside of the "AUTHORITY"'s jurisdiction, the request must specify the area to which the family wants to move.

The initial "AUTHORITY" must promptly notify the receiving "AUTHORITY" to expect the incoming family. This means the initial "AUTHORITY" contacts the receiving Housing Authority on the family's behalf, typically by telephone, fax or electronic mail. Simply referring the family to HUD or a website for information on the receiving "AUTHORITY"'s address does not fulfill the responsibilities of the initial "AUTHORITY" under the program regulations. The initial "AUTHORITY" must also advise the family how to contact and request assistance from the "AUTHORITY" (i.e. the name and telephone number of the staff person responsible for working with incoming portability families, and any procedures related to appointments for voucher issuance the "AUTHORITY" has shared with the initial "AUTHORITY"). The revised HUD Form 52665 now contains a line that the initial "AUTHORITY" uses to identify the "AUTHORITY" to which the initial "AUTHORITY" is referring the family.

If there is more than one "AUTHORITY" in the area in which the family has selected a unit, the family will select the receiving "AUTHORITY".

The initial Housing Authority must not provide such portable assistance for a participant if the family has moved out of the assisted unit in violation of the lease except as provided for in this subsection. If the family moves out in violation of the lease in order to protect the health or safety of a person who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believes him or herself to be threatened with imminent harm from further violence by remaining in the dwelling unit (or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's move or request to move), and has otherwise complied with all other obligations under the Section 8 program, the family may receive a voucher from the initial Housing Authority and move to

another jurisdiction under the Housing Choice Voucher Program.

The portability restrictions do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR Part 5, Subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), and the move is needed to protect the health or safety of the family or family member, or any family member who has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move.

### **Receiving "AUTHORITY" Processing Responsibilities / Restrictions on Portability**

#### **Applicants**

If the head or spouse did not have a domicile (legal residence) in the "AUTHORITY"'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 "AUTHORITY" approves such move. (NOTE: legal domicile is defined by local government.)

For a portable family that was not already receiving assistance in the "AUTHORITY"'s tenant based program, the "AUTHORITY" must determine whether the family is eligible for admission under the receiving "AUTHORITY"'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 "AUTHORITY"'s agree to allow the move
- The family's move relates to an opportunity for education, job training or employment

The "AUTHORITY" will not permit families to exercise portability for the following reasons:

- If the family is in violation of a family obligation
- If the family owes money to the "AUTHORITY"



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

#### **F. INCOMING PORTABILITY [24 CFR 982.355] Absorption or Administration]**

The "AUTHORITY" will accept a family with a valid voucher from another jurisdiction and administer or absorb the voucher. HUD may determine in certain instances that a Housing Authority is not required to accept incoming portables, such as Housing Authority declared disaster area. However, the Housing Authority must have approval in writing from HUD before refusing any incoming portables. If administering, the family will be issued a "portability" voucher by the Housing Authority. The term of the voucher will not expire before the expiration date of any initial Housing Authority voucher. The family must submit a Request for Lease Approval for an eligible unit to the receiving Housing Authority during the term of the receiving Housing Authority voucher. The receiving Housing Authority may grant extensions in accordance with this Administrative Plan. However, if the family decides not to lease-up in the "AUTHORITY"'s jurisdiction, they must contact the initial Housing Authority to request an extension.

Once the receiving Housing Authority determined, the initial Housing Authority must contact the receiving Housing Authority, via email or other confirmed delivery method, prior to approving the family's request to move in order to determine whether the voucher will be absorbed or billed by the receiving Housing Authority. The receiving Housing Authority must advise the initial Housing Authority in writing, via email, or other confirmed delivery method, of its decision. If the receiving Housing Authority notifies the initial Housing Authority that it will absorb the voucher, the receiving Housing Authority cannot reverse its decision at a later date without consent of the initial Housing Authority.

The "AUTHORITY" may absorb all incoming portable families provided that there is funding available.

When the "AUTHORITY" does not absorb the incoming voucher, it will administer the initial Housing Authority voucher and the receiving Housing Authority 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 Housing Authority does not re-determine eligibility for a portable family that was already receiving assistance in the initial Housing Authority Housing Choice Voucher Program.

The "AUTHORITY" will issue a "portability" voucher according to its own subsidy standards. If the family has a change in family composition, which would change the voucher size, the receiving Housing Authority will change to the proper size based on its own subsidy standards. The term of the receiving Housing Authority voucher may not expire before 30 calendar days from the expiration of the initial Housing Authority voucher. If the voucher expires before the family arrives at the receiving Housing Authority, the receiving Housing Authority must contact the initial Housing Authority to determine if it will extend the voucher. Once the receiving Housing Authority issues the portable family a voucher, the receiving Housing Authority's policies on extensions of the voucher term apply. The receiving Housing Authority must notify the initial Housing Authority of any extensions granted to the term of the voucher.

#### **Income and Total Tenant Payment of Incoming Portables [982.353(d)]**

As the receiving "AUTHORITY", the "AUTHORITY" will conduct a recertification interview but only verify the information provided if the documents are missing or are over one hundred twenty (120) days old, whichever is applicable, or there has been a change in the family's circumstances.

If the "AUTHORITY" conducts a recertification of the family, it will not cause a delay in the issuance of a voucher.

If the family's income is such that a \$0 subsidy amount is determined prior to lease-up in the "AUTHORITY"'s jurisdiction, the "AUTHORITY" will refuse to enter into a contract on behalf of the family at \$0 assistance.

#### **Request for Approval of Tenancy**

A briefing will be mandatory for all portability families.

When the family submits a Request for Tenancy Approval (RFTA), it will be processed using the "AUTHORITY"'s policies. If the family does not submit an RFTA or does not execute a lease, the initial Housing Authority will be notified within sixty (60) days by the "AUTHORITY".

If the family leases up successfully, the "AUTHORITY" will notify the initial Housing Authority within 90 days and the billing process will commence.

The "AUTHORITY" will notify the initial Housing Authority if the family fails to submit an RFTA for an eligible unit within the term of the voucher.

If the "AUTHORITY" denies assistance to the family, the "AUTHORITY" will notify the initial "AUTHORITY" within sixty (60) days and the family will be offered a review or hearing.

The "AUTHORITY" will notify the family of its responsibility to contact the initial Housing Authority if the family wishes to move outside the "AUTHORITY"'s jurisdiction under continued portability.

### **Regular Program Functions**

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

- Annual reexaminations of family income and composition.
- Annual/Biennial inspection of the unit.
- Interim examinations when requested or deemed necessary by the "AUTHORITY".

### **Terminations**

The "AUTHORITY" will notify the initial Housing Authority in writing of any termination of assistance within sixty (60) days of the termination. If an informal hearing is required and is requested by the family, the hearing will be conducted by the "AUTHORITY", using the regular hearing procedures included in this Administrative Plan. A copy of the hearing decision will be furnished to the initial Housing Authority.

The initial "AUTHORITY" will be responsible for collecting amounts owed by the family for claims paid and for monitoring repayment. If the initial Housing Authority notifies the "AUTHORITY" that the family is in arrears or the family has refused to sign a repayment agreement, the "AUTHORITY" will terminate assistance to the family.

The receiving Housing Authority will be required to submit hearing determinations to the "AUTHORITY" within thirty (30) days.

### **Required Documents**

As receiving Housing Authority, the "AUTHORITY" will require the documents listed on the HUD portability billing form from the initial

**"AUTHORITY":**

- A copy of the family's voucher, with issue and expiration dates, formally acknowledging the family's ability to move under portability.
- The most recent HUD Form 50058 and verifications of:
  - Current information related to eligibility including EIV printout
  - The administrative fee schedule for billing purposes.
- Form HUD-52665, Family Portability Information, Housing Choice Voucher Program.

**Billing Procedures**

As the receiving Housing Authority, the "AUTHORITY" will bill the initial "AUTHORITY" monthly for Housing Assistance Payments. The billing cycle for other amounts, including administrative fees and special claims, will be monthly unless requested otherwise by the initial "AUTHORITY".

The "AUTHORITY" will bill one hundred percent (100%) of the Housing Assistance Payment, one hundred percent (100%) of special claims and the lesser of eighty percent (80%) of the of the administrative fee of the initial Housing Authority or one hundred percent (100%) of the receiving Housing Authority's ongoing administrative fee for each "portability" voucher leased as of the first day of the month. If administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the receiving Housing Authority may bill.

The "AUTHORITY" will notify the initial Housing Authority of changes in subsidy amounts and will expect the initial Housing Authority to notify the "AUTHORITY" of changes in the administrative fee amount to be billed.

**Summary of Portability Billing Deadlines**

The following summarizes the relevant deadlines under the portability billing procedures.

- Submission of Initial Billing Amount (Part II of the Form HUD 52265): The Housing Authority must submit initial billing notice:
  - No later than ten (10) working days following the date the HAP contract was executed and;
  - In the time that it will be received, no later than ninety (90) days following the expiration date of the family's voucher issued by the initial Housing Authority.
- Payment of First Billing Amount: The initial Housing Authority makes payment within thirty (30) days of receipt of Part II of

- the HUD Form 52265 indicating the billing amount.
- Payment of Subsequent Billing Amounts: The initial Housing Authority is responsible for ensuring that subsequent billing amounts are received no later than the fifth (5<sup>th</sup>) working day of each month for which the monthly billing amount is due.
- Notification of Change in Billing Amount or Other Action: The "AUTHORITY" notifies the initial Housing Authority of any change in the billing amount as soon as possible (preferably before the effective date to avoid retroactive adjustments) but under no circumstance any later than ten (10) working days following the effective date of the change.

## Chapter 14

### CONTRACT

#### TERMINATIONS [24 CFR

#### 982.311(b)(c)]

##### **INTRODUCTION**

The Housing Assistance Payment (HAP) Contract is the contract between the owner and the "AUTHORITY" which defines the responsibilities of both parties. This chapter describes the circumstances under which the contract can be terminated by the "AUTHORITY" and the owner, and the policies and procedures for such terminations.

##### **A. CONTRACT TERMINATION [24 CFR 982.311]**

The term of the HAP Contract is the same as the term of the lease. The contract between the owner and the "AUTHORITY" may be terminated by the "AUTHORITY", or by the owner or tenant terminating the lease.

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

If the family continues to occupy the unit after the Housing Assistance Payments contract is terminated, the family is responsible for the total amount of rent due to the owner

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit. The contract for the new unit may begin during the month in which the family moved from the old unit.

The "AUTHORITY" will use the "Deceased Tenant Report" in order to minimize erroneous subsidy payments on behalf of a deceased single member of a household. The "AUTHORITY" will immediately terminate program assistance for deceased single member households which result in termination of the HAP Contract. The owner is not entitled to HAP for any month following the month in which the death occurred. There are no exceptions to this policy and procedure.

**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 any of the following:

- 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.
- Any drug-related or criminal activity on or off the premises by a covered person that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, persons residing in the immediate vicinity of the premises, or property management personnel.
- 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.
- Any violent criminal activity by a covered person on or near the premises.
- A tenant who is a fugitive felon or parole violator.
- 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. Other good cause, after the initial term of the lease, includes but is not limited to:
  - Tenant history of disturbance of neighbors, destruction of property, or behavior resulting in damage to the premises.
  - Business or economic reason for regaining possession
  - Owner's desire to repossess the unit for personal use
  - Tenant's refusal to accept offer of a new lease

The owner must give ninety (90) days written notice of termination and must have good cause to terminate the tenancy during the first year. The owner's notice must state the reason for termination. If after the initial term of the lease, the owner may terminate tenancy without cause. 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 under State or local law to commence an eviction action.

During the initial term, the "AUTHORITY" requires that the owner specify the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for the "AUTHORITY"'s decision regarding termination of assistance.

Housing Assistance Payments (HAP) are paid to the owner under the terms of the HAP Contract. If the owner has begun eviction and the family continues to reside in the unit, the "AUTHORITY" must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

The "AUTHORITY" will continue housing assistance payments until the family moves or is evicted from the unit.

If the action is finalized in court, the owner must provide the "AUTHORITY" with the documentation, including notice of the lock-out date.

The "AUTHORITY" must continue making housing assistance payments to the owner in accordance with the contract as long as the tenant continues to occupy the unit and the contract is not violated. By endorsing the monthly check from the "AUTHORITY", the owner certifies that the tenant is still in the unit, the rent is reasonable and they are in compliance with the contract.

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

**Evidence of Criminal Activity [24 CFR 982.310]**

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 and without satisfying the standard of proof used for a criminal conviction.



**Amendments Nondiscrimination limitation and protection for victims of domestic violence, dating violence, sexual assault, or stalking:** The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions of 24 CFR 5.105, and with the provisions for protection of victims of domestic violence, dating violence, sexual assault, or stalking in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking).

**Owner Discretion [24 CFR 982.310]**

In deciding whether to terminate tenancy because of criminal activity by members of the family, the owner has the discretion to consider all of the circumstances in each case, including the seriousness of the offending action. The owner may use discretion in reviewing the extent of participation or culpability of individual family members. The owner may also consider the tenant's personal attempts to mitigate the offending action and whether there is a demand for assisted housing by families who will abide by the lease.

When determining whether to terminate the tenancy for illegal drug use or alcohol abuse, the owner may consider whether the family member:

- Is no longer engaging in the illegal drug use or alcohol abuse
- 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.

The owner may impose, as a condition of continued tenancy for other family members, a requirement that family members who participated in or were culpable for the action or failure must not reside in the unit. Actions of termination by the owner must be consistent with the fair housing and equal opportunities as stated in 24 CFR 5.105.

**D. TERMINATION OF TENANCY BY THE OWNER: FORECLOSURE**

**The Protecting Tenants at Foreclosure Act (PTFA)** is a recently enacted law that amends the HAP Contract by requiring that each HAP contract include additional requirements on the owner and shall provide that during the term of the lease, the owner shall not terminate the tenancy except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause such as:

In the case of an owner who is an immediate successor in interest pursuant to foreclosure (during the term of the lease) and is vacating the property prior to sale shall not constitute other good cause, except that the owner may terminate the tenancy effective on the date of transfer of the unit to the new owner if the owner:

- *Will occupy the unit as a primary residence; and*
- *Has provided the tenant a notice to vacate at least ninety (90) days before the effective date of such notice.*

Foreclosed properties where "AUTHORITY" voucher recipients reside must comply with Sections 702 and 703 of the PTFA. If the immediate successor-in-interest or new owner will use the unit as a primary residence, the lease can be terminated effective on the date of the sale, however, the tenant is still entitled to a minimum of ninety (90) days' notice to vacate.

**E. TERMINATION OF THE CONTRACT BY "AUTHORITY" [24 CFR 982.404(a), 982.453, 982.454, 982.552(a)(3)]**

The term of the HAP contract terminates when the lease terminates, when the "AUTHORITY" terminates program assistance for the family, and when the owner has breached the HAP contract (see this Administrative Plan).

The "AUTHORITY" will also terminate the contract if:

- The family is in violation of any of their family obligations.
- 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 the family composition
- The contract will terminate automatically if one hundred eighty (180) days have passed since the last housing assistance payment to the owner.
- The single family member is deceased.
- Funding is no longer available under the Annual Contributions Contract (ACC).

If the "AUTHORITY" determines that the necessary action to reduce HAP costs within the funding level is to terminate HAP contracts, it may take action to terminate the HAP contracts based on one or more of the following criteria:

- Households with a zero (\$0) HAP Contract starting with the families closest to the 180 days
- Households with a current HAP Contract less than \$100 per month

- Households whose participants have violated program requirements as evidenced by repayment agreements or signed counseling documents
- HAP contracts with gross rents that exceed the new payment standards and offer landlords new contracts under the current subsidy standards and payment standards
- Households on the program the longest with the lowest HAP

Elderly and disabled families will be excluded from the criteria referenced above for terminating HAP Contracts due to insufficient funding.

**Notice of Termination**

When the "AUTHORITY" terminates the HAP contract under the violation of HQS space standards, the "AUTHORITY" will provide the owner and family written notice of termination of the contract, and the HAP contract terminates at the end of the calendar month that follows the calendar month in which the "AUTHORITY" gives such notice to the owner.

**Relocation Vouchers**

"AUTHORITY" will not cancel or delay any vouchers used to fulfill its legal obligation to relocated households that it has displaced by its own redevelopment activities.

## Chapter 15

### DENIAL OR TERMINATION OF ASSISTANCE [24 CFR 5.903, 5.905, 982.54, 24 CFR 982.552, 982.553]

#### **INTRODUCTION**

The "AUTHORITY" may deny or terminate assistance for a family because of the family's action or failure to act. The "AUTHORITY" will provide families with a written description of the family obligations under the program, the grounds under which the "AUTHORITY" can deny or terminate assistance, and the "AUTHORITY"'s informal review/hearing procedures. This chapter describes when the "AUTHORITY" is required to deny or terminate assistance, and the "AUTHORITY"'s policies for the denial of assistance and the grounds for termination of assistance under an outstanding existing HAP contract.

#### **A. FAMILY OBLIGATIONS [24 CFR 982.551]**

1. The family must supply any information that the "AUTHORITY" or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR 982.551). "Information" includes any requested certification, release or other documentation.
2. The family must supply any information requested by the "AUTHORITY" or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
3. The family must disclose and verify Social Security Numbers (in accordance with 24 CFR 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.
4. All information supplied by the family must be true and complete.
5. The family is responsible for an HQS breach caused by the family in accordance with 24 CFR 982.404(b).
6. The family must allow the "AUTHORITY" to inspect the unit at reasonable times and after reasonable notice.
7. The family may not commit any serious or repeated violations of the lease.
8. The family must notify the owner and, at the same time, notify the "AUTHORITY" before the family moves out of the unit or terminates the lease upon notice to the owner.
9. The family must promptly give the "AUTHORITY" a copy of any owner eviction notice.
10. The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
11. The composition of the assisted family residing in the unit must be approved by the "AUTHORITY". The family must promptly inform

the "AUTHORITY" of the birth, adoption or court-awarded custody of a child. The family must request Housing Authority approval to add any other family member as an occupant of the unit.

The "AUTHORITY" may approve additional family members in the following cases:

- The spouse or partner of the Head of Household (HOH).  
For a spouse, a marriage license must be provided at the time request.
  - The minor children of the approved spouse or approved domestic partner of the HOH.
  - The disabled elderly parent(s) or grandparent(s) of the HOH, approved spouse or approved domestic partner.
12. The family must promptly notify the "AUTHORITY" if any family member no longer resides in the unit.
  13. If the "AUTHORITY" has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or "AUTHORITY" approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
  14. Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.
  15. The family must not sublease or let the unit.
  16. The family must not assign the lease or transfer the unit.
  17. The family must supply any information or certification requested by the "AUTHORITY" to verify that the family is living in the unit, or relating to family absence from the unit, including any "AUTHORITY" requested information or certification for the purpose of family absences. The family must cooperate with the "AUTHORITY" for this purpose. The family must promptly notify the "AUTHORITY" of absence from the unit.
  18. The family must not own or have any interest in the unit except families participating in the Homeownership Option Program (HOP).
  19. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing programs.
  20. 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.
  21. The household members may not engage in drug-related criminal activity or other violent 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.
  22. An assisted family, or members of the family, may not receive Housing Choice Voucher 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.
  23. The members of the family must not engage in threatening, abusive, or violent behavior toward "AUTHORITY" personnel.

## **B. GROUNDS FOR DENIAL/TERMINATION [24 CFR 982.552, 982.553]**

If denial or termination is based upon behavior resulting from a disability, the "AUTHORITY" will delay the denial or termination in order to determine if there is an accommodation, which would negate the behavior resulting from the disability.

### **Form of Denial/Termination**

Denial of assistance for an applicant may include any or all of the following:

- Denial for placement on the "AUTHORITY" waiting list
- Denying or withdrawing a voucher
- Refusing to enter into a HAP contract or approve a lease
- 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 lease
- Terminating housing assistance payments under an existing HAP contract
- Refusing to process or provide assistance under portability procedures

### **Mandatory Denial of Assistance [24 CFR 982.54(d), 982.552(b), 982.553(a), and 982.553(b)]**

The "AUTHORITY" must deny assistance to applicants:

- If any member of the family fails to sign and submit HUD or "AUTHORITY" required consent forms for obtaining information in accordance with 24 CFR Part 5, Subparts B and F.
- If no member of the family is a U.S. citizen or eligible immigrant (see "Procedures for Non-Citizens" in this chapter).
- If any member of the family has been evicted from federally assisted housing for drug-related criminal activity, the "AUTHORITY" must deny admission for five (5) years after the eviction occurred, unless the household member completed an approved, supervised drug rehabilitation program or the circumstances for the eviction no longer exist.
- If any member of the family is currently engaging in illegal use of a drug or the "AUTHORITY" determines that the use or pattern of use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
- If any member of the family's abuse or pattern of abuse of

alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

- If any member of the family has ever been convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.
- If any member of the family is subject to a lifetime registration requirement under a State sex offender registration program (see "Denial of Assistance for Sex Offenders" later in this chapter).

**Mandatory Termination of Assistance [24 CFR 982.54(d), 982.552(b), 982.553(a), and 982.553(b)]**

The "AUTHORITY" must terminate assistance for participants:

- If any member of the family fails to sign and submit HUD or "AUTHORITY" required consent forms for obtaining information in accordance with 24 CFR Part 5, Subparts B and F.
- If no member of the family is a U.S. citizen or eligible immigrant (see "Procedures for Non-Citizens" in this chapter).
- If any member of the family is currently engaging in illegal use of a drug or the "AUTHORITY" determines that the use or pattern of use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
- If any member of the family's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
- If the family is under contract and one hundred eighty (180) days have elapsed since the "AUTHORITY"'s last housing assistance payment was made (see Chapter 14, "Contract Terminations" of this Administrative Plan).
- If the family is evicted from housing assisted under the program for serious and repeated violations of the lease.
- If any member of the family is or has ever been convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.
- If any member of the family is subject to a lifetime registration requirement under a State sex offender registration program (see "Denial of Assistance for Sex Offenders" later in this chapter).
- If any member of the family does not meet the applicable Social Security number SSN disclosure, documentation and verification requirements. This rule does not apply to mixed families who do not contend eligible immigration status under HUD's non-citizens regulation nor does it interfere with existing requirements relative to pro-ration of assistance or screening for such families.

### **Grounds for Denial or Termination of Assistance [24 CFR 982.552(c)]**

The "AUTHORITY" will deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

- The family violates any family obligation under the program as listed in 24 CFR 982.551.
- Any member of the family has ever been evicted from public housing in the last five (5) years.
- If any "AUTHORITY" has ever terminated assistance under the program for any member of the family.
- If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
- The family currently owes rent or other amounts to the "AUTHORITY" or to another Housing Authority in connection with the Housing Choice Voucher Program or public housing assistance under the 1937 Act.
- The family has not reimbursed any Housing Authority for amounts paid to an owner under a HAP contract for rent, or other amounts owed by the family under the lease.
- The family breaches an agreement with a Housing Authority to pay amounts owed to a Housing Authority, or amounts paid to an owner by a Housing Authority. The Housing Authority at its discretion may offer the family the opportunity to enter into a repayment agreement. The Housing Authority will prescribe the terms of the agreement (see Chapter 18, "Owner or Family Debts to the "AUTHORITY"" of this Administrative Plan).
- The family participating in a Family Self-Sufficiency (FSS) program fails to comply, without good cause, with the family's FSS Contract of Participation (COP).
- The family has engaged in or threatened abusive or violent behavior toward "AUTHORITY" personnel. Abusive or violent behavior towards "AUTHORITY" personnel includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language written or oral that is customarily used to insult or intimidate, may be cause for termination or denial.
- Threatening refers to oral or written threats or physical gestures that communicate 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 "Family Obligations" in this chapter).
- Crime by any family member, such as:
  - Fraud, bribery or other corrupt or criminal act in connection



- with any Federal housing program.
- Drug-related criminal activity (as defined by law).
  - Violent criminal activity in this chapter).
  - Criminal use of physical force against person or property.
  - Other criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents, persons residing in the vicinity, "AUTHORITY" employees/contractors, the owner, or property management staff.
  - If the "AUTHORITY" determines that any household member is engaging in or has engaged in drug-related criminal activity while participating in the Housing Choice Voucher program, within the past five (5) years, the "AUTHORITY" may terminate assistance.
  - If any member of the family is subject to a lifetime registration requirement under a State sex offender registration program.
  - If the family violates the lease by engaging in drug-related or violent criminal activity, the "AUTHORITY" may terminate assistance.
  - If the "AUTHORITY" determines that a member of the household is fleeing to avoid prosecution, or custody or confinement after conviction, that is a felony under the laws of the place from which the individual flees, the "AUTHORITY" will terminate assistance.
  - If the "AUTHORITY" determines that a member of the household is violating a condition of probation or parole imposed under Federal or State law, the "AUTHORITY" will terminate assistance.
  - In appropriate cases, the "AUTHORITY" may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the "AUTHORITY" may consider individual circumstances upon the advice of Juvenile Court officials.
  - Assistance restrictions are imposed on students enrolled in an institution of higher education (refer to Chapter 2, "Eligibility for Admission" of this Administrative Plan).
  - The "AUTHORITY" must find elements of crime covered by civil standards and with a preponderance of evidence. The "AUTHORITY" is not required to show proof of crime beyond a reasonable doubt.

**Violence Against Women and Justice Department Reauthorization Act of 2010 (VAWA 2010); Violence Against Women Reauthorization Act of 2013 (VAWA 2013)**

The requirements of VAWA that are incorporated into the Housing Choice Voucher HAP Contract and Tenancy Addendum are as follows:

- An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as serious or repeated violations of the lease or other “good cause” for termination of assistance, tenancy, or occupancy rights of a victim of abuse (section 8(o)(7)(C) of the U.S. Housing Act of 1937).
- Criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an affiliated individual of the tenant is the victim or threatened victim of that abuse (section 8(o)(7)(D)(i) of the U.S. Housing Act of 1937).
- Notwithstanding the VAWA restriction on admission, occupancy or terminations of occupancy or assistance, or any Federal, State or local law to the contrary, a “AUTHORITY” may terminate assistance to, or an owner or manager may “bifurcate” a lease, or otherwise remove a household member from a lease, without regard to whether a household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members of others. This action may be taken without evicting, removing, terminating assistance to the occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State and local law for the termination of leases or assistance under the Housing Choice Voucher Program (section 8(o)(7)(D)(ii) of the U.S. Housing Act of 1937).
- Nothing in section 8(o)(7)(D)(i) may be construed to limit the authority of a public housing agency, owner or manager, when notified, to honor court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up (section 8(o)(7)(D)(iii) of the U.S. Housing Act of 1937).
- Nothing in section 8(o)(7)(D)(i) limits any otherwise available authority of an owner or manager to evict or the public housing agency to terminate assistance to a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant’s household, provided that the owner, manager or public housing agency does not subject an individual is or has been a victim of domestic violence, dating violence, sexual assault, or stalking to a more

demanding stand than other tenants in determining whether to evict or terminate (section 8(o)(7)(D)(iv) of the U.S. Housing Act of 1937).

- Nothing in section 8(o)(7)(D)(i) shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than section 8(o)(7)(D)(i) for victims of domestic violence, dating violence, sexual assault, or stalking (section 8(o)(7)(D)(iv) of the U.S. Housing Act of 1937).

### **Definitions**

As used in VAWA:

- The term ***domestic violence*** includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person
- against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

The term ***dating violence*** means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship;
- The type of relationship; and
- The frequency of interaction between the persons involved in the relationship

The term ***sexual assault*** means any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.

The term ***stalking*** means:

- To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; or
- To place under surveillance with the intent to kill, injure, harass, or intimidate another person; and
- In the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to:

- 1) that person,
- 2) a member of the immediate family of that person, or
- 3) the spouse or intimate partner of that person.

The term ***affiliated individual*** means, with respect to an individual:

- A spouse, parent, brother, or sister, or child of that individual, or an individual to whom that individual stands in place of a parent; or
- Any individual, tenant, or lawful occupant living in the household of that individual.

The term ***actual and imminent threat*** consists of a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: The duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.

### **Notification**

#### **"AUTHORITY"**

The "AUTHORITY" acknowledges that a victim of domestic violence, dating violence, sexual assault, or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to an apartment, a prior arrest record) that would warrant denial under the "AUTHORITY"'s policies. Therefore, if the "AUTHORITY" makes a determination to deny admission to an applicant family, the "AUTHORITY" will include in its notice of denial:

- A statement of the protection against denial provided by VAWA.
- A description of "AUTHORITY" confidentiality requirements.
- A request that an applicant wishing to claim this protection submit to the "AUTHORITY" documentation meeting the specifications below with her or his request for an informal hearing.

### **VAWA Protections (24 CFR 5.2005)**

- The "AUTHORITY" must provide notice to HCV tenants of their rights under VAWA and this subpart, including the right to confidentiality and the exceptions; and
- The "AUTHORITY" must provide notice to owners and management agents of assisted housing, of their rights and obligations under VAWA and this subpart; and
- Owners and management agents of assisted housing administering an Office of Housing project-based HCV program must provide notice to HCV tenants of their rights and

- obligations under VAWA and this subpart.
- *Limitations of VAWA protections.*
    - 1) Nothing in this section limits the authority of the "AUTHORITY", owner, or management agent to evict a tenant or terminate assistance for a lease violation unrelated to domestic violence, dating violence, sexual assault, or stalking, provided that the "AUTHORITY", owner, or management agent does not subject such a tenant to a more demanding standard than other tenants in making the determination whether to evict, or to terminate assistance or occupancy rights.
    - 2) Nothing in this section may be construed to limit the authority of a "AUTHORITY", owner, or management agent to evict or terminate assistance to any tenant or lawful occupant if the "AUTHORITY", owner, or management agent can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the public housing or HCV assisted property if that tenant or lawful occupant is not terminated from assistance. In this context, words, gestures, actions, or other indicators will be considered an "actual imminent threat" if they meet the standards provided in the *definitions* of this section.
    - 3) Any eviction or termination of assistance, as provided in paragraph (d)(3) of this section, should be utilized by a "AUTHORITY", owner, or management agent only when there are no other actions that could be taken to reduce or eliminate the threat, including, but not limited to, transferring the victim to a different unit, barring the perpetrator from the property, contacting law enforcement to increase police presence or develop other plans to keep the property safe, or seeking other legal remedies to prevent the perpetrator from acting on a threat. Restrictions predicated on public safety cannot be based on stereotypes, but must be tailored to particularized concerns about individual residents.

## **Documentation**

### *Victim Documentation*

#### **"AUTHORITY"**

An applicant claiming that the cause of an unfavorable history is that a member of the applicant family is or has been a victim of domestic violence, dating violence, sexual assault, or stalking must provide documentation; (1) demonstrating the connection between the abuse and the unfavorable history, and (2) naming the perpetrator of the abuse. The documentation may consist of any of the following:

- A statement signed by the victim certifying that the information provided is true and correct and that it describes bona fide incident(s) of actual or threatened domestic violence, dating violence, sexual assault, or stalking.
- A record of a Federal, State, tribal, territorial or local law enforcement agency or court documenting the domestic violence, dating violence, sexual assault, or stalking.
- Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider, an attorney, or a medical or other knowledgeable professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.
- In accordance with VAWA, record of an administrative agency.
- In accordance with documentation from a mental health provider.

#### *Perpetrator Documentation*

##### "AUTHORITY"

If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following:

- A signed statement; (1) requesting that the perpetrator be removed from the application and, (2) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the HCV unit.
- Documentation that the perpetrator has successfully completed or is successfully undergoing rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

#### **Time Frame for Submitting Documentation**

##### "AUTHORITY"

The applicant must submit the required documentation with his or her request for an informal hearing or must request an extension in writing at that time. If the applicant so requests, the "AUTHORITY" will grant an extension of ten (10) business days and will postpone scheduling the applicant's informal hearing until after it has received

the documentation or the extension period has elapsed. If, after reviewing the documentation provided by the applicant, the "AUTHORITY" determines that the family is eligible for assistance, no informal hearing will be scheduled, and the "AUTHORITY" will proceed with admission of the applicant family.

### **Remedies Available to Victims**

- *Lease bifurcation.* Notwithstanding any Federal, State, or local law to the contrary, a "AUTHORITY", owner, or management agent may bifurcate a lease, or remove a household member from a lease without regard to whether the household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, or local law for termination of assistance or leases under the relevant public housing, Housing Choice Voucher, and project-based programs.
- *Court orders.* Nothing in this subpart may be construed to limit the authority of a "AUTHORITY", owner, or management agent, when notified, to honor court orders addressing rights of access to or control of the property, including civil protection orders issued to protect the victim and to address the distribution of property among household members in a case where a family breaks up.
- The "AUTHORITY" will refer families to services in Merced County that provide assistance to families who may be victims of domestic violence.

### **Portability in the Housing Choice Voucher Program**

In addition to the protections to victims of domestic violence which must be taken into consideration when a "AUTHORITY" contemplates terminating a family's participation in the Housing Choice Voucher Program, VAWA 2013 also amended section 8(r) of the U.S. Housing Act to provide an exception to the prohibition against a family moving under the portability provisions in violation of the lease. VAWA 2013 provides that the family may receive a voucher and move in violation of the lease under the portability procedure if the family has complied

with all other obligations of the voucher program and has moved out of the assisted dwelling unit in order to protect the health or safety of an individual who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonable believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit.

### **Explanations and Terms**

The term “promptly” when used with the family obligations always means “within thirty (30) days.” Denial or termination of assistance is always optional except where this Administrative Plan or the regulations state otherwise.

### **“AUTHORITY” Discretion [24 CFR 982.552(c)]**

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the “AUTHORITY” has discretion to consider all of the circumstances in each case, including the seriousness of the case. The “AUTHORITY” will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. The “AUTHORITY” may also review the family’s more recent history and record of compliance and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.

The “AUTHORITY” may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in, or were culpable for the action or failure to act, will not reside in the unit. The “AUTHORITY” may permit the other members of the family to continue in the program.

### **Housing Quality Standards (HQS) Breach**

The Inspector and/or the Director of Housing Programs or his/her designee will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by the Director of Housing Programs or his/ her designee.

### **Lease Violations**

One or more of the following criteria will be used to decide if a serious or repeated violation of the lease will cause a termination of assistance:

- If the owner terminates tenancy through court action for serious or repeated violations of the lease.
- If the owner notified the family of termination of assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the



“AUTHORITY” determines that the cause is a serious or repeated violation of the lease based on available evidence.

- If there are police reports, neighborhood complaints, or other third party information, and the “AUTHORITY” has verified the information.

### **Proposed Additions to the Family**

The “AUTHORITY” will deny a family's request to add additional family members who are:

- Persons who have been evicted from public assisted housing.
- Persons who have previously violated a family obligation listed in 24 CFR 982.551 of the HUD regulations.
- Persons who have been part of a family whose assistance has been terminated under the voucher program.
- Persons who commit drug-related criminal activity or violent criminal activity.
- Persons who are subject to a lifetime registration requirement under a State sex offender registration program.
- Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
- Persons who currently owe rent or other amounts to the “AUTHORITY” or to another Housing Authority in connection with the Housing Choice Voucher Program or public housing assistance under the 1937 Act.
- Persons who have engaged in or threatened abusive or violent behavior toward Housing Authority personnel.

### **Family Member Moves Out**

Families are required to notify the “AUTHORITY” if any family member leaves the assisted household. When the family notifies the “AUTHORITY”, they must furnish the following information:

- The date the family member moved out
- The new address, if known, of the family member
- A statement as to the length of time the family member will be out of the household.
- Persons who do not meet the “AUTHORITY”'s definition of family.

### **Limitation on Profit-making Activity in Unit**

If the “AUTHORITY” determines that the use of the unit as a business is not incidental to its use

as a dwelling unit, it will be considered a program violation. If the “AUTHORITY” determines that 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 they are a member of the assisted family, unless the

family owns the mobile home and rents the pad, excluding shared housing, unless the client is a participant in the Homeownership Option Program. The owner of a shared housing unit may reside in the unit. A resident owner may enter into a Housing Assistance Payment (HAP) contract with the "AUTHORITY". However, housing assistance may not be paid on behalf of an owner. An assisted person may not be related by blood or marriage to a resident owner.

### **Fraud**

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

In the event of false citizenship claims, see "Procedures for Non-citizens" in this Chapter.

## **C. DRUG-RELATED AND VIOLENT CRIMINAL ACTIVITY**

"Drug" is a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

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

"Violent criminal activity" includes any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage, and the activity is being engaged in by any family member.

Definitions for other terms used in this chapter are provided in the Glossary.

## **D. Ineligibility for Drug-Related or Violent Activity**

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 Housing Authority 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.

Persons evicted from federally assisted housing because of drug-related criminal activity are ineligible for admission to the Housing Choice Voucher Program for a five (5) year period beginning on the date of such eviction, unless the household member completed an approved, supervised drug rehabilitation program or the circumstances for the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person is deceased or incarcerated.

Applicants may be denied assistance if they have been arrested and convicted of a drug-related or violent crime, or evicted from federally assisted housing due to drug-related or violent criminal activity within the last five (5) years prior to the date of the certification interview.

Participants may be terminated who have been arrested and convicted of a drug-related or violent crime, and/or evicted from federally assisted housing due to drug-related or violent criminal activity within the last five (5) years prior to the date of the notice to terminate assistance, or whose activities have created a disturbance in the building or neighborhood.

#### **Screening Out Illegal Drug Users and Alcohol Abusers**

The "AUTHORITY" will deny participation in the program to applicants in cases where the "AUTHORITY" determines there is reasonable cause to believe that the person is illegally using drugs or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. This includes cases where the "AUTHORITY" determines that there is a pattern of illegal use of a drug, or pattern of alcohol abuse.

The "AUTHORITY" will consider the use of a drug or alcohol to be a pattern if there is more than one incident documented and verified by the "AUTHORITY" during the previous six (6) months.

#### **Denial of Assistance for Sex Offenders**

The "AUTHORITY" 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 "AUTHORITY" will perform criminal history background checks to determine whether any household member is subject to a lifetime sex offender registration requirement, to include but not limited to the use of the Dru Sjodin National Sex Offender database located at [www.nsopw.gov](http://www.nsopw.gov).

### **Confidentiality of Criminal Records**

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

### **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 is not to 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 where illegal drugs were found or illegal activity discovered.

The "AUTHORITY" may pursue fact-finding efforts as needed to obtain credible evidence. The "AUTHORITY" may terminate assistance for criminal activity by a household member under this section if the "AUTHORITY" has determined that the household member has engaged in the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.

#### Notice of Termination of Assistance

In any case where the "AUTHORITY" decides to terminate assistance to the family, the Housing Authority must give the family written notice which states:

- The reason(s) for the proposed termination.
- A copy of the criminal record information, if applicable.
- 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 Housing Authority.

If the "AUTHORITY" proposes to terminate assistance for criminal activity as shown by a criminal record, the "AUTHORITY" will provide the subject of the record with a copy of the criminal record or type of reports used to propose termination of assistance.

If the Notice of Proposed Termination letter is returned to the "AUTHORITY" with a forwarding address, the Eligibility Specialist will make no more than one (1) attempt to forward the appointment letter to the new forwarding address.

The "AUTHORITY" will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the termination of assistance. The notice to the owner will not include any details regarding the reason for termination of assistance.

### **Notice of Denial of Assistance**

In any case where the "AUTHORITY" decides to deny eligibility of assistance to the family, the

"AUTHORITY" must give the family written notice which states:

- The reason(s) for the denial of eligibility.
- A copy of the criminal record information, if applicable.
- The effective date of the denial of eligibility.
- The family's right, if they disagree, to request an informal review.
- The date by which a request for an informal review must be received by the Housing Authority.

If the "AUTHORITY" proposes to deny eligibility of assistance for criminal activity as shown by a criminal record, the "AUTHORITY" will provide the subject of the record with a copy of the criminal record or list of reports used to deny eligibility.

If the Notice of Proposed Ineligibility letter is returned to the "AUTHORITY" with a forwarding address, the Eligibility Specialist will make no more than one (1) attempts to forward the appointment letter to the new forwarding address.

## **E. PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, .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 Housing Authority must offer the family an opportunity for a hearing (see Chapter 2, "Eligibility for Admission" of this Administrative Plan).

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

**False or Incomplete Information**

When the "AUTHORITY" has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual will be given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the "AUTHORITY" will give them an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend their status.

The "AUTHORITY" will then verify eligible status and deny, terminate, or prorate as applicable.

**Procedure for Denial or Termination**

If the family (or any member) claimed eligible immigrant status and the United States Citizenship and Immigration Services (USCIS) primary and secondary verifications failed to document the status, the family may make an appeal to the USCIS and request a hearing with the Housing Authority either after the USCIS appeal or in lieu of the USCIS appeal.

After the "AUTHORITY" has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).

**F. ZERO (\$0) ASSISTANCE TENANTS [24 CFR 982.455(a)]**

The family may remain in the unit at \$0 assistance for up to one hundred eighty (180) days after the last HAP. If the family is still in the unit after one hundred eighty (180) days, the assistance will be terminated. If, within the one hundred eighty (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 "AUTHORITY" will resume assistance payments for the family.

In order for a family to move to another unit during the one hundred eighty (180) days, the rent for the new unit would have to be high enough to necessitate an HAP.

**G. OPTION NOT TO TERMINATE FOR MISREPRESENTATION [24 CFR 982.551, 982.552(c)]**

If the family has misrepresented any facts that caused the

"AUTHORITY" to overpay assistance, the "AUTHORITY" may choose not to terminate and may offer to continue assistance provided that the family executes a repayment agreement and makes payments in accordance with the agreement or reimburses the "AUTHORITY" in full.

**H. MISREPRESENTATION IN COLLUSION WITH OWNER [24 CFR 982.551, 982.552 (c)]**

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, the "AUTHORITY" will deny or terminate assistance.

In making this determination, the "AUTHORITY" will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

**I. MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552 (c)]**

It is a family obligation to supply information, documentation, and certification as needed for the "AUTHORITY" to fulfill its responsibilities. The "AUTHORITY" schedules appointments and sets deadlines in order to obtain the required information. The obligations also require that the family allows the "AUTHORITY" to inspect the unit, and appointments are scheduled for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the "AUTHORITY", may be sent a Notice of Proposed Termination of Assistance for failure to provide required information, or for failure to allow the "AUTHORITY" to inspect the unit.

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Administrative Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- Eligibility for admissions
- Verification procedures
- Voucher issuance and briefings
- Housing Quality Standards inspections
- Recertification
- Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- Medical emergency
- Any other emergency not including incarceration

**Procedure when Appointments are missed or Information is not provided**

For most purposes in this Administrative Plan, the family will be given two (2) opportunities before being issued a Notice of Proposed Termination or denial for breach of a family obligation.

After issuance of the termination notice, if the family offers to correct the breach within the time allowed requesting a hearing, the notice may be rescinded if the family offers to cure 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 "AUTHORITY" to recruit owners to participate in the voucher program. The "AUTHORITY" will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of the "AUTHORITY". The regulations define when the "AUTHORITY" must disallow an owner participation in the program, and they provide the "AUTHORITY" discretion to disapprove or otherwise restrict the participation of owners in certain categories. This chapter describes the criteria for owner disapproval, and the various penalties for owner violations.

#### **A. DISAPPROVAL OF OWNER [24 CFR 982.306, 982.54(d)(8)]**

The owner does not have the right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party. The "AUTHORITY" will not approve the owner for the following reasons:

- HUD or other agency directly related has informed the "AUTHORITY" that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.
- HUD has informed the "AUTHORITY" that the Federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other Federal equal opportunity requirements and such action is pending.
- HUD has informed the "AUTHORITY" that a court or administrative agency has determined that the owner violated the Fair Housing Act or other Federal equal opportunity requirements.
- Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The "AUTHORITY" may waive this restriction as a reasonable accommodation for a family member who is a person with a disability.
  - In cases where the owner and tenant bear the same last name, the "AUTHORITY" may at its discretion, require the family and or owner to certify whether they are related to each other in any way.
- The owner has violated obligations under a HAP 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 Housing Choice Voucher 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 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.
- The owner has not provided a tax identification number on the IRS W9 form or has not provided a number that corresponds with IRS records, according to IRS rules, and has not corrected the number or responded to "AUTHORITY"'s correspondents.
- The owner owes any amount of monies to the "AUTHORITY".
- The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under the Housing Choice Voucher Program 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 owners, other residents, employees of the Housing Authority, 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.
  - Engages in drug-related criminal activity or violent criminal activity.
  - The owner has engaged in or threatened abusive or violent behavior toward "AUTHORITY" personnel. (See below for definition)

*"Abusive or violent behavior towards "AUTHORITY" personnel"* includes, but is not limited to, 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 of owner participation in the program.

"*Threatening*" includes, but is not limited to oral or written threats, suggestions, or physical gestures that communicate an intent to abuse or commit violence. Actual physical abuse or violence will always be cause for termination of an owner in participation in the program.

**B. OWNER RESTRICTIONS AND PENALTIES [24 CFR 982.453]**

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, the "AUTHORITY" will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The "AUTHORITY" may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner, the "AUTHORITY" will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

**C. CHANGE IN OWNERSHIP**

A change in ownership may require execution of a new contract.

The "AUTHORITY" may approve the assignment of the HAP contract at the previous owner's request. The "AUTHORITY" may approve the assignment, since they are a party to the contract. The "AUTHORITY" may deny approval of assignment of the contract, for any of the reasons listed in "Disapproval of Owner" in this chapter.

The "AUTHORITY" will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the recorded deed or other document showing the transfer of title and a W9 (IRS form) signed by the new owner showing the Federal Tax Identification number or Social Security number of the new owner.

Note: the "AUTHORITY" must receive a written request by the owner in order to change the HAP payee and/or the address to which payment is to be sent.

If the new owner does not want an assignment of the contract, the "AUTHORITY" will terminate the HAP contract with the old owner, since they are no longer the owner. The new owner may offer the family a new assisted lease. The family may elect to enter into the new lease or move to another unit.

## Chapter 17

### PROGRAM INTEGRITY

[24 CFR 792.101 to 792.204, 982.54]

#### **INTRODUCTION**

This chapter outlines the "AUTHORITY"'s policies for the prevention, detection and investigation of program abuse and fraud. HUD conservatively estimates that 600 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 "AUTHORITY" is committed to ensuring 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 "AUTHORITY" will take all steps necessary to prevent fraud, waste and mismanagement so that program resources are utilized judiciously.

Note: All allegations of unauthorized persons, unreported income, or other program violations will be referred directly to the District Attorney's office for their investigation, prosecution, and/or repayment agreement amounts for both applicants, clients, and owners participating in or about to participate in the Program.

#### **A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD**

Under no circumstance will the "AUTHORITY" undertake an inquiry or an audit of an applicant or participating family arbitrarily. The "AUTHORITY"'s expectation is that applicants and participating families will comply with HUD requirements, provisions of the voucher and other program rules.

"AUTHORITY" staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, the "AUTHORITY" has a responsibility to HUD, to the community, and to eligible families in need of housing assistance, to monitor applicants/participants and owners for compliance and when indicators of possible abuse come to the "AUTHORITY"'s attention, to investigate such claims.

The "AUTHORITY" 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 "AUTHORITY" will follow up on referrals from other agencies, companies or persons which are received by mail, 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. A copy of the allegation will be retained in a separate allegation file in the family's file. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. The allegation will may be forwarded to the District Attorney's office for their investigation.
- Internal File Review. A follow-up will be made if "AUTHORITY" staff discovers (as a function of a certification, recertification, an interim redetermination, or a quality control review) information or facts which conflict with previous file data, the "AUTHORITY"'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 "AUTHORITY" receives independent verification or documentation which conflicts representations in the family's file (such as public record information or credit bureau reports, or reports from other agencies).

## **B. STEPS THE "AUTHORITY" WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD**

The "AUTHORITY" management and staff will utilize various methods and practices (listed below) to prevent program abuse, noncompliance, 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 (HUD-1140-OIG). 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 "AUTHORITY"'s expectations for cooperation and compliance.
- Briefing Session. Mandatory orientation sessions will be conducted by the "AUTHORITY" staff for all prospective program participants, either prior to or upon issuance of a voucher. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Housing Choice Voucher" to confirm that all rules and pertinent regulations were explained to them.
- Review and Explanation of Forms. Staff will explain all required forms and review the contents of all recertification documents prior to signature.

The "AUTHORITY" will routinely provide participant counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements as follows.

**C. STEPS THE "AUTHORITY" WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD**

The "AUTHORITY" staff will maintain a high level of alertness 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 recertification, 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 "AUTHORITY" management and occupancy staff 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 Records Bulletins may be reviewed by "AUTHORITY" 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 in order to detect unreported wages or unemployment compensation benefits.
- Enterprise Income Verification (EIV) system. The "AUTHORITY" will verify tenant employment and income information during mandatory reexaminations of family composition and income; and reduce administrative and subsidy payment errors in accordance with 24 CFR §5.236 and administrative guidance issued by HUD. The "AUTHORITY" has established a procedure for EIV use.
- 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 "AUTHORITY" wherein unreported income sources are disclosed.
  - When a participant's expenditures exceed their reported

income and no plausible explanation is given.

#### **D. THE "AUTHORITY"'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD**

The "AUTHORITY" staff will encourage all participating families to report suspected abuse. 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 "AUTHORITY" will not follow up on allegations which are vague or otherwise nonspecific. Only allegations which contain one or more independently verifiable facts will be reviewed.

##### **File Review**

An internal file review will be conducted to determine:

- If the subject of the allegation is a current voucher holder of the "AUTHORITY" 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 "AUTHORITY" 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 are facts contained in the allegation which conflict with file data, and the facts are independently verifiable, the Director of Housing Programs, his/her designee or Eligibility ng Specialist will initiate an investigation to determine if the allegation is true or false.

#### **E. OVERPAYMENT TO OWNERS**

Owners may be prosecuted for fraud through the District Attorney's office and also may be required to enter into Repayment Agreements through the District Attorney's office.

If the "AUTHORITY" determines that the owner has retained housing assistance or claim payments the owner is not entitled to, the "AUTHORITY" may reclaim the amounts from future housing assistance or claim payments owed the owner for any units under contract. If future housing assistance or claim payments are insufficient to reclaim the amounts owed, the "AUTHORITY" will:

- Require the owner to pay the amount in full within thirty (30) days
- Pursue collections through a collection agency
- Restrict the owner from future participation

## F. HOW THE "AUTHORITY" WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If the "AUTHORITY" determines that an allegation or referral warrants a follow-up, the Housing Authority 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 "AUTHORITY" will secure the written authorization from the program participant for the release of information.

- Employment Income Verification (EIV).
- Credit Bureau Inquiries (CBI). In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity that conflicts with the reported income of the family.
- Employers and Ex-Employers. Employers or ex-employers may be contacted to verify wages which may have been previously undisclosed or misreported.
- Neighbors/Witnesses. Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the "AUTHORITY"'s review.
- Other Agencies. Investigators, case workers or representatives of other benefit agencies may be contacted.
  - Public Records. If relevant, the "AUTHORITY" will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, and 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 "AUTHORITY" may discuss the allegation (or details thereof) with the head of household or family member by scheduling an appointment at the "AUTHORITY" office. A high standard of courtesy and professionalism will be maintained by the "AUTHORITY" staff person who conducts such interviews. Under no circumstance 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.
  - Termination: In addition or in lieu of the interview with the Head of Household or Family Members, the "AUTHORITY" may begin proceedings to terminate the family from the Program and, in addition, may begin proceedings to prosecute the family. The family, of course, has the right to appeal the termination by requesting an Informal Review (applicant) or Informal Hearing (participant).



**G. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE "AUTHORITY"**

Documents and other evidence obtained by the "AUTHORITY" 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. Such cases under review will not be discussed among "AUTHORITY" staff unless they are involved in the process, or have information which may assist in the investigation.

**H. CONCLUSION OF THE "AUTHORITY"'S INVESTIGATIVE REVIEW**

At the conclusion of the investigative review, the reviewer will report the findings to the Director of Housing Programs or his or her designee. It will be established if a violation has occurred, not occurred, or is inconclusive.

The following will be taken into consideration:

- The type of violation (procedural noncompliance, fraud)
- Whether the violation was intentional or unintentional
- What amount of money (if any) is owed by the family
- If the family is eligible for continued occupancy

Once a program violation has been documented, the "AUTHORITY" will propose the most appropriate remedy based upon the type and severity of the violation.

**I. EVALUATION OF THE FINDINGS**

If it is determined that a program violation has occurred, the "AUTHORITY" will review the facts to determine:

1. The type of violation (procedural, non-compliance, fraud).
2. Whether the violation was intentional or unintentional.
3. What amount of money (if any) is owed by the family.

If the family is eligible for continued occupancy, or should be denied admission to the program.

**ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED.**

Once a program violation has been documented, the "AUTHORITY" will propose the most appropriate remedy based upon the type and severity of the violation. If the "AUTHORITY" determines that the violation whether procedural, non-compliance, or fraud occurred and that termination action needs to be taken, the "AUTHORITY" will do so in a timely manner.

The following examples are if the family is allowed to remain on the program.

1. **Procedural Non-compliance.** This category applies when the family "fails to" observe a procedure or requirement of the "AUTHORITY" 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 "AUTHORITY".

Warning Notice to the Family. In such cases a notice will be sent to the family which may contain one or more of 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 "AUTHORITY" if the procedure or obligation is not complied with by the date specified by the "AUTHORITY".
- The consequences of repeated (similar) violations.

2. **Procedural Non-compliance - Overpaid Assistance.** When the family owes money to the "AUTHORITY" for failure to report changes in income or assets, the "AUTHORITY" will issue a Notice of Proposed Termination letter. This notice will contain the following:

- A description of the violation
- The right to disagree and to request an informal hearing within ~~ten (10) business~~ 14 calendar days.
- Instructions for the request of such hearing
- The hearing officer will meet with them to discuss and explain the family obligation or program rule which was violated. The hearing officer will complete a Hearing Summary, mail one copy to the family and retain a copy in the family's file

Participant Fails to Comply with Notice. If the Participant fails to comply with the "AUTHORITY"'s notice, and a family obligation has been violated, the "AUTHORITY" will follow through with termination of assistance.

### **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 "AUTHORITY", the "AUTHORITY" 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 certifications, Housing Choice Voucher, and personal declaration(s) 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:

- An admission by the participant to "AUTHORITY" staff or others of the misrepresentation, illegal action or omission.
- That the act was done repeatedly.
- If a false name or Social Security number was used.
- That the participant omitted material facts which were known to him/her (e.g., employment of self or other household member).
- That the participant falsified, forged or altered documents.
- That the participant uttered and certified to statements at an interim redetermination which were later independently verified to be false.

### **Dispositions of Cases Involving Misrepresentations**

In all cases of misrepresentations involving efforts to recover monies owed, the "AUTHORITY" may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

Criminal Prosecution: If the "AUTHORITY" has established criminal intent, and the case meets the criteria for prosecution, the "AUTHORITY" may refer the case to the local State or District Attorney, notify HUD's Office of the Inspector General (OIG), and terminate rental assistance.

Administrative Remedies: The "AUTHORITY" may terminate assistance and demand payment of restitution in full.

- Terminate assistance and execute a repayment agreement

- Terminate assistance and pursue restitution through civil litigation/prosecution and/or report amount owed to the credit bureau.
- Continue assistance at the correct level upon repayment of restitution in full.
- Permit continued assistance at the correct level and execute a repayment agreement

A secondary purpose of the informal hearing is to assist the "AUTHORITY" in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the "AUTHORITY" will consider:

- The duration of the violation and number of false statements.
- The family's willingness to cooperate, and to accept responsibility for his/her actions.
- The family's ability to understand the rules
- The amount of money involved.
- The family's past history.
- Whether or not criminal intent has been established.
- The number of false statements.
- The seriousness of the violation and misrepresentation that occurred.

### **Ethical Standards for Employees**

No employee of the "AUTHORITY" shall have any employment, or engage in any business or commercial transaction, or engage in any professional activity, or incur any obligation in which directly or indirectly he or she would have an interest that would impair his or her independence of judgment or action in the performance of his or her official duties or that would be in conflict with the performance of his or her official duties.

No employee shall have or enter into any contract with any person who has or enters into a contract with the "AUTHORITY" unless:

The contract between the person and the "AUTHORITY" is awarded pursuant to competitive bidding procedures and/or purchasing policies as outlined in regulations promulgated by the U.S. Department of Housing and Urban Development (HUD), state law, or the Housing Authority of the County of Merced's Procurement Policy; or

There shall be no preferential treatment given by an employee of the "AUTHORITY" acting in performance of his or her official duties to any person, agency or organization. Employees, Agents and Commissioners will be required to disclose whether he/she has any relationship or interest with vendors of the "AUTHORITY".

No "AUTHORITY" employee shall solicit any gift or consideration of any kind, nor shall any "AUTHORITY" employee.

No "AUTHORITY" employee shall disclose without proper authorization non-public information or records concerning any aspects of the operation of the "AUTHORITY", nor shall he or she use such information to the advantage or benefit of himself, herself, or any other person. This shall include records maintained on enrollees of the "AUTHORITY", for whom a properly executed release of information form shall be obtained and kept in the client file. The release of any information relative to enrollees of the "AUTHORITY" shall be done pursuant to government regulations allowing the release of information among government agencies or agencies receiving government subsidy, shall be done following prescribed methods of requesting and transmitting such information, and shall be done with full knowledge of the enrollee except in those cases where through action of law the enrollee's knowledge is not required.

No "AUTHORITY" employee shall have an interest in a contract between any person and the "AUTHORITY", except that this provision shall not apply if the contract was entered into prior to the employee's hire by the "AUTHORITY".

**J. MANDATED USE OF THE ENTERPRISE INCOME VERIFICATION (EIV) SYSTEM**

**[24 CFR 5.233]**

The EIV System is a web-based application, which provides the "AUTHORITY" with employment, wage, unemployment compensation and social security benefit information of tenants who participate in the Public Housing and various Section 8 programs under the jurisdiction of the Office of Public and Indian Housing (PIH). Information in EIV is derived from computer matching programs initiated by HUD with the Social Security Administration (SSA) and the U.S. Department of Health and Human Services (HHS), for all program participants with valid personal identifying information (name, date of birth (DOB), and Social Security number (SSN)) reported on the form HUD-50058.

The "AUTHORITY" is required to use the EIV system in its entirety to verify tenant employment and income information during mandatory

reexaminations of family composition and income; and reduce administrative and subsidy payment errors in accordance with 24 CFR §5.236 and administrative guidance issued by HUD. The "AUTHORITY" has established a procedure for EIV use.

#### **K. ENTERPRISE INCOME VERIFICATION (EIV) USER'S RESPONSIBILITIES**

The EIV user's responsibilities include the following:

- Mandatory security awareness training at least annually
- Complete and sign Rules of Behavior and User Agreement
- Avoid leaving EIV information on the computer screen unattended
- EIV data generated from the printer must be retrieved immediately and shall not be left lying unattended
- Each user is required to have his or her own User ID and password
- Maintain the security of user accounts by not disclosing own password
- Inform the Security Officer when EIV access is no longer needed
- Report to the Director of Housing Programs or the Security Officer and/or the HUD Security Officer immediately regarding any suspected violation or breach of system security

#### Record Keeping and Control

The following HUD forms shall be used to ensure the security of EIV data:

- "AUTHORITY"'s EIV Access Authorization Form
- Rules of Behavior and User Agreement
- Security Awareness Training Attendance Sheet

## Chapter 18

### OWNER OR FAMILY DEBTS TO THE "AUTHORITY" [24 CFR 982.552]

#### **INTRODUCTION**

This chapter describes the "AUTHORITY"'s policies for the recovery of monies which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the "AUTHORITY"'s policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support the "AUTHORITY"'s claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

When families or owners owe money to the "AUTHORITY", the "AUTHORITY" will make every effort to collect it. The "AUTHORITY" will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Civil suits
- Payment agreements
- Abatements
- Reductions in HAP to owner
- Collection agencies
- Credit bureaus
- Income tax set-off programs
- Referral to Inspector General's Office

#### **A. PAYMENT AGREEMENT FOR FAMILIES [24 CFR 982.552 (c) v-ii]**

A payment agreement as used in this Administrative Plan is a document entered into between the "AUTHORITY" and a person who owes a debt to the "AUTHORITY". It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the "AUTHORITY" upon default of the agreement. The Repayment Agreements may be instigated by the "AUTHORITY" or by the District Attorney's fraud/prosecution investigation.

The "AUTHORITY" will prescribe the terms of the payment agreement, including determining whether to enter into a payment agreement with the family based on the circumstances surrounding the debt to the "AUTHORITY".

There are some circumstances in which the "AUTHORITY" will not enter into a payment agreement. They are:

- If the family already has a payment agreement in place.
- If the "AUTHORITY" determines that the family committed program fraud.

The maximum length of time the "AUTHORITY" will enter into a payment agreement with a family is twelve (12) to twenty-four (24) months with approval of the Director of Housing Programs or Executive Director.

The maximum amount for which the "AUTHORITY" will enter into a payment agreement with a family is \$2,500. If a family has two or more debts owing the "AUTHORITY", they cannot exceed a total of \$2,500. The "AUTHORITY" will review the total repayment amount and the family's ability to pay to determine the length of time allowed for repayment. Prior to the execution on of the repayment agreement, the family must pay a minimum of 25% of the balance owed to the "AUTHORITY", the down payment requirement if only offered on balances over 100.00 and the HA will only enter repayment agreement over

- The maximum length of time the "AUTHORITY" will enter into a repayment agreement with a family is 12 months.
- There is a \$50.00 minimum monthly amount, other than the repayment agreement cannot exceed 24 months in duration with approval of the Director of Housing Programs or the Executive Director.
- The "AUTHORITY" may consider the family's income and verify with the family the maximum amount of the monthly payment that the family can afford.
- The family will be terminated from the program if the repayment agreement is breached or if the family refuses to sign a Repayment Agreement, whether the amount owing is due to an owner damage claim or Housing Assistance Payment (HAP) repayment for late reporting, or fraud decision that has been overturned in the informal hearing process. The family will be given, of course, all opportunities for an informal hearing process, or court process for claims due to damages.
- Any reference to amounts owing by the family include any amounts owed to any federal housing program with any agency.



If the family wishes to relocate within Merced County, the tenant must have a history of keeping consistently current with their payments before they will be approved to move. Otherwise, they must pay off the remaining balance before they will be approved to move (for non-fraud issues). In the case of fraud, the tenant must have the balance paid off before moving.

If the family wishes to relocate outside Merced County, they must first pay off any debt owed to the "AUTHORITY".

### **Late Payments**

A payment will be considered to be in arrears if the payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's payment agreement is in arrears, and the family has not contacted or made arrangements with the "AUTHORITY", the "AUTHORITY" will:

- Require the family to pay the balance in full;
- Pursue civil collection of the balance due; or
- Terminate the housing assistance.

### **Repayment Agreements Instigated by District Attorney and/or Prosecution**

Repayment Agreements may be instigated by the District Attorney's office after investigative services by their office. The Repayment Agreements can be issued for any amounts; there are no minimum or maximum amounts, and for any time frames that the District Attorney's office deems necessary. Either the client or owner who may owe amounts to the "AUTHORITY" and HUD. Repayment Agreements can be issued on clients and/or owners who are still on the program or who have been terminated from participating in the program.

Any fraud cases with amounts by an owner or client that exceed \$20,000 will be forwarded to the Inspector General's office for their review. They will refer the case back to our locality if they prefer that the local District Attorney's office pursue prosecution and repayment.

If the client or owner do not repay the amounts as indicated in the agreement, the "AUTHORITY" and the District Attorney's office will take action to prosecute, if not already done so.

The amount of dollars owed to the "AUTHORITY" and HUD will be computed from the time of commencement of the fraud. Family will have been considered ineligible at the commencement of the fraud and all HAP will be computed into the amount owed up to the time of termination from the Program or up to the time of an interim-conducted to process the correct HAP amount.

**Guidelines for Payment Agreements [24 CFR 982.552(b)(8)]**

The payment agreement will be executed between the "AUTHORITY" and the head of household, spouse, co-head and all household members age 18 years of age and older.

Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the Director of Housing Programs or his or her designee.

The family will not be approved to move until the debt is paid in full, unless the move is the result of one of the following causes and the payment agreement is current:

- Family size exceeds the Housing Quality Standards (HQS) maximum occupancy standards
- The HAP contract is terminated due to owner non-compliance or opt-out
- A natural disaster
- Foreclosure of unit

**B. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION [24 CFR 982.163]**

HUD's definition of program fraud and abuse is a single act or pattern of actions that constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of HCV program funds in violation of HCV program requirements.

The "AUTHORITY" may terminate the family for program fraud, or it may allow the family to enter into a repayment agreement.

**Program Fraud**

Owners and families who owe money to the "AUTHORITY" due to program fraud will be required to pay in accordance with the payment procedures for program fraud below.

If an owner or family owes an amount which equals or exceeds \$5,000 as a result of program fraud, the case will be referred to the Inspector General. Where appropriate, the "AUTHORITY" will refer the case for criminal prosecution.

### **Payment Procedures for Program Fraud**

Families who commit program fraud or untimely reporting of increases in income will be subject to the following:

- Sign a repayment agreement as outlined in the "Guidelines for Payment Agreements" in this chapter.
- The amount of the monthly payment will be determined in accordance with the family's current income but the payment will not be less than \$10 a month.

### **C. GUIDELINES FOR PAYMENT AGREEMENTS [24 CFR 982.552 (c) (v-vii)]**

Payment agreements will be executed between the "AUTHORITY" and the head of household, spouse, co-head and all household members age 18 years old and over

- The payment agreement must be executed by the Director of Housing Programs or his or her designee.
- **Payments may only be made by money order or cashier's check.**
- The payment agreement will be in default when a payment is delinquent by the 10th calendar day of the month. A payment agreement will be considered to be in default when it is in arrears for thirty (30) days. The family's assistance may be terminated unless the "AUTHORITY" receives the balance of the payment agreement in full within thirty (30) days of the termination notice, and if requested with reasonable notice from the family, verification of the hardship, and the approval of the Director of Housing Programs or his/her designated staff.

A move may be denied 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
- Foreclosure of unit

### **Additional Monies Owed**

If the family already has a payment agreement in place and incurs an

additional debt to the Housing Authority, the "AUTHORITY" may enter into more than one payment agreement with the family, depending on their payment history.

**D. OWNER DEBTS TO THE "AUTHORITY" [24 CFR 982.453(b)]**

If the "AUTHORITY" determines that the owner has retained Housing Assistance Payments the owner is not entitled to, the "AUTHORITY" may reclaim the amounts from future Housing Assistance Payments owed to the owner for any units under contract.

If future Housing Assistance Payments are insufficient to reclaim the amounts owed, the Housing Authority may take one or more of the following options:

- Require the owner to pay the amount in full within thirty (30) days.
- Enter into a payment agreement with the owner for the amount owed.
- Pursue collections through a collection agency
- Restrict the owner from future participation.

**E. WRITING OFF DEBTS**

Debts will be written off if:

- The debtor's whereabouts are unknown and the debt is more than three (3) years old.
- A determination is made that the debtor is judgment proof.
- The debtor is deceased.
- The debtor is confined to an institution indefinitely or for more than five (5) years.
- The amount is less than \$5,000 and the debtor cannot be located.

## Chapter 19

### REVIEWS, HEARINGS, COMPLAINTS AND APPEALS

#### **INTRODUCTION**

The informal hearing requirements defined in HUD regulations are applicable to participating families who disagree with an action, decision, or inaction of the "AUTHORITY". This chapter describes the policies, procedures and standards to be used when families disagree with a Housing Authority decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the "AUTHORITY" to ensure that all families have the benefit of all protections due to them under the law,

#### **A. COMPLAINTS TO THE "AUTHORITY"**

The "AUTHORITY" will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The "AUTHORITY" requires that complaints other than Housing Quality Standards (HQS) violations be put in writing (HQS complaints may be reported by telephone).

#### **Categories of Complaints**

##### **Complaints from Families and Owners**

Complaints received from families or owners due to the action or inaction of the "AUTHORITY" will be referred to the Eligibility Specialist. If a complaint is not resolved, it will be referred to the Director of Housing Programs.

##### **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 Director of Housing Programs.

##### **Complaints from the General Public**

Complaints or referrals from persons in the community in regard to the "AUTHORITY", a family or an owner will be referred to the Eligibility Specialist. If a complaint is not resolved, Director of Housing Programs complaints will, where appropriate, be referred to law enforcement, the District Attorney, or other investigative entity for investigation.

#### **B. PREFERENCE DENIALS**

When the "AUTHORITY" denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with Housing Authority staff

to discuss the reasons for the denial and to dispute the "AUTHORITY"'s decision.

The person who conducts the meeting will be the Eligibility Specialist or Director of Housing Programs or his or her designee.

**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 Housing Assistance Payment (HAP) Contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

When the "AUTHORITY" determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

- The reason(s) they are ineligible
- The procedure for requesting a review if the applicant does not agree with the decision; and
- The time limit for requesting a review.

When denying admission for criminal activity as shown by a criminal record, the Housing Authority will provide the subject of the record and the applicant with a copy of the criminal record upon which the decision to deny was based.

The "AUTHORITY" must provide applicants with the opportunity for an informal review of decisions denying:

- Qualification for preference.
- Listing on the "AUTHORITY"'s waiting list
- Issuance of a voucher
- Participation in the program
- Assistance under portability procedures

Informal reviews are ***not required*** for established policies and procedures and "AUTHORITY" determinations such as:

- Discretionary administrative determinations by the "AUTHORITY".
- General policy issues or class grievances.
- A determination of the family unit size under the "AUTHORITY" subsidy standards.

- Refusal to extend or suspend a voucher.
- A "AUTHORITY" determination not to grant approval of the tenancy.
- Determination that unit is not in compliance with HQS.
- Determination that unit is not in accordance with HQS due to family size or composition.

### **Procedure for Informal Review**

A request from the applicant for an informal review must be received in writing by the close of the business day, no later than fourteen (14) calendar days from the date of the "AUTHORITY"'s notification of denial of assistance. The informal review will be scheduled and held within a reasonable time the request is received.

After a review date is scheduled, 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. The "AUTHORITY" may require verification of such "good cause," and any verification and documentation that the "AUTHORITY" may request must be provided by the family or a review date will not be rescheduled.

If a family does not appear at a scheduled review at the time specified, or within 15 minutes of that time, and has not rescheduled the review in advance pursuant to the above paragraph, the family will be deemed to have withdrawn its request for informal review and the "AUTHORITY" decision will not be modified.

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 management level or above.
- An independent contractor qualified by the "AUTHORITY".
- An "AUTHORITY" employee
- An individual from outside the "AUTHORITY".

The review may be conducted by mail and/or telephone if acceptable to both parties. A notice of the review findings will be provided in writing to the applicant within fourteen (14) business days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

The applicant will be given the opportunity of presenting oral or written objections to the decision. Both the "AUTHORITY" and the family may present evidence and witnesses. The family may use an attorney or

appropriate representative to assist them at its own expense.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

**D. INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d)(13)]**

The "AUTHORITY" must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following "AUTHORITY" determinations:

When the "AUTHORITY" makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The "AUTHORITY" will give the family prompt notice of such determinations which will include:

- The proposed action or decision of the "AUTHORITY".
- The date the proposed action or decision will take place.
- The family's right to an explanation of the basis for the "AUTHORITY"'s decision.
- The procedure for requesting a hearing if the family disputes the action or decision.
- The time limit for requesting the hearing.
- To whom the hearing request should be addressed.
- A copy of the "AUTHORITY"'s hearing procedures.

The "AUTHORITY" hearing procedures will be provided to families in the briefing packet. When terminating assistance for criminal activity as shown by a criminal record, the Housing Authority will provide the subject of the record and the tenant/participant with a copy of the criminal record upon which the decision to terminate was based.

The "AUTHORITY" must provide participants with the opportunity for an informal hearing for decisions related to any of the following "AUTHORITY" determinations:

- Determination of the family's annual or adjusted income and the computation of the housing assistance payment
- Calculation of utility allowance
- Family unit size determination under "AUTHORITY" subsidy standards
- Non-citizen eligibility.
- Determination to terminate a family's FSS Contract, withholds supportive services, or propose forfeiture of the family's escrow account.



Informal hearings are ***not required*** for established policies and procedures and "AUTHORITY" determinations such as:

- Discretionary administrative determinations by the "AUTHORITY".
- General policy issues or class grievances.
- Establishment of the "AUTHORITY" schedule of utility allowances for families in the program.
- A "AUTHORITY" determination not to approve an extension or suspension of a voucher term.
- A "AUTHORITY" determination not to approve a unit or lease.
- A "AUTHORITY" determination that an assisted unit is not in compliance with HQS "AUTHORITY" must provide hearing for family breach of HQS because that is a family obligation determination).
- A "AUTHORITY" determination that the unit is not in accordance with HQS because of the family size.
- A "AUTHORITY" determination to exercise or not exercise any right or remedy against the owner under a HAP contract.

### **Notification of Hearing**

It is the "AUTHORITY"'s objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the "AUTHORITY" will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations. When the "AUTHORITY" receives a request for an informal hearing, a hearing shall be scheduled within fourteen (14) days. The notification of hearing will contain:

- The date and time of the hearing;
- The location where the hearing will be held;
- The family's right to bring evidence, witnesses, legal or other representation at the family's expense;
- The right to view any documents or evidence in the possession of the "AUTHORITY" upon which the "AUTHORITY" based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing. ("AUTHORITY" charges \$.35 per page for copies, and this fee, must be paid before the copy/ies will be provided to the family). Requests for such documents or evidence must be received no later than five (5) business days before the hearing date; and
- A notice to the family that the "AUTHORITY" will request a copy of any documents or evidence the family will use at the hearing at "AUTHORITY"'s expense. Requests for such documents or evidence must be received no later than five (5) business days before the hearing date.

### **The "AUTHORITY"'s Hearing Procedures**

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the "AUTHORITY" within twenty-four (24) hours, excluding weekends and holidays. The "AUTHORITY" will reschedule the hearing only if the family can show good cause for the failure to appear.

Families have the right to:

- Present written or oral objections to the "AUTHORITY"'s determination.
- Examine the documents in the file which are the basis for the "AUTHORITY"'s action, and all documents submitted to the hearing officer.
- Copy any relevant documents at their expense.
- Present any information or witnesses pertinent to the issue of the hearing
- Request that "AUTHORITY" staff be available or present at the hearing to answer questions pertinent to the case
- Be represented by legal counsel, advocate, or other designated representative at their own expense. In such case, the family shall notify "AUTHORITY" at least two (2) business days before the scheduled hearing of their election to be represented by counsel
- If the family requests copies of documents relevant to the hearing, the "AUTHORITY" will make the copies for the family and assess a charge of \$.35 per copy. In no case will the family be allowed to remove the file from the "AUTHORITY"'s office.

In addition to other rights contained in this chapter, the "AUTHORITY" has a right to:

- Present evidence and any information pertinent to the issue of the hearing.
- Be notified if the family intends to be represented by legal counsel, advocate, or another party.
- Examine and copy any documents to be used by the family prior to the hearing.
- Have their attorney present.
- Have staff persons and other witnesses familiar with the case present.

The informal hearing shall be conducted by the hearing officer appointed by the "AUTHORITY" who is neither the person who made or approved the decision, nor a subordinate of that person. The "AUTHORITY" appoints hearing officers who are:

- A "AUTHORITY" supervisor level or above.
- Managers from other "AUTHORITY"'s.
- Professional mediators or arbitrators.
- "AUTHORITY" Management.
- An independent contractor qualified by the "AUTHORITY".

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.

The Hearing Officer may record the proceedings on tape solely to assist in recounting the facts and statements for his/her final determination. The audiotape is the Hearing Officer's, and not a "AUTHORITY" document or recording and is erased once he/she renders his/her findings.

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 hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision.

If the family misses an appointment or deadline ordered by the hearing officer, the action of the "AUTHORITY" shall take effect and another hearing will not be granted.

The hearing officer will determine whether the action, inaction or decision of the Housing Authority is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the hearing findings shall be provided in writing to the "AUTHORITY" and the family within fourteen (14) calendar days and shall include:

- A clear summary of the decision and reasons for the decision;
- If the decision involves money owed, the amount owed; and
- The date the decision goes into effect

The "AUTHORITY" is not bound by hearing decisions which:

- Concern matters in which the "AUTHORITY" is not required to provide an opportunity for a hearing.
- Conflict with or contradict HUD regulations or requirements.
- Conflict with or contradict Federal, State or local laws.
- Exceed the authority of the person conducting the hearing.

The "AUTHORITY" shall send a letter to the participant if it determines the "AUTHORITY" is not bound by the hearing officer's determination within fourteen (14) business days. The letter shall include the "AUTHORITY"'s reasons for the decision.

If the Hearing Officer determines that the family is not to be terminated from the program, but stipulates that certain actions must be taken by the family in order to avoid termination and the family is in non-compliance, the Hearing Officer has a right to review the case again and to terminate the family without the right to further informal hearing.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

**E. EXTENUATING CIRCUMSTANCES REGARDING DENIALS/TERMINATIONS DUE TO MISSED APPOINTMENTS**

A request from the family for an Informal Hearing must be received in writing by the close of the business day, no later than fourteen (14) calendar days from the date of the "AUTHORITY"'s notification of termination of assistance. The informal hearing will be scheduled and held within a reasonable time after the request is received.

After a hearing date is scheduled, 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. The "AUTHORITY" may require verification of such "good cause," and any verification and documentation that the "AUTHORITY" may request must be provided by the family or a review date will not be rescheduled.

If a family does not appear at a scheduled hearing at the time specified, or within 15 minutes of that time, and has not rescheduled the hearing in advance pursuant to the above paragraph, the family will be deemed

to have withdrawn its request for informal hearing and the "AUTHORITY" decision will not be modified.

The informal hearing may not be conducted by the person who made or approved the decision, nor a subordinate of such person.

**F. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON- CITIZENS" [24 CFR PART 5, SUBPART E]**

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the U.S. Citizenship and Immigration Services (USCIS) appeal.

Assistance to a family may not be terminated or denied while the "AUTHORITY" hearing is pending but assistance to an applicant may be delayed pending the "AUTHORITY" hearing.

**U.S. Citizenship and Immigration Services Determination of Ineligibility**

If a family member claims to be an eligible immigrant and the U.S. Citizenship and Immigration Services (USCIS) and a manual search do not verify the claim, the "AUTHORITY" notifies the applicant or participant within ten (10) days of their right to appeal to the USCIS within thirty (30) days or to request an informal hearing with the "AUTHORITY" either in lieu of or subsequent to the USCIS-appeal.

If the family appeals to the USCIS, they must give the "AUTHORITY" a copy of the appeal and proof of mailing or the "AUTHORITY" may proceed to deny or terminate. The time period to request an appeal may be extended by the "AUTHORITY" for good cause.

The request for a "AUTHORITY" hearing must be made within fourteen (14) days of receipt of the notice offering the hearing or, if an appeal was made to the USCIS, within fourteen (14) days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible and there are no other eligible family members, the "AUTHORITY" will:

- Deny the applicant family
- Defer termination if the family is a participant and qualifies for deferral

- Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, the "AUTHORITY" will offer to pro-rate 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 prorated (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 (TR) and Total Tenant Payment (TTP).
- 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.

**G. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES [24CFR 982.204, 982.552(c)]**

When applicants are denied placement on the waiting list, or the "AUTHORITY" is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.

**Chapter 20  
SPECIAL HOUSING  
TYPES [24 CFR  
982.601]**

**INTRODUCTION**

The "AUTHORITY" may consider the use of special housing types in its program. Depending on the local need, funding availability and that the applicant/participant can demonstrate this would be the only way the family could obtain assistance.

The "AUTHORITY" will not set aside any program funding for special housing types or for a special housing type unless the "AUTHORITY" receives special funding for such programs. A family may choose whether to rent housing that qualifies as a special housing type or to rent other eligible housing in accordance with requirements of the program.

**Verification of Need for Reasonable Accommodation**

The use of special housing types would be made available if the applicant/participant can demonstrate that it is needed as a reasonable accommodation for a person with a disability. Acceptable documentation as verification of the need for reasonable accommodation would be a letter from one or more knowledgeable professionals to the "AUTHORITY" describing how the special housing type requested provides the accommodation of which the person is in need. The request and documentation will be reviewed by designated staff and a written response stating approval or disapproval will be sent to the applicant/participant within fourteen (14) days of receipt of the request.

A copy of the "AUTHORITY"'s response with supporting documentation will be maintained in the applicant/participant's file. The requested housing type must be approvable by all other HUD standards and HQS requirements in accordance with 24 CFR 982.

**A. SINGLE ROOM OCCUPANCY [24 CFR 982.602, 982-603]**

The "AUTHORITY" will use a separate lease and Housing Assistance Payment contract for each assisted person residing in a Single Room Occupancy (SRO) unit. At this time the "AUTHORITY" is not assisting any SRO units.

**B. CONGREGATE HOUSING [24 CFR 982.606]**

An elderly person or a person with disabilities may reside in a congregate housing unit.

The "AUTHORITY" may approve a family member or live-in aide to reside with the elderly person or person with disabilities.

The "AUTHORITY" will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

**Congregate Housing Lease and HAP Contract [24 CFR 982.607]**

For congregate housing there will be a separate lease and Housing Assistance Payment (HAP) contract for each assisted family. Unless there is a live-in aide, the payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard on the "AUTHORITY"'s 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.

If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The "AUTHORITY" will ensure that all congregate housing units approved for the program are in compliance with all of the HQS for congregate housing as regulated in 24 CFR 982.609.

**C. GROUP HOMES [24 CFR 982.610, 982.612]**

A group home must be licensed, certified, or otherwise approved in writing by the State, or the State's licensing department.

An elderly person or a person with disabilities may reside in a State-approved group home. If approved by the "AUTHORITY", a live-in aide may reside with a person with disabilities.

The "AUTHORITY" must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Except for a live-in aide, all residents of a group home must be elderly persons or persons with disabilities.

The "AUTHORITY" will not approve assistance for a person to live in a group home if file documentation indicates that the person is in need of continual medical or nursing care.

No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

**Group Home Lease and HAP Contract [24 CFR 982.611]**

There will be a separate HAP contract and lease for each assisted



person living in a group home. For a group home the term "pro-rata portion" means that which is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equal's one assisted person plus any "AUTHORITY"-approved live-in Aide.

**Group Home Rent and HAP Contract [24 CFR 982.613]**

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with 982.503. In determining reasonable rent the "AUTHORITY" will consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private.

**Maximum Subsidy**

Unless there is a live-in aide, the family unit size is 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 for the group home size.

**Utility Allowance**

The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

**Housing Quality Standards**

The "AUTHORITY" will ensure that all group home units approved for the program are in compliance with all of the HQS for group homes as regulated in 24 CFR 982.614.

**D. SHARED HOUSING [24 CFR 982.615]**

**Definitions**

For purposes of Voucher Shared Housing the following definitions apply:

- *Common Space:* Space available for use by the assisted family and other occupants of the unit.

- *Individual Lease Shared Housing:* The type of shared housing in which the "AUTHORITY" enters into a separate housing voucher contract for each assisted family residing in a shared housing unit.
- *Private Space:* The portion of the dwelling unit that is for the exclusive use of an assisted family.
- *Shared Housing:* A housing unit occupied by two or more families consisting of common space for shared use by the occupants of the units and (except in the case of a shared one-bedroom unit) separate private space for each assisted family.

### **Occupancy of a Shared Housing Unit**

Participation in Shared Housing is voluntary on the part of the participant and the "AUTHORITY" has not set aside any vouchers restricted to Shared Housing.

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.

Other persons who are assisted or not assisted under the tenant-based program may reside in a shared housing unit. The owner of a shared housing unit may reside in the unit.

A resident owner may enter into a HAP contract with the "AUTHORITY". However, housing assistance may not be paid on behalf of an owner. The "AUTHORITY" will not approve assistance for a person or family that is related by blood or marriage to a resident owner.

The "AUTHORITY" may approve a live-in aide to reside with a family in order to care for a person with a disability. The "AUTHORITY" must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

The "AUTHORITY" will not approve shared housing assistance for a family if the owner resides in the unit and is related by blood and/or marriage to the assisted family. Although other regulations permit the leasing of a rental unit from certain relatives when needed as a reasonable accommodation, the U.S. Department of Housing and Urban Development (HUD) has not established a similarly regulatory

provision for shared housing as defined in 24 CFR 982.306.

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 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” in this chapter.

**Maximum Subsidy**

For a family that resides in a shared housing unit, the payment standard is the lower of the payment standard amount on the “AUTHORITY” payment standard schedule for the family unit size or the pro-rata portion of the payment standard amount on the “AUTHORITY” payment standard for the shared housing unit size.

If the “AUTHORITY” approves a live-in aide, the live-in aide will be counted in determining the family unit size.

**Utility Allowance**

The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

**Housing Quality Standards**

The “AUTHORITY” will ensure that all shared housing units approved for the program are in compliance with all of the Housing Quality Standards (HQS) for shared housing as regulated in 24 CFR 982.618.

**E. COOPERATIVE HOUSING [24 CFR 982.619]**

The “AUTHORITY” will approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families. The “AUTHORITY” will not approve assistance for a family in cooperative housing until the “AUTHORITY” has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative

member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

The reasonable rent in cooperative housing is determined in accordance with "Owner Rents, Rent Reasonableness, and Payment Standards" chapter. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperatives debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down-payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility.

For a cooperative, rent adjustments are applied to the carrying charge as determined in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Housing Choice Voucher limitations on rent to owner. The housing assistance payment will be determined in accordance with the guidelines in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The "AUTHORITY" may approve a live-in aide to reside with the family to care for a person with disabilities. The "AUTHORITY" will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. If the "AUTHORITY" approves a live-in aide, the live-in aide will be counted when determining the family unit size.

### **Housing Quality Standards**

The "AUTHORITY" will ensure that all cooperative housing units approved for the program are in compliance with all of the HQS outlined in the "Housing Quality Standards and Inspections" chapter, and regulated by 24 CFR 982.401.

**F. MANUFACTURED HOMES [24 CFR 982.620]**

The "AUTHORITY" will permit a family to lease a manufactured home and space with assistance under the program. The "AUTHORITY" will provide assistance for a family that owns the manufactured home and leases only the space.

**Housing Quality Standards [24 CFR 982.621]**

A manufactured home must meet all the HQS requirements outlined in Chapter 10, "Housing Quality Standards and Inspections" 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 (b)(2)]**

~~Rent to owner for a manufactured home space will include payment for maintenance services that the owner must provide to the tenant under the lease for the space.~~

~~Rent to owner does not include the cost of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.~~

**Reasonable Rent**

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined by the "AUTHORITY".

The "AUTHORITY" will not approve a lease for a manufactured home space until the Housing Authority has determined that the initial rent to owner for the space is a reasonable rent.

At least annually during the assisted tenancy, the "AUTHORITY" will re-determine that the rent is reasonable.

The "AUTHORITY" will determine whether the rent to owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. The "AUTHORITY"

will consider the size and location of the space and any services and maintenance provided by the owner in accordance with the lease.

By accepting each monthly housing assistance payment from the "AUTHORITY", the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rentals of comparable spaces in the same manufactured home park or elsewhere. If requested by the "AUTHORITY", the owner must provide the "AUTHORITY" information on rents for other manufactured home space.

**Housing Assistance Payments for Manufactured Home Space [24 CFR 982.623] 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% 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 "AUTHORITY":~~  
~~The rent of the manufactured home space (including other eligible housing expenses) is the total of:~~

- ~~(a) the rent charged for the manufactured home space;~~
- ~~(b) the owner, maintenance and management charges for the space;~~
- ~~(c) the monthly payments made by the family to amortize the cost of purchasing the manufactured home, including any required insurance and property taxes; and~~
- ~~(d) the applicable allowances for tenant paid utilities.~~

- ~~• Rent to owner for the manufactured home space~~
- ~~• Owner maintenance and management charges for the space~~
- ~~• The utility allowance for tenant paid utilities~~
- ~~•~~

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**Utility Allowance Schedule for Manufactured Home Space Rental [24 CFR 982.624]**

The "AUTHORITY" will establish utility allowances for manufactured home space rentals. During 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. ASSISTED LIVING UNITS (PIH NOTICE 2012-40)**

##### **Occupancy**

An assisted family may reside in an assisted living unit. An assisted living facility is a public facility, proprietary facility, or facility of private nonprofit corporation that:

- Is licensed and regulated by the State (or if there is no State law providing for such licensing and regulation by the State), by the municipality or other political subdivision in which the facility is located;
- Makes available to residents supportive services to assist the residents in carrying out activities of daily living, such as bathing, dressing, eating, getting in and out of bed or chairs, walking, going outdoors, using the toilet, laundry, home management, preparing meals, shopping for personal items, obtaining and taking medication, managing money,
  - using the telephone, or performing light or heavy housework, and which make available to residents home health care services such as nursing and therapy; and
- Provides separate dwelling units for residents, each of which may contain a full kitchen and bathroom, and which includes common rooms and other facilities appropriate for the provision of supportive services to the residents of the facility.

Assisted living facilities may be referred to as residential care facilities, adult care facilities, congregate care facilities or group homes as long as they meet the requirements noted above. Assisted living facilities are designed for residents who have the physical ability to live independently but need assistance with some activities of daily living such as personal care, transportation, meals, laundry, medication monitoring, security, and housekeeping. A person residing in an assisted living unit must not require continual medical or nursing care.

**Rent**

Section 302 of the Section 202 Supportive Housing for the Elderly Act of 2010 (Public Law 111-372).

*Monthly Assistance Payment under Rental Assistance* amends section 8(o)(18)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(18)(B)(iii) to allow a "AUTHORITY" to require a family to pay more than 40 percent (40%) of its monthly adjusted income for a unit in an assisted unit facility if the amount or percentage is reasonable given the services and amenities provided by the assisted living facility and as the Secretary deems appropriate.

A "AUTHORITY" may submit a request for a waiver of 24 CFR 982.508 and 982.305(a)(5) through the waiver process under 24 CFR 5.110 to require a family to pay more than 40 percent (40%) of its adjusted monthly income for an assisted unit, in order to allow the family to lease an assisted living unit that would otherwise be disapproved because the family share would exceed 40 percent (40%) of monthly adjusted income. HUD will review such requests on a case-by-case basis and may grant the waiver if HUD determines the request demonstrates good cause.



## Chapter 21

### FAMILY UNIFICATION PROGRAM (FUP) & INDEPENDENT LIVING SKILLS PROGRAM (ILSP)

#### INTRODUCTION

The Family Unification Program (FUP) is designed to re-unite families that because of the lack of decent and affordable housing have caused a separation of the family members, or the separation is imminent. The program is administered through the Human Services Agency (HSA) and the Independent Living Skills Program (ILSP), and supported through the provisions of housing, by the Housing Authority of the County of Merced ("AUTHORITY").

#### A. ISSUANCE OF VOUCHERS FOR FAMILY PARTICIPATION

- Specific allocations of Housing Choice Vouchers (HCV) are designated for FUP. The project will be coded to indicate exclusive use for FUP. The FUP Vouchers are allocated as Targeted Funding.
- There is a limit of families admitted under the FUP targeted funding, according to the allocated number by the Department of Housing & Urban Development (HUD).
- Eligibility for assistance in the FUP and ILSP is determined by designated agency or using the HUD admissions criteria. HCV eligibility criteria will not differ from traditional criteria and will be verified by the "AUTHORITY", except in certain cases indicated below under *Selection and Exceptions*.
- HSA, ILSP, and the "AUTHORITY" may designate liaison personnel to deal with the day-to-day matters involving the programs.
- HSA and ILSP will, through close coordination with the "AUTHORITY", furnish the name, or names of the family or families, selected to receive a HCV voucher. The initial announcement of selection, to the "AUTHORITY", can be verbally transmitted but must be verified in writing on HSA referral form or ILSP stationary to the "AUTHORITY", within 72 hours of the verbal notification. An HCV application and an eligibility packet will be completed by the family with the help of HSA or ILSP staff and will be attached to the written referral verification.
- This "AUTHORITY" will continually update the HSA Liaison Person and the liaison person for ILSP as to the extent of utilization of the designated FUP Vouchers, so as not to exceed the designated number of vouchers within the program.

## **B. SELECTION OF FAMILIES AND EXCEPTIONS**

Selection of the designated family/families for assistance will be generally handled in accordance with current policy as established in this Administrative Plan, with the following exceptions:

- If the HCV waiting list is closed, it will be reopened for acceptance of FUP/ILSP applications only. FUP/ILSP applications will be marked and listed for this funding program.
- HSA and ILSP will interview and review each family's case before being referred to the "AUTHORITY" for participation in programs.
- HSA will monitor each family under their program for a minimum of six (6) months once subsidy has begun for the family.
- HSA will be responsible to disclose to the "AUTHORITY" any information regarding family member's criminal and illegal drug activity.

The "AUTHORITY" may accept FUP, families referred by HSA, who have had within the last 3 years illegal drug activity, violent criminal activity, or criminal activity, as long as the family is meeting the HSA criteria and "AUTHORITY"'s criteria under the FUP. The exception are families in which a member is subject to a lifetime sex offender registration requirement or has been a sex offender, or in which a member was evicted in the last three years from federally assisted housing for drug crimes.

Violence issues and criminal activity issues will be reviewed on a case-by-case basis by the HCV Department. The "AUTHORITY" will make determinations based on the health, safety, and peaceful enjoyment of residents and other HUD criteria.

Note: Families referred by the ILSP Program come under the same eligibility criteria for illegal drugs, criminal history, as stated in previous chapters of this administration plan. The above paragraphs and paragraphs below refer only to families referred by HSA, unless otherwise indicated.

- HSA will be responsible for obtaining a clean drug test at least 30 days from the FUP family member prior to FUP application being submitted for those families who are under Child Protective Services (CPS) monitoring due to illegal drug activity.

- HSA will be responsible for the family enrolling in drug diversion classes, alcohol rehabilitation classes and anger management classes, if the case remains open with their department.
- HSA will notify the "AUTHORITY" when the family's case has closed with CPS within 5 business days of occurrence.
- HSA will notify "AUTHORITY" when any family composition or income changes take place with the removal of a child or adult through CPS within 5 business days of occurrence, for families where the change is at least of 30 days or more duration.
- "AUTHORITY" has the right to refuse the additional family member due to previous illegal drug activity or criminal activity or other eligibility criteria as indicated in this Plan. "AUTHORITY" may request anger management classes or drug and/or alcohol rehabilitation classes in order for the family member to be added.
- All names of families referred to the "AUTHORITY" by HSA will be compared with those families already on the HCV waiting list. Any family on the "AUTHORITY"'s HCV waiting list that matches with the HSA's list must be assisted in order of their position on the waiting list in accordance with "AUTHORITY" admission policies. All waiting list preferences will apply.
- FUP families currently on the waiting list will always have priority over those families referred by HSA who are not on the waiting list. (This does not pertain to ILSP families.)
- Applicants for the FUP/ILSP will be assisted by the "AUTHORITY" with housing assistance only when a FUP Voucher is available. All other FUP/ILSP applicants will remain on the FUP waiting list by order of date and time.
- Client file folders will be marked for immediate visual identification.
- Computer system will include "Family Unification" as Program Feature for tracking purposes.
- FUP Families cannot take their voucher to another PHA jurisdiction at the time they receive their initial voucher until one year after participation in the HCV Program, and completed their HSA Plan, or ILSP Plan. The HSA family also must transfer to a PHA that administers a FUP Program. The ILSP family may transfer to another jurisdiction that does not administer a FUP Program.

**C. SPLIT OF HOUSEHOLD**

- Any split of family members in the household will result in the FUP Voucher staying with the adult family member who retains the children.
- If the children are split between two adult household members, the "AUTHORITY" will make the final decision of which family shall keep the FUP Voucher, based on the criteria set forth in this administrative plan. Another voucher will NOT be issued to the remaining family.
- In the case all children are taken from the home through CPS, the adult remaining in the home may keep the voucher as long as they adhere to all the rules and regulations of the HCV Program, including advising the "AUTHORITY" of the removal of the children from the home in the time allotted. At the time of the annual re-examination, the family will receive a smaller payment standard according to the current size of the family.

**D. SUPPORTIVE SERVICES**

In addition to the supportive services that the "AUTHORITY" will provide:

- FUP families will receive in-home monitoring off and on while the case remains open with CPS.
- ILSP families will receive supportive services from the ILSP program through their close monitoring processes while the case remains open.

## Chapter 22

### FAMILY SELF-SUFFICIENCY PROGRAM

#### A. **PROGRAM OBJECTIVE**

The objective of this Housing Authority of the County of Merced ("AUTHORITY") Family Self-Sufficiency (FSS) program is to assist low-income families in becoming economically independent of government assistance. This objective is met through the integration of the Housing Choice Voucher (HCV) Existing Housing Assistance Payments (HAP) Program with other public and private benefit programs to meet the specific self-sufficiency needs of low-income families. Components of the FSS Program include job development and training, personal and career counseling, childcare, transportation, and housing.

#### B. **PROGRAM COORDINATION**

The "AUTHORITY"'s Self-Sufficiency Coordinator is responsible for the day-to-day operations of the Program. The Coordinator works closely with the Program Coordinating Committee (PCC), which consists of representatives from local agencies and businesses that assist in carrying forth the objectives of the Program.

#### C. **ELIGIBILITY FOR PARTICIPATION**

In addition to meeting Housing Choice Voucher Program Participant requirements, prospective FSS participants must also meet the following criteria:

1. Effective the date of participation in the FSS Program, live within the "AUTHORITY"'s jurisdiction for a minimum of 12 months;
  - o Exceptions are: job opportunities in other areas, education or illness in family. Verification required.
2. Agree to cooperate with all FSS program requirements, including case management;
3. Agree to follow their Action Plan, developed in consultation with the Self-Sufficiency Coordinator, in meeting their individual plan to become self-sufficient.

#### D. **OUTREACH EFFORTS**

This "AUTHORITY" will attempt to utilize the following methods to notify current voucher program participants of the availability and advantages of participating in the FSS Program:

1. Written notification to all existing program participants.

2. Mail outs approximately 3 months to all existing program participants.
3. Written notification to current participants from another housing authority's jurisdiction who are utilizing the portability feature of the Section 8 certificate and voucher programs and who are relocating to the "AUTHORITY"'s jurisdiction.
4. Brochures provided to current program participants during their annual reexamination interview.

**E. PRIORITIZATION OF APPLICANTS**

FSS applicants will be prioritized in the following order:

1. The date and time in which the preliminary application is received.
2. The length of time the applicant has been a program participant in the Housing Choice Voucher Program.
3. For up to 50% of the applicants who are admitted to the FSS Program, the "AUTHORITY" may assist any applicant without regard to the prioritization method for the following families:

HCV Existing Program participants who are currently enrolled in any one of the following educational programs: GAIN, ROP, Community Colleges, State Colleges, or other job training programs designed to prepare a participant for a specific career.

**F. DEVELOPMENT OF ACTION PLANS**

Each FSS participant shall sign a FSS Contract of Participation and complete an individual Action Plan within 30 days of acceptance into the FSS Program. The Action Plan shall be developed in consultation with the Self-Sufficiency coordinator and shall outline the specific goals and objectives necessary for the family to achieve economic self-sufficiency.

**G. PORTABILITY**

Any program participant selected for the FSS Program who is an incoming portable shall be absorbed by this "AUTHORITY".

Current participants in the FSS Program may utilize the HCV's portability feature only if the family has been a participant of the FSS program for at least 12 months.

FSS participants requesting to utilize the portability feature of the HCV Program shall be advised of the following options available to both the

program participant and the receiving Housing Authority:

1. The FSS participant can request to remain in the FSS program as long as the distance from the new location would not hinder the participant's ability to meet their contractual obligations under the FSS Program.
2. The receiving Housing Authority can elect to absorb the FSS participant into their program, if such a program is available in the receiving Housing Authority's jurisdiction.
3. The FSS program participant can request to be released from the FSS Contract of Participation and relinquish all funds accumulated in the participant's escrow account.

**H. PROGRAM MONITORING**

Participants shall meet with the Self-Sufficiency Coordinator as often as necessary to evaluate progress towards goals and objectives listed in the Action Plan. The Coordinator will assist participants in linking up to available services. Participation in the FSS Program shall continue so long as the family fulfills their FSS contract and the family meets all eligibility requirements relative to the Section 8 Program.

**I. FSS PROGRAM TERMINATION**

Self-Sufficiency participants who breach their FSS contract and fail to work towards the goals and objectives of their individual Action Plan may be terminated from further participation in the FSS Program. In the case of FSS program termination, the family's Section 8 certificate or voucher will not be terminated as long as they are eligible for the Section 8 Program.

If an FSS participant violates FSS guidelines as set forth in the FSS Contract of Participation and is terminated from the FSS Program, grievance procedures for informal hearings as outlined in the Administration Plan apply.

**J. PROGRAM COORDINATING COMMITTEE**

The FSS Program Coordinating Committee may consist of the local GAIN, Private Industry Department, Human Services Agency, Employment Department, Legal Services, Community Action Agency, Merced College, Merced Adult School, Regional Occupational Program, a FSS participant, City of Merced elected official and other appropriate agencies. This committee will meet quarterly.

**K. ESCROW ACCOUNTS**

The "AUTHORITY" will establish individual escrow accounts for FSS families. Internal reporting procedures assure continual coordination between the FSS Program Coordinator, Director of Housing Programs, and Financial Officer. All FSS participants are told they must report all changes of income and family composition immediately.

The reporting requirements and the handling of the escrow accounts are outlined below:

1. When a new participant enters into a Contract of Participation, the FSS Coordinator will forward applicable information to the assigned FSS HCV eligibility specialist, who will contact the Finance Department by memo.
2. The HCV Department will complete the Contract of Participation with the income information and return this document to the FSS Coordinator.
3. The Board of Commissioners' Resolution #93-42 specifically states that at least once annually the FSS participants will receive a report of their escrow account balances. The Finance Department will be responsible for verification of escrow account amounts, and on a quarterly basis a report of escrow account balances will be provided to the FSS Coordinator, and mailed to each FSS participant who has an escrow account balance.
4. The Board of Commissioners' Resolution #93-43 states that the escrow account may not be accessed by the FSS participant until the Contract of Participation is completed and the individual has successfully completed the FSS Program. In accordance with HUD regulations the participant and family members must be completely off of all public assistance for a minimum of one year in order to receive their escrow account balance.

Escrow account calculations are based on earned income increases from the effective date of the Contract of Participation. Escrow credit for low, but not very low income, families is based upon 50% of median income limit and result in a higher credit than under the previous guidelines.

*Family Self-Sufficiency Policies are in place in the FSS Action Plan regarding escrow account loans.*



## Chapter 23

### PROJECT-BASED VOUCHER PROGRAM ~~FINAL RULE~~ [24 CFR Part 983]

#### **INTRODUCTION**

This chapter describes the Project-Based Voucher Program Final Rule. Only projects with a letter of commitment/selection on or after November 14, 2005 are covered by the "Project-Based Voucher Program: Final Rule" (also known as the "new" rule which was effective November 14, 2005).

Any project with a commitment/selection letter and an Agreement to enter into a Housing Assistance Payment (AHAP) contract that was executed on or after January 16, 2001, but before November 14, 2005, are covered by the "Revisions to the "AUTHORITY" Project-Based Assistance Program: Initial Guidance" (also known as the "old" rule).

HUD's Project-Based Voucher (PBV) program allows the "AUTHORITY" (HA) to project base up to twenty percent (20%) of its Housing Choice Voucher (HCV) tenant-based funding. At least eighty percent (80%) of the "AUTHORITY"'s HCV funding must remain tenant-based.

Subsequent reductions in budget authority do not require any reduction in the number of PBV units under the AHAP or Housing Assistance Payment (HAP) contract. HUD does not provide additional housing assistance payments or administrative fees for the PBV program.

Units may be selected in a new construction project, a rehabilitation project, and/or an existing project. The number of units that can be selected is generally limited to twenty five percent (25%) of the units in a building. Exceptions to the twenty five percent (25%) general rule are available for units in single family homes (defined as four (4) units or less), and units in a multi-family building that are available for qualifying families. Qualifying families are elderly and/or disabled families and families receiving supportive services.

The "AUTHORITY" can execute an initial HAP contract for up to fifteen (15) years, with the option to renew the HAP contract in fifteen (15) year increments if the "AUTHORITY" determines an extension is appropriate. Rents under the PBV program are generally limited to the Fair Market Rent (FMR) or other HUD approved exception rents.

Like tenant-based rents, PBV rents must also be rent reasonable. HUD has promulgated special exceptions for projects that receive other forms of subsidy or tax credits.

After twelve (12) months, families have the option to move from PBV assisted housing to tenant-based housing if funding is available. A separate transfer list has been established to facilitate a fair and equitable method of allocating available tenant-based vouchers to eligible project-based residents.

#### **A. Owner Proposal Selection Procedures**

**Request for Proposal (RFP)**. An advertisement announcing an RFP will be published in the following newspapers, *The Merced Sun Star*, *the "AUTHORITY" web site and any other local community newspapers/advertisement.* ~~*The Manteca Bulletin, The Tracy Press, and The Lodi Sentinel.*~~ The advertisement will state the number of vouchers available to be project-based, the type of units that will be considered for the project-based program, the submission deadline, and will note how to obtain the full RFP that contains comprehensive information on the application and selection process. Any advertisement for the PBV will contain a statement that participation in the PBV program requires compliance with Fair Housing and Equal Opportunity (FHEO) requirements. The due date for the submission of the RFP will be determined in accordance with the "AUTHORITY"'s Procurement Policy.

**Other Competitive Proposals**. Selection of a proposal that was previously selected within the last three (3) years pursuant to another program's competitive process (i.e. tax credits, etc.) and in which the possible receipt of PBV assistance was not a consideration. Such proposals will be evaluated in accordance with criteria established in the "AUTHORITY"'s Annual Plan and/or the Consolidated Plan for the jurisdiction in which the project is to be located.

#### **B. Criteria for PBV Award**

**Deconcentrate Poverty**. The site and/or location are consistent with the goal of deconcentrating poverty, expanding housing and economic opportunities, and facilitating compliance with Fair Housing laws. Generally, this standard is met as long as no more than twenty percent (20%) of the households in the census tract in which the project is located are at or below the established poverty level for the

county.

**Housing Quality Standards (HQS) Site and Neighborhood Inspection.**

The site must meet HQS site standards (see Chapter 10, Housing Quality Standards and Inspections). The site and neighborhood must be reasonably free from disturbing noises, reverberations, and other dangers to the health, safety and general welfare of the occupants. Other dangers shall include scientifically verified unacceptable levels of contamination of air or water. It shall be presumed if the project is surrounded by other occupied homes and/or ongoing businesses that said dangers do not exceed the threshold to pass HQS site standards, unless information is received to the contrary. The "AUTHORITY" is responsible for inspecting the proposed project's site and neighborhood to determine consistency with the HQS site standards.

**Promote the "AUTHORITY" Goals.** Projects must contribute to meeting the goals outlined in the "AUTHORITY"'s Annual Plan and/or the Consolidated Plan for the jurisdiction in which the project to be assisted is located. These goals will be clearly identified in the RFP and will also be applied to "Other Competitive Proposals".

**Units Eligible for PBV Award.** Multi-family rental housing units are generally eligible for PBV's. Duplex units and larger may be awarded PBV's so long as their use does not fall under the categories listed below under "Condition's that Prohibit PBV Award". Rental units located in a project that is being developed with Hope VI funds (awarded in fiscal year 2001 or later) or HUD Capital funds which are themselves not public housing units, may receive PBV assistance so long as the ratio of non-Hope VI or Capital funds and other public housing funds used in the development (i.e. a thirty (30) unit project may have twenty (20) PBV units and ten (10) public housing units so long as the amount of public housing funds, including Hope VI and Capital funds, is less than 33.33% of the total amount of funds used in the development of the thirty (30) rental units). PBV assistance in Hope VI/Mixed Finance transactions that are "mixed-income" developments (i.e. that do not consist solely of all public housing units) is permitted subject to certain restrictions. In addition, PBV assistance is permitted for a unit that has been subsidized with HUD Section 236 interest reduction payments.

**Conditions that Prohibit PBV Award.** PBV assistance may not be

provided to nursing homes, transitional housing, cooperative housing, student housing, owner-occupied housing, a high-rise elevator project that may be occupied by families with children, or for any unit currently existing that has a family who is not eligible for assistance under the PBV. In addition, the "AUTHORITY" may not pay PBV assistance to any unit that is a public housing unit, a unit that is subsidized with another form of Housing Choice Voucher (HCV) assistance such as HUD's tenant-based voucher assistance, a unit subsidized with another government rental subsidy, such as HUD's Section 236 rental assistance payments or rental assistance under the Federal HOME Investment Partnerships Program, or units subsidized by HUD under its Section 202 (housing for seniors) or Housing Choice Voucher 11 (housing for persons with disabilities) programs.

**Projects Owned by the "AUTHORITY"**. Selection of PBV units that are owned by the "AUTHORITY", or in which the "AUTHORITY" has an identity of interest, must be approved by HUD using criteria that mirror those in the applicable or most recent RFP, Annual Plan and/or Consolidated Plan of the jurisdiction in which the proposed project is to be located.

**C. Project Selection and Requirements:**

**Notice Procedures**. A notice of owner selection must be in writing and can only be made after the items above have been determined. The Public Notice of the project selected for PBV assistance must be made within fourteen (14) calendar days. The Public Notice shall consist of a single notice in the local newspaper of general circulation under Legal Notices and on the official "AUTHORITY" website. Selection of a "AUTHORITY" owned project can be made only after HUD determines that the selection was made in conformance of the procedures specified in this Administrative Plan. The "AUTHORITY" will make available for public review all documentation used in making the selection of proposals.

**Requirements for a PBV Assisted Construction Project**. Construction projects include new construction (projects that do not exist on the date of project selection) and rehabilitation (existing projects that do not substantially meet HQS on the date of selection). New construction and rehabilitation projects must have an Agreement to enter a Housing Assistance Payment (AHAP) contract before construction starts on the project.

**Pre-AHAP Requirements**. Before the "AUTHORITY" can execute an AHAP contract for a new construction or rehabilitation project, the

following requirements must be met:

- Environmental review must be completed
- Request for Release of Funds must have been granted
- Determination of proposed rents and utility allowances has been made
- Subsidy layering review completed

AHAP Requirements are as follows:

- Construction cannot commence prior to the execution of an AHAP (in a form required by HUD Headquarters)
- The AHAP must contain description of the project, including identification of the site, location of contract units and the following:
  - Number and size of units (square feet, bedrooms and baths)
  - Services, maintenance or equipment supplied by owner
  - Utilities provided by owner
  - Indication of whether requirements of the Fair Housing Act and 504 (access for disabled) will apply to contract units
- Estimated initial rent to owner
- Description of work to be performed under the AHAP including additional Housing
- Authority quality and design requirements that exceed the HQS requirements
- Labor standard requirements apply to the development of nine (9) or more contract units.
- Note that other funding in the project may trigger a more restrictive threshold for the project.
- Section 3, employment of low-income persons on or associated with the project and other
- Equal Opportunity requirements
- Debarred project principles cannot be awarded participation in the PBV program or other federal programs and activities
- The owner must disclose any possible conflict of interest
- The project must be completed within specified deadlines contained in the AHAP

**Pre-Housing Assistance Payment (HAP) Contract Requirements.**

Prior to execution of the HAP, the "AUTHORITY" must determine that the owner has submitted all required evidence of completion and assure that the work has been completed in accordance with the AHAP including:

- Certification by the owner that the project has been completed in accordance with HQS and all other requirements in the AHAP

- An owner certification that the labor standard requirements and the equal opportunity requirements have been complied with
- Any additional documentation that may be required by the "AUTHORITY"

**D. Requirements to Execute a HAP Contract for Existing Projects**

Assure that the Environmental Review has been done and a Request for Release of Funds has been granted as well as the following:

- The determination of rents and the utility allowance has been made
- A subsidy layering review has been completed
- Assure that the project actually meets the HQS requirements

**E. HAP Requirements for all Construction and Existing Projects**

Must be in a form required by HUD Headquarters and it must contain description of the housing including:

- Identification of the site
- Location of contract units
- Number and size of units (square feet, bedrooms and baths)
- Services, maintenance, or equipment supplied by owner
- Utilities provided by owner
- Indication of whether requirements of the Fair Housing Act and 504 will apply to contract units

It must include the initial rent to owner and contract term. The term of the contract is subject to availability of sufficient appropriated funding as determined by HUD or the "AUTHORITY".

**F. HAP Contract Amendments**

**Limited unit substitutions allowed**

A unit meeting the PBV requirements, including meeting HQS, can substitute a different unit of the same bedroom size in the same building by amendment. The reasonable rent for the substitute unit must be determined prior to the effective date of substitution.

**Limited additional units allowed**

Within three (3) years of HAP contract execution, units may be added to the HAP contract by amendment provided that:

- The twenty five (25%) unit limitation in a building is not exceeded.
- The addition of units will not exceed the authorized budget authority for PBV assistance of five percent (5%).

- The units must meet PBV requirements.

### **HAP Anniversary Date**

For units added by amendment to the HAP contract or staged completion of a project, the anniversary date for the HAP contract is the date the contract was initially executed. The expiration date of the HAP contract is based on the date that the HAP contract was initially executed.

### **Staged Units**

The difference between units added by amendment to the HAP contract and a staged HAP contract is that the units in a staged HAP contract were identified in the HAP contract while those added by amendment were not.

## **G. Rent Determinations and Changes**

The amount of the initial rent that the owner may collect from its tenants is established at the beginning of the HAP contract term. During the term of the HAP contract, the rent to the owner is re-determined at:

- The owner's request for a rent increase
- Any time there is a five percent (5%) or greater decrease in the published HUD Fair Market Rent (FMR) for the area in which the project-based unit is located. Under the final PBV regulations, the general rule is that the rent an owner may charge for a unit receiving PBV assistance shall not exceed the lower of (1) the applicable FMR for the unit, based on the bedroom size, (2) the reasonable rent as determined by the "AUTHORITY", or (3) the rent requested by the owner.

If the unit receiving PBV assistance is also a Low Income Housing Tax Credit (LIHTC) unit, the project is not located in a qualified Census Tract, the unit is located in a building that has LIHTC units of the same bedroom size as the PBV units but those comparable LIHTC units do not have any form of rental assistance other than tax credits, and if the tax credit rent exceeds the applicable HUD Fair Market Rent, then the rent to owner is not to exceed the lower of (1) the tax credit rent minus any utility allowance as established under the rules of the LIHTC, (2) the reasonable rent as determined by the "AUTHORITY", or (3) the rent requested by the owner.

The owner of such a LIHTC unit would be limited to receiving:

- Rent from the tenant
- PBV assistance for that unit up to only the maximum tax credit rent

This will also apply to existing HAP contracts at the time of any adjustment in the rents that may be charged under those PBV/LIHTC HAP contracts.

Finally, rent for PBV assisted units may not exceed any other rent limitations that may be imposed (for example under the LIHTC program for tax credit units or units that were constructed using funds from the Federal HOME Investment Partnerships Program).

#### **H. PBV Rents Based on Fair Market Rents**

In determining rents, the "AUTHORITY" will use the most recently published HUD Fair Market Rents (FMR) in effect and the utility allowance schedule in effect as to the execution of the HAP contract for the "AUTHORITY"'s geographical area, or the amounts for each in effect at any time during the thirty (30) day period immediately prior to the beginning date of the HAP contract. The "AUTHORITY" must use the same applicable utility allowance schedule for both its tenant-based and project-based voucher programs.

#### **I. Owner Rent Increase Requests**

If the owner desires to increase the rents charged to the PBV assisted units, the request for an increase in the rents must be made by the owner in writing to the "AUTHORITY" at least sixty (60) days, but no more than ninety (90) days prior to the annual anniversary of the HAP contract. The "AUTHORITY" will then determine if the owner is entitled to a rent increase by re-computing the maximum rent that could be charged by an owner under the tests described above.

The "AUTHORITY" may determine on its own that there should be a rent decrease if there has been a decrease of five percent (5%) or greater in the HUD Fair Market Rent for the project area. Such a rent decrease will apply even if the owner did not request the rent determination (or in fact asked for a rent increase). The new adjusted rent that may be charged by the owner applies for the period of twelve (12) calendar months from the annual anniversary of the HAP contract.

In addition to redeterminations based on changes in HUD's Fair Market Rents or requests by the owner, the "AUTHORITY" is required



to re-determine the reasonable rent that may be charged by the project owner whenever the HAP contract is amended to substitute different contract units in the same building which is permitted at any time during the term of the HAP contract, as would be the case when the owner decides to allow the PBV units in that building to “float” and therefore, not designate specific rental units as the PBV units. The option to “float” units is the owner’s to declare at initial occupancy. Once selected, the choice is irrevocable. Later exceptions may be granted in extreme circumstances and at the sole discretion of the “AUTHORITY”.

In determining the reasonable rent, the “AUTHORITY” must conduct a comparability analysis (either by its own staff or by another qualified person or entity) and consider at least three (3) comparable units in the private, unassisted market; however, those unassisted units may be units in the same project as the PBV assisted units.

The monthly HAP by the “AUTHORITY” to the owner for a PBV contract unit that is leased to a qualifying tenant is the rent that the owner is permitted to charge, minus the rent that the tenant is required to pay to the owner under HUD regulations (which is the tenant rent minus the utility allowance). Under Section 8 (o)(3) of the United States Housing Act of 1937, the tenant’s rent contribution is generally limited to forty percent (40%) of the tenant’s annual income. If the amount of the utility allowance exceeds the Total Tenant Payment (TTP), the “AUTHORITY” shall pay the amount of such excess utility allowance to the tenant as a reimbursement for tenant paid utilities and the tenant rent to the owner shall then be zero (\$0).

**J. Vacancy Loss Provisions and Contract Amendment**

If an assisted family moves out of the unit, the owner may keep the HAP payment for the calendar month when the family moves out : extending from the beginning of the first calendar month after the move out month for a period not exceeding two months following the move out month.

In addition, the “AUTHORITY” may, but is not required to amend the HAP contract to reduce the number of PBV contract units for those PBV units that have been vacant for a period of 120 days or more since the owner provided the “AUTHORITY” a notice of vacancy for such unit(s). Consideration will be taken into account whether to reduce the number of contract units or not include market conditions, demonstrated efforts to re-rent the unit to qualified applicants, the

amount of additional time that may be needed to lease the unit, and any other criteria that would impact the likelihood of being able to rent the unit within another thirty (30) days. However, if the unit remains vacant for 120 days, cancellation of the contract for that unit shall be mandatory.

**K. Lease Expiration**

Upon the expiration of the lease for a PBV assisted unit, which must be for a minimum initial term of one year (and must also contain a HUD required tenancy addendum), the owner may renew the lease, refuse to renew the lease for good cause (as defined under 24 CFR Part 982.310) or refuse to renew the lease without good cause. If the owner refuses to renew the lease without good cause, the "AUTHORITY" is obligated to provide the family with tenant-based voucher assistance, and that the PBV unit will be removed from the HAP contract.

**L. Termination of HAP Contract**

An owner is allowed to terminate the HAP contract if the amount of rent to the owner for any PBV contract unit, as adjusted under the project-based voucher rules described above (which are set forth at 24 CFR Parts 983.301, 983.302 and 983.303) is reduced below the amount of the initial rent to the owner established by the HAP contract. In such a case, the families that had received the benefit of the project-based voucher assistance will be entitled to tenant-based voucher assistance.

Once a family has moved into an apartment that receives the benefit of PBV assistance under a HAP contract, the family, if it moves out voluntarily from that project-based assisted unit after at least one year of residing there, the family is eligible for assistance under the "AUTHORITY"'s tenant-based voucher program or another comparable program for rental assistance provided by the "AUTHORITY". However, families that leave the PBV assisted unit before having resided there one year or are evicted at any time for cause are not automatically entitled to assistance under the "AUTHORITY"'s tenant-based voucher program.

Upon funding availability and at the "AUTHORITY"'s discretion, families residing in project-based units who need to move in the first year because of an increase in family size or because they reside in a special needs units but no special needs exist, may be offered a tenant-based voucher if comparable project-based housing is not

available within sixty (60) days.

**M. Organization and Characteristics of the Wait List for Project-Based Vouchers**

**Status Changes Independently.** The project-based voucher wait list may be opened and closed separately from its community-wide tenant-based wait list. The same public opening and closing procedures shall be used for both lists (see Chapter 4, Establishing Preferences and Maintaining the Waiting List).

**Special Needs Units and Housing Types.** Sufficient information shall be gathered from each family to determine their eligibility for special needs units, i.e. disability (sensory, wheelchair, senior unit, etc.), and special codes developed to allow efficient sorting and identification of such families when special needs units are available.

**Effect of Housing Refusal.** Families refusing an offer of housing shall not have their name removed from the wait list. This does not affect their standing for other areas for which they have applied or on the community-wide tenant-based wait list. Once housed in PBV housing, the applicant's name is removed from the PBV wait list. There is no effect on the community-wide tenant-based wait list.

**Purging the PBV Wait List.** The project-based wait list will be purged as needed. Failure to respond to a purge letter is cause for removal of their listing from the project-based wait list (see Chapter 4, Establishing Preferences and Maintaining the Waiting List)

**Consistency with Tenant-based List.** All other mechanics of wait list management will be consistent with the tenant-based wait list (see Chapter 4, Establishing Preferences and Maintaining the Waiting List)

**N. Project-Based Voucher (PBV) Program Limit Old Rule**

The PBV Program will not exceed five percent (5%) of the total number of budgeted units under the "AUTHORITY"'s Housing Choice Voucher Program (HCVP). Funding designated specifically for HUD Veterans Affairs Supportive Housing (VASH) project based units is not included in the five percent (5%) cap.

The "AUTHORITY" shall not deny any family or individual the equal

opportunity to apply for or receive assistance under the HCVP on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial status, handicap or disability or sexual orientation.

To further its commitment to fully comply with applicable Civil Rights laws, the "AUTHORITY" will provide Federal, State and 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's briefing session, and all applicable Fair Housing and Equal Opportunity (FHEO) 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 in the "AUTHORITY" offices.

All "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 providing quality customer service. Fair Housing posters are posted throughout the "AUTHORITY" offices, 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 organizations 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 "AUTHORITY"'s facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout the "AUTHORITY"'s office in such a manner as to be easily readable from a wheelchair.

The "AUTHORITY"'s offices are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by California Relay Service or by utilizing the Telecommunications Device for the Deaf (TDD) Tele Type (TTY) at 711 or 1-800-855-7100.

## **Definitions**

**Existing Housing.** For purposes of the PBV Program, an existing unit is a unit which, at the time of written notice of selection of the project for PBV assistance, requires less than \$1,000 in rehabilitation

including its prorated share of work to be done to common areas and systems to meet Housing Quality Standards (HQS).

**Twenty-Five (25%) Percent Maximum.** No more than twenty-five percent (25%) of the units in any PBV project may receive assistance except as noted below:

- Single family dwellings (four or fewer units)
- Dwellings specifically designated for elderly
- Dwellings specifically designated for disabled families as defined by HUD in 24 CFR(b).
- Families receiving supportive services as defined by HUD

### **Funding Objectives and Requirements**

The goals of the policy and project based program's focus will be on accomplishing the following objectives for households at or below thirty percent (30%) of the Area Median Income (AMI):

- Increase the number of affordable housing opportunities
- Increase the affordability of existing affordable housing opportunities

Units to be selected for project based funding subsidies will have to meet the following criteria:

- a) Serve households at or below thirty percent (30%) of the AMI at time of admission to the project.
- b) Serve special needs populations. Special needs populations include any population that shares a need or set of needs that represents a barrier to success in the Housing Choice Voucher Program. However, an owner cannot discriminate on the basis of a specific disability.
- c) Meet the HUD's Housing Quality Standards.
- d) Be available for occupancy when application for subsidy is made.

All housing providers applying to participate in this program must be eligible to participate in HUD programs.

### **New Construction Requirements**

The owner must submit an architect's certification that the working drawings, specifications and proposed construction comply with HUD's minimum property standards, local codes and ordinances, and zoning requirements.

The site must not be located in an area of minority concentration, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area, unless the project is necessary to meet overriding housing needs that cannot be met in that housing market area. All new construction projects must meet HUD' Field Office site and neighborhood review requirements.

### **Family Outreach**

The "AUTHORITY" will publicize and disseminate information to make known the availability of housing assistance and related services for very low-income families. When the waiting list is open, the "AUTHORITY" will publicize the availability and nature of housing assistance for very low-income families in a newspaper of general circulation.

The "AUTHORITY" 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.

### **Advertisement Policy for Soliciting Owners**

An advertisement will be placed in *The Merced Sun Star*, the "AUTHORITY" web site and any other local community newspapers/advertisement. The advertisement will run once a week for a period of three (3) consecutive weeks and indicate the number of vouchers to be project-based and the type of units that will be considered for project-basing. Interested owners will have at least thirty (30) days from the date of the last publication to apply.

An advertisement for existing building units that will be held to the twenty five percent (25%) limitation will be placed separately from those for new construction, rehabilitation and existing units that will exceed the twenty five percent (25%) unit limitation.

All advertisements to project-based vouchers will contain a statement requiring all respondents that participation requires compliance with Fair Housing and Equal Opportunity (FHEO) requirements. New construction and rehabilitation projects will also be subject to the Federal labor standard provisions.

Only applications received in response to a "AUTHORITY" approved RFP will be considered for project basing. If the RFP solicits applications for new or rehabilitation construction only, applications for existing units will not be accepted or vice versa. A pre-approved advertising and competitive bidding process approved by HUD will be used to solicit project-based vouchers.

**Minimum Information to be submitted with all Proposals**

All formal proposals should be limited to a total of ten (10) pages. The "AUTHORITY" reserves the right to request additional information, if necessary to complete the selection process. Proposals may combine requests for vouchers for multiple sites/developments under one application or may submit different sites/developments. All sites/developments included in an application will be evaluated as a separate project.

All proposals must provide the following information for each site/development that will be used to determine the amount of rental assistance for the site/development and to evaluate the proposal:

1. Project location (including street address or addresses) and ownership.
2. Building(s) description(s) and number of housing units requiring project-based assistance, including square footage, bedroom count and bathroom count.
3. Estimated date of availability of units.
4. List of area amenities and services, including playgrounds, public schools, public transportation and access to grocery stores.
5. Operating pro-forma statement and current year operating budget including estimated subsidy.
6. Proposed rent per unit, including indication of which utilities, services and equipment are included in the rent and which ones are excluded.
7. Description of experience in managing and operating similar housing developments.
8. Indicate any recent audit findings regarding the management of similar properties.
9. List all projects the organization currently manages that have project-based assistance or some other income restricted units.
10. Description of the population that will be served with respect to household composition and special needs. Indicate the percentage of units that will serve households with children (or households requiring two or more bedrooms) and the number of bedrooms per housing unit.
11. Indicate the percentage of units that will serve households with special needs and explain why this special needs population represents a barrier to success. Special needs

population includes any population that shares a need or a set of needs that represents a barrier to success in the HCVP.

12. Description of the support services to be provided to the special needs population that will be served and how these services will be funded currently and into the foreseeable future. Describe how this project would serve this population if funding for services is reduced or withdrawn.
13. A signed certification of the owner's intention to comply with Title VI of the Civil Rights Act of 1966, Title VIII of the Civil Rights Act of 1968, E.O. 11063, E.O. 11246, Section 3 of the Housing and Urban Development Act of 1968 and all applicable Federal requirements listed in 24 CFR 983.11. This includes, but is not limited to, the payment of not less than the prevailing wages in the locality pursuant to the Davis-Bacon Act to all laborers and mechanics employed in the construction or rehabilitation of the project. Existing housing projects are not subject to this provision.
14. The identity of the owner, developer, builder, architect, management agent (and other participants), the names of officers and principal members, shareholders, investors and other parties having a substantial interest; the previous participation of each in HUD Programs on the prescribed HUD Form No. 2530 and a disclosure of any possible conflict of interest by any of these parties that would be a violation of the Agreement or the Contract; and information on the qualifications and experience of the principle participants.

The following information will be requested for applications that are conditionally approved:

- Evidence of site control, and for new construction, identification and description of the proposed site, site plan, and the neighborhood.
- Evidence of compliance with local permits and zoning requirements.
- Documentation that the rents being proposed are reasonable and are comparable to rents being charged for similar housing, with similar amenities in the same area as the proposed project.

### **Vacancy Payments**

If an assisted family moves out of the unit, the owner may keep the HAP payment for the calendar month when the family moves out: extending from the beginning of the first calendar month after the move out month for a period not exceeding two months following the move out month.



The "AUTHORITY" reserves the right to adjust the number of units or terminate the project-based contract, if the units are not fully utilized by an eligible family within 120 days of the vacancy, commencing on the first day of the month when the vacancy occurs.

### **Termination of the HAP Contract**

The "AUTHORITY" may set the initial term of the HAP contract for a maximum five (5) year period and may extend it for subsequent periods ranging from one (1) year to five (5) years as considered appropriate by the Authority to achieve long-term affordability or for the expansion of housing opportunities.

The "AUTHORITY" will stipulate the term of the initial HAP contracts or renewals. All contracts, extensions and renewals are contingent on the future availability of appropriations and availability of funding under the "AUTHORITY"'s Annual Contributions Contract (ACC) with HUD.

### **Housing Choice Voucher Project Based Program Guidelines**

#### Inclusionary Clause

Notwithstanding the contents of this PBV Program Plan, for all areas not specifically addressed by this plan, the "AUTHORITY"'s Administrative Plan shall govern as a supplement to Part 983 of 24 CFR.

#### Consistency with the "AUTHORITY" Plan

The PBV Program shall be consistent with the goals and objectives of the "AUTHORITY"'s Annual (Agency) Plan. Each plan shall have a statement of the number of PBV units, general locations, and how project-based units will be consistent with the Agency Plan.

#### Privacy Rights

Applicants and participants, including all adults in the household, are required to sign the HUD Form 9886, Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD and the "AUTHORITY" will obtain family information.

The "AUTHORITY"'s policy regarding the 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 Director of Housing Programs or his or her designee.

The "AUTHORITY"'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. 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.

### **Reasonable Accommodations Policy**

It is the policy of the "AUTHORITY" to be service directed in the administration of the 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 "AUTHORITY" will treat a person differently than anyone else. All 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 PBV Program and related services. The availability of requesting an accommodation will be made known by including notices on "AUTHORITY" 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 including when a family initiates contact with the "AUTHORITY", when the "AUTHORITY" initiates contact with a family including when a family applies, and when the "AUTHORITY" 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 Americans with

Disabilities Act (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

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 "AUTHORITY" 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 "AUTHORITY" finds that the requested accommodation creates an undue administrative or financial burden, the "AUTHORITY" 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 "AUTHORITY" (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 "AUTHORITY".

The "AUTHORITY" will provide a written decision to the person requesting the accommodation within fourteen (14) calendar 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 "AUTHORITY"'s decision.

A 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.

The "AUTHORITY" will not grant a reasonable accommodation that would allow the tenants to grow, use, otherwise possess, or distribute medical marijuana, even if in doing so such tenants are complying with state laws authorizing medical marijuana related conduct. The "AUTHORITY" will deny admission to those applicant households with individuals who are, at the time of consideration for admission, using medical marijuana. This is in accordance with the Quality Housing and Work Responsibility Act (QHWRA) of 1998 (42 U.S.C. 13661).

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

### **Verification of Disability**

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

### **Outreach**

Outreach efforts will include notification of the "AUTHORITY"'s 504 Advisory Board as well as all other media and agencies listed in the Administrative Plan regarding public notices (see section on opening and closing the waiting list in Chapter 3, Applying for Admission.)

### **Applying for Admission**

All persons who wish to apply for the PBV program must submit a pre-application either on-line or in a written format, as indicated in the "AUTHORITY"'s public notice. Applications will be made available in an accessible format upon request from a person with a disability.

Applicants must meet the criteria for the PBV wait list. The "AUTHORITY" must accept pre- applications from applicants for whom the wait list is open. For PBV senior/elderly housing, the applicant must meet the age requirement.

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 a reasonable accommodation is requested by a person with a disability. Applicants will then be interviewed by the "AUTHORITY" 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.

### **The Eligibility Process**

The eligibility criteria for families under the PBV Program are identical to those used in the HCVP. The units which are occupied by ineligible tenants cannot be placed under a HAP Contract. The "AUTHORITY" will inspect each unit proposed for the PBV Program and identify any tenants that reside in said units.

A variety of problems may be encountered in determining family eligibility, including families who are not income eligible and otherwise eligible families whose units are too large or too small for their family composition. Mitigation to these situations will be subject to the PBV Final Rule Guidance.

For the purposes of determining eligibility for the PBV Program, (f this Administrative Plan) shall apply.

### **Preferences**

The "AUTHORITY" uses the same preferences for the PBV Program as for the HCV program. These preferences are included in Chapter 4, Establishing Preferences and Maintaining the Waiting List of this Administrative Plan.

In addition to the above, preference and points will be given to families who apply for housing at the Midway Complex, a Project Based and USDA Rural Development Site, and who earn at least \$5,752.50 per year from agricultural employment and who meet at least one of the following definitions as per the California Code of Regulations (25 CCR 7202 (a)):

(250 Points) ACTIVE farm labor household. "Agricultural employment" means employed in the cultivation and tillage of the soil; the production, cultivation, growing and harvesting of any agricultural or horticultural commodities; the raising of livestock, bees, furbearing animals, or poultry; dairying, forestry. And lumbering

operations: and any work on a farm as incident to or in conjunction with such farming operations, including the delivery and preparation of commodities for market or storage. "Agricultural household" means an agricultural worker or workers and other persons who reside or will reside with an agricultural worker in an assisted unit.

(225 Points) RETIRED or disabled domestic farm laborer households – who were active **in** the local farm labor market at the time of retirement or disability.

(200 Points) OTHER. Retired or disabled domestic farm laborer households – active in the farm labor market at the time of retirement or disability **outside** of the local area.

### **Removal from Waiting List and Purging**

For the purposes of removing and/or purging applicants from the PBV waiting list, the policies established in Chapter 4, Establishing Preferences and Maintaining the Waiting List of this Administrative Plan will apply.

### **Informal Review**

The informal review process as described in Chapter 19, "Complaints and Appeals" of this Administrative Plan will apply to the PBV Program.

### **Tenant Selection**

Income targeting requires that no less than seventy five percent (75%) of the families admitted annually must have incomes that are less than thirty percent (30%) of the area median for the overall voucher program including the PBV Program. All new admissions to the program will be selected from the waiting list.

The "AUTHORITY" will establish a PBV waiting list. All families on the regular waiting list can be placed on this list at their request when it is open. All applicants for tenant-based assistance can be placed on this list without penalty to any other application for assistance they may have been pending.

The "AUTHORITY" may place applicants referred by owners onto An applicant cannot be removed from the waiting list because the owner does not select them or because the family does not accept the unit; they maintain their position on the waiting list as though no offer was made.

The PBV waiting list when it is open. The preferences for admission

to the PBV are similar to those used for the tenant- based HCVP.

### **Units Designated for Elderly or Disabled Families**

Developments specifically designed for elderly or disabled families may enter into contract under the PBV Program. An elderly family is defined as a family whose head, spouse, co-head, or sole member is a person who is 62 years of age or older. A disabled family is a family whose head, spouse, co-head, or sole member is a person with a disability [24 CFR 5.403].

Preference will be given in tenant selection for units in the project-based development designated for senior or disabled families. In selecting elderly or disabled families to fill these units, the "AUTHORITY" must also apply any preferences established in this Administrative Plan. The "AUTHORITY" may not discriminate against elderly or disabled families that include children (Fair Housing Amendments Act of 1988).

If there are not enough elderly families to occupy the units in a designated senior Project Based Voucher development, the "AUTHORITY" may allow near-elderly families to occupy the units. A near-elderly family is a family whose head, spouse, or co-head is at least 50 years of age but is less than 62 years of age. When there are insufficient elderly families on the waiting list who wish to reside in a PBV Program development designated as a senior complex, near-elderly families will be selected.

### **"AUTHORITY" / Owner Responsibility/ Obligation of the Family**

This section outlines the responsibilities and obligations of the "AUTHORITY", the owners/landlords, and the participating families.

#### **"AUTHORITY" Responsibilities**

1. The "AUTHORITY" will comply with the consolidated ACC, HUD regulations and other requirements, and this Administrative Plan.
2. In administering the program, the "AUTHORITY" must:
3. Publish and disseminate information about the availability and nature of housing assistance under the program
4. Explain the program to owners and families
5. Encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty or racial concentration
6. Affirmatively further fair housing goals and comply with equal

- opportunity requirements
7. Make efforts to help disabled persons secure satisfactory housing
  8. Receive applications from families, determine eligibility, maintain the waiting list, select applicants, certify each selected family, and provide housing information to families selected
  9. Determine who can live in the assisted unit at admission and during the family's participation in the program
  10. Obtain and verify evidence of citizenship and eligible immigration status in accordance with 24 CFR part 5
  11. Inspect the unit before the assisted occupancy begins and annually inspect at least twenty five percent (25%) of the project-based units or as deemed appropriate by
  12. 24 CFR Part 983
  13. Determine the amount of the housing assistance payment for a family
  14. Determine the maximum rent to the owner and whether the rent is reasonable
  15. Make timely housing assistance payments to an owner in accordance with the HAP contract
  16. Examine family income, size, composition at admission, and annually during the family's participation in the program. The examination includes verification of income, assets, allowable deductions and other family information
  17. Establish and adjust the utility allowance schedule
  18. Administer and enforce the HAP contract with an owner, including taking appropriate action if the owner defaults (i.e., HQS violation)
  19. Determine whether to terminate assistance to a participant family for violation of family obligations
  20. Conduct informal reviews of certain decisions concerning applicants for participation in the program
  21. Conduct informal hearings on certain decisions concerning participant families
  22. Provide sound financial management of the program

### Owner Responsibilities

1. The owner is responsible for performing all of the owner's obligations under the
2. Agreement (new construction and rehabilitation only), HAP contract and the lease.
3. The owner is responsible for:
  - a. Performing all management and rental functions for the assisted unit, including determining suitability and selecting a tenant from the Housing Choice Voucher PBV waiting list to lease the unit.
4. Renting eligible units solely to eligible PBV families.
5. Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
6. Complying with equal opportunity requirements.



7. Preparing and furnishing information required under the HAP contract.
8. Enforcing tenant obligations under the lease.
9. Paying for utilities and services (unless paid by the family under the lease).
10. For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.
11. Collecting from the family:
  - a. Any security deposit required under the lease;
  - b. The tenant contribution (the part of rent to owner not covered by the housing assistance payment); and
  - c. Any charges for unit damage caused by the family.

*Obligations of the Family*

This section states the obligations of a participant family under the program.

- A. Supplying required information:
  - The family must supply any information that the "AUTHORITY" or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. Information includes any requested certification, release or other documentation.
  - The family must supply any information requested by the "AUTHORITY" or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
  - The family must disclose and verify Social Security Numbers and must sign and submit consent forms for obtaining information.
  - Any information supplied by the family must be true and complete.
- B. HQS breach caused by the family: The family is responsible for any HQS breach caused by the family or its guests.
- C. Allowing the "AUTHORITY" to inspect the unit: The family must allow the "AUTHORITY" to inspect the unit at reasonable times and after at least a 24 hour notice.
- D. Violation of lease: The family may not commit any serious or repeated violation of the lease.
- E. Family Notice of Move or Lease Termination: The family must provide the owner at least a 30 day notice in writing, with a

copy to the "AUTHORITY" before the family moves out.

F. Owner Eviction Notice: The family must promptly give the "AUTHORITY" a copy of any owner eviction notice it receives.

G. Use and Occupancy of the Unit:

- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
- Prior to approval of the composition of the assisted family residing in the unit, the owner must first authorize the addition of any household member. The "AUTHORITY" will send the owner the appropriate form for the owner to sign. The "AUTHORITY" must approve the composition of the assisted family residing in the unit. The family must promptly inform the "AUTHORITY" of the birth, adoption or court-awarded custody of a child. The family must request approval from the "AUTHORITY" to add any other family member as an occupant of the unit. No other person may reside in the unit (except for a foster child/foster adult or live-in aide). If the "AUTHORITY" has given approval, a foster child/foster adult or a live-in aide may reside in the unit.
- The family must promptly notify the "AUTHORITY" if any family member no longer resides in the unit.
- 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 for residence by members of the family. Any business use of the unit must comply with zoning requirements and the affected household member must obtain all appropriate licenses.
- The family must not sublease the unit.
- The family must not assign the lease or transfer the unit.

H. Absence from the Unit: The family must supply any information or certification requested by the "AUTHORITY" to verify that the family is living in the unit, or relating to family absence from the unit, including any requested information or certification on the purposes of family absences. The family must cooperate with the "AUTHORITY" for this purpose. The family must promptly notify the "AUTHORITY" of its absence from the unit.

Absence means that no member of the family is residing in the unit. The family may be absent from the unit for up to thirty (30) days. The family must request permission from the "AUTHORITY" for absences exceeding thirty (30) days. The "AUTHORITY" will make a determination within five (5) business days of the request. An authorized absence may not exceed 180 days. Any family absent for more than thirty (30) days without authorization will be terminated from the PBV Program.

Authorized absences may include, but are not limited to:

- Prolonged hospitalization
- Absences beyond the control of the family (i.e., death in the family, other family member illness)
- Other absences that are deemed necessary by the "AUTHORITY"

I. Interest in the Unit: The family may not own or have any interest in the unit.

J. Fraud and Other Program Violations: The members of the family must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program.

K. Crime by Family Members: The members of the family may not engage in drug-related criminal activity or other violent criminal activity.

L. Other Housing Assistance: An assisted family or members of the family, may not receive Housing Choice Voucher PBV 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.

### **Briefing Types and Required Attendance**

A full HUD required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted. Families who attend a briefing and still have the need for individual assistance will be referred to their Eligibility Specialist.

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

### **Determining Family Unit (Voucher) Size**

The "AUTHORITY" does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the voucher. The "AUTHORITY"'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.

One bedroom will generally be assigned for each two family members. The "AUTHORITY" 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.

The "AUTHORITY" may approve an additional bedroom for medical equipment if the need is documented by a health care provider in accordance with PIH Notice 2919-51. The actual equipment in the extra bedroom will be verified by the "AUTHORITY" during the annual inspection of the unit. If the extra bedroom is not being used for the intended purpose, the "AUTHORITY" must reduce the subsidy standard and corresponding payment standard at the family's next annual recertification.

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

- Foster children will be included in determining unit size only if they will be in the unit for more than 12 months.
- Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.
- Space may be provided for a child who is away at school but who lives with the family during school recesses.
- Space will not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military.
- Adults of different generations may have separate bedrooms.
- Single person families shall be allocated a zero or a one bedroom voucher.

### **Guidelines for Determining Bedroom Size**

#### GUIDELINES FOR DETERMINING VOUCHER SIZE

Voucher Size	Persons in Household	
	Minimum Number	Maximum Number
0 Bedroom	1	2
1 Bedroom	1	4

2 Bedrooms	2	6
3 Bedrooms	3	8
4 Bedrooms	4	10
5 Bedrooms	5	12
6 Bedrooms	6	14

### **Overcrowded, Under-Occupied and Accessible Units (PIH 2011-54)**

The "AUTHORITY" subsidy standards determine the appropriate size unit for the family size and composition. If the "AUTHORITY" determines that a family is occupying a:

- Wrong-size unit; or
- Unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, the "AUTHORITY" must promptly notify the family and the owner of this determination and of the "AUTHORITY"'s offer of continued assistance in another unit pursuant to the following:
  - PBV assistance in an appropriate size unit (in the same building or in another building);
  - Other project based housing assistance (i.e. by occupancy of a public housing unit); or
  - Tenant based rental assistance under the voucher program.

### **Rent**

The "AUTHORITY" contract with the owner sets the rent amount for each unit with project- based assistance. The amount of the rent may not exceed the lower of the applicable maximum level, as explained below, or the reasonable rent in the light of the rents charged for comparable unassisted units in the area.

To allow an owner to charge more than the payment standard because the rent is reasonable would result in limiting the families whom would be eligible to live in the unit. Conceivably, a family interested in the unit would be ineligible if the family's portion of the rent exceeded forty percent 40%. The idea of project basing units is to assure affordable housing for families and allowing the owner to have rents higher than the payment standard defeats the assurance of affordable housing.

If the unit under consideration is financed with Low Income Housing Tax Credits (LIHTC), the rents will be subject to a special exception. If an LIHTC development is located outside a qualified census tract, the rent may be as high as the rent charged for comparable units in

the development with tax credit subsidies but without additional rental assistance. That is, if the rent for an LIHTC project is higher than the maximum voucher payment standard, the rent allowed for project basing the units may be above the payment standard and up to the amount charged in the other LIHTC financed units.

A rent increase during the term of the contract has to be approved by the "AUTHORITY". The family share of the rent for the project-based vouchers remains at thirty percent (30%) of the adjusted income for rent (subject to the same exceptions in the tenant-based voucher program).

### **Annual Recertification/Reexamination**

Families are required to be recertified at least annually. Income limits are not used as a test for continued eligibility at recertification.

#### **Reexamination Notice to the Family**

The "AUTHORITY" will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview. If requested as a reasonable accommodation by a person with a disability, the "AUTHORITY" will provide the notice in an accessible format. The "AUTHORITY" will also mail the notice to a third party, if requested as a reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

The "AUTHORITY"'s procedure for conducting annual re-certifications will be:

- An eligibility package will be mailed to the resident at least sixty (60) days prior to the recertification month. This package will include all required eligibility forms for the family to review, sign and return within a specific time frame. In addition, the package will provide a list of necessary third party verification(s) needed for continued assistance. If the package is not returned, is incomplete, or the family requests assistance, a follow-up letter, a telephone interview or an office interview will be scheduled.

#### **Completion of Annual Recertification**

The "AUTHORITY" will have all recertifications for families completed before the anniversary date. This includes notifying the family of any changes in rent at least thirty (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 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

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

The family will be responsible to complete the recertification packet.

The Eligibility Specialist will review the returned eligibility package provided by the family and enter the information into the database from the recertification package. In addition, all third party verifications will be reviewed and verified. The family is required to complete and sign a Personal Declaration Form.

Requirements

All adult household members will be required to complete and sign the recertification package.

Failure to Respond to Notification to Recertify

If the family fails to return the recertification package or fails to provide required information, a follow-up letter or a documented telephone call will be conducted.

After two attempts in contacting the family and all efforts have been exhausted, the Eligibility Specialist will send the family a notice of termination and offer them an informal hearing.

Exceptions to these policies may be made by the Director of Housing Programs if the family is able to document an emergency situation that prevented them from providing verification 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 "AUTHORITY" will include instructions for the family to provide the following:

1. Documentation of income or no income for all family

- members;
2. Documentation of all assets;
  3. Documentation of any deductions/allowances;
  4. Documentation to support claims;
  5. Personal Declaration Form completed by head of household;
  6. Birth certificate, picture I.D. and Social Security cards; and
  7. Three (3) months current rent receipts.

#### Verification of Information

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

#### Tenant Rent Increases

If tenant rent increases, a thirty (30) day notice is mailed to the family prior to the scheduled effective date of the annual recertification.

If less than thirty (30) 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 (30) 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.

#### **Reporting Interim Changes**

Program participants must report all changes in household composition within thirty (30) days of the change. This includes additions due to birth, adoption and court-awarded custody. The family must obtain approval from the landlord and the "AUTHORITY" prior to all other additions to the household.

If any new family member is added, family income must include any income of the new family member. The "AUTHORITY" will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the HAP 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.

#### Interim Reexamination Policy

The "AUTHORITY" will not conduct interim reexaminations when families have an increase in monthly adjusted income of \$200 or less, other than when a new member is added to the household, provided the information was provided within thirty (30) days of the change. Participants in the Family Self Sufficiency (FSS) program are exempt from this rule as increases in income will generate a change in their escrow balance. Families will be required to report all increases in income/assets within thirty (30) days of the increase.

#### Decreases in Income

Participants may report a decrease in income and other changes, which would reduce the amount of tenant rent, such as an increase in allowances or deductions. The "AUTHORITY" must calculate the change if a decrease in income is reported.

Decreases in the tenant portion of the rent will be made effective the first day of the month following the month in which the change was reported, if the change was reported in writing on or before the fifteenth (15<sup>th</sup>) day of the month. If reported after the fifteenth (15<sup>th</sup>) day of the month, the effective date of the tenant portion of rent will be effective on the first day of the second month after the change was reported. If a tenant requests a hardship to the written notification requirement of the interim policy, the Director of Housing Programs or his or her designee may approve such request.

#### "AUTHORITY" Errors

If the "AUTHORITY" makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable; retroactive to when the decrease for the change would have been effective if calculated correctly.

#### **Housing Quality Standards (HQS) Requirement**

Participating project-based units must meet or exceed HQS prior to entering into a HAP contract. The participating unit must require \$999 or less in rehabilitation costs to meet HQS in order to be eligible for participation in the project-based existing program.

Once a project-based unit is under a HAP contract, the "AUTHORITY" will inspect a minimum of 25% of the units within a

site/development to determine annual HQS compliance. Any time that significant fail items are identified, the "AUTHORITY" will inspect all units within that project annually.

**Family Choice to Move with Continued Assistance 24 CFR 983.261**

~~A family who resides in a project-based unit for at least twelve (12) months may move with continued assistance with a tenant-based Housing Choice Voucher or its equivalent.~~

~~If the family wishes to move, but no voucher is available at that time, the family will be given the next available voucher, ahead of other families on the waiting list. Targeted vouchers (i.e., Family Unification Program) cannot be used for this purpose.~~

~~Families that reside in a unit with PBV assistance for at least twelve (12) months can exercise the portability feature within the guidelines for administration of the tenant-based Housing Choice Voucher Program.~~

The family may terminate the assisted lease at any time after the first year of occupancy. The family must give the owner advance written notice of intent to vacate (with a copy to the "AUTHORITY") in accordance with the lease.

If the family has elected to terminate the lease in this manner, the "AUTHORITY" must offer the family the opportunity for continued tenant-based rental assistance, in the form of either assistance under the voucher program or other comparable tenant-based rental assistance.

Before providing notice to terminate the lease under paragraph (a) of this section, a family must contact the "AUTHORITY" to request comparable tenant-based rental assistance if the family wishes to move with continued assistance. If voucher or other comparable tenant-based rental assistance is not immediately available upon termination of the family's lease of a PBV unit, the "AUTHORITY" must give the family priority to receive the next available opportunity for continued tenant-based rental assistance.

If the family terminates the assisted lease before the end of one year, the family relinquishes the opportunity for continued tenant-based assistance.

Emergency Transfer Plan for PBV participants;

Participants receiving project based rental assistance no longer have to give notice to the "AUTHORITY" prior to leaving the assisted unit if they are leaving because a member of the family is the victim of a VAWA crime and the move is needed to protect the health and safety of a family member. (24 CFR 983.261)

PHAs administering Public Housing, HCV (including PBV), and Section 8 Mod Rehab must ensure that their Emergency Transfer Plans covers these programs.

If another Project-Based Voucher unit is available for which the participant qualifies, the participant will be presented with an offer to transfer. If a participant reasonably believes a proposed transfer on the same site would not be safe, the participant may request a transfer to a different site; if available. If a unit is available, the transferring participant must agree to abide by the terms and conditions that govern occupancy in the new unit. The participant may notify their current Landlord of their need to move and provide them with written notice certifying that they meet the criteria for an emergency transfer under VAWA.

**o Project Based Voucher-Assisted for one (1) year or more**

If there are not any Project Based units available, the participant will be issued a Housing Choice Voucher, if they have been on the PBV program for at least one (1) year as long as funding is available.

The "AUTHORITY" will also provide the victim with a list of providers in the community who serve victims of domestic violence, dating violence, sexual assault, and stalking.

**o Project Based Voucher-Assisted less than one (1) year**

If there are not any Project Based units available, the participant will be placed on the Housing Choice Voucher Waitlist by time and date they were approved for an emergency transfer. The "AUTHORITY" may be unable to transfer a participant to a particular unit or program if the participant has not or cannot establish eligibility for that unit or program.

The "AUTHORITY" will also provide the victim with a list of providers in the community who serve victims of domestic violence, dating violence, sexual assault, and stalking.

If the participant is assisted under the PBV program, the "AUTHORITY" will assist them in identifying other housing providers who may have safe and available units to which they could move and local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking (attached to this plan) in the following circumstances:

- If the participant seeks to move sooner than a tenant-based voucher will be available;
- If the "AUTHORITY" cannot offer the participant other assistance (because they have not lived in the PBV unit for one year or more); or another safe PBV unit is not immediately available.

### **Safety and Security of Tenants**

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant or participant is urged to take all reasonable precautions to be safe. Tenants or participants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY). Tenants or participants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>. Tenants or participants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

Local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking are listed below:

For help regarding an abusive relationship, you may call the National Domestic Violence Hotline at 1-800-799-7233 or, for persons with hearing impairments, 1-800-787-3224 (TTY). Participants may also contact **Valley Crisis Center, 209-727-7900.**

Participants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

For help regarding sexual assault, participants may contact **Valley Crisis Center, 209-727-7900.**

Victims of stalking seeking help may contact **Valley Crisis Center, 209-727-7900.**

**Record Retention**

The "AUTHORITY" must keep a record of all emergency transfers requested under this plan, and the outcomes of said requests. This documentation must be retained for a period of three years.

## Chapter 24

### VIOLENCE AGAINST WOMEN ACT (VAWA)

#### Introduction

This chapter addresses the protections for victims of domestic violence, dating violence, sexual assault, or stalking who are applying for, or are the beneficiaries of, assistance under a Department of Housing & Urban Development (HUD) program covered by the Violence Against Women Act (VAWA), as amended. Notwithstanding the title of the statute, protections are not limited to women but cover victims of domestic violence, dating violence, sexual assault, ~~and-or~~ stalking, regardless of sex, gender identity, or sexual orientation. Consistent with the nondiscrimination and equal opportunity requirements at 24 CFR 5.105(a), victims cannot be discriminated against on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. and HUD Programs must be also operated consistently with HUD's Equal Access Rule, which requires that HUD-assisted and HUD-insured housing are made available to all otherwise eligible individuals and families regardless of actual or perceived sexual orientation, gender identity, or marital status.

The "AUTHORITY" may find instances of domestic violence, dating violence, sexual assault, or stalking against youth (those under the age of 18 years old) living in assisted household for which the family may need to exercise VAWA protections to protect the youth victim. The "AUTHORITY" should exercise the same documentation and confidentiality procedures in assisting a family in this situation.

Un-emancipated minors would not be eligible to sign leases under HUD programs. The "AUTHORITY" may consider contacting child welfare or child protective services, or law enforcement, when a minor claims to be a victim of domestic violence, dating violence, sexual assault, or stalking.

Guests, unassisted members, and live-in aides of the family are ineligible for VAWA protections that are available only to tenants and participants.

As a reasonable accommodation, a tenant/participant can request VAWA protections based on the grounds that the live-in aide is a victim of domestic violence, dating violence, sexual assault or stalking. In addition, other reasonable accommodations may be needed on a case-by-case basis.

In cases where a guest or unassisted member is a victim of domestic violence, dating violence, sexual assault or stalking, a tenant/participant cannot be evicted or have assistance terminated on the basis of the

domestic violence, dating violence, sexual assault or stalking of the guest or unassisted member.

Unassisted members who are also on the lease, may qualify by the way of the lease for VAWA protections at 24 CFR 5.2005(c).

The VAWA Final Rule provides that an applicant for assistance or a tenant/participant receiving assistance under a covered housing provider may not be denied admission to, denied assistance under, terminated from participation in, or evicted from housing on the basis or as a *direct result* of the fact that the applicant or tenant/participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking if the applicant or tenant otherwise qualifies for admission, assistance, participation or occupancy.

In addition to prohibiting denial, termination, or eviction based on the fact that the applicant or tenant/participant is or has been a victim of domestic violence, dating violence, sexual assault or stalking, the VAWA Final Rule prohibits covered housing programs from denying assistance or admission, terminating participation in, or evicting a tenant based on an adverse factor, if the adverse factor is determined to be a direct result of the fact that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

However, if a denial or termination of assistance or eviction is required by federal statute, based on a particular adverse factor, the "AUTHORITY" must comply with that statute, even if the adverse factor is a direct result of domestic violence, dating violence, sexual assault or stalking. For example, if the applicant is subject to a lifetime registration requirement under a State sex offender registration program, the "AUTHORITY" must comply with section 578 of the Quality Housing and Work Responsibility Act of 1998 and deny the applicant admission, even if the sex offense(s) were a direct result of the fact that the applicant was a victim of domestic violence, dating violence, sexual assault or stalking.

On the surface, adverse factors may appear unrelated to domestic violence, dating violence, sexual assault, or stalking and may present legitimate reasons for denial, termination, and eviction. However the presence of an adverse factor may be present during much of an abusive relationship, or it may present itself only when the victim is attempting to leave, or has left the abusive relationship. The following examples are provided to give the "AUTHORITY" a sense of many instances in which adverse factors might be the "direct result" of domestic violence, dating violence, sexual assault, or stalking. This list is neither exhaustive nor definitive:

"AUTHORITY" of the County of Merced  
Violence Against Women Act (VAWA)

- Poor credit history
- Poor rental history
- Criminal record
- Failure to pay rent

To trigger the direct result analysis, it is the responsibility of the applicant or tenant to:

1. Inform the "AUTHORITY" that they are a victim of domestic violence, dating violence, sexual assault, or stalking; and
2. Provide enough information for the "AUTHORITY" to make a determination regarding the adverse factor they are claiming was a direct result of domestic violence, dating violence, sexual assault, or stalking.

After the "AUTHORITY" receives this information, the "AUTHORITY" should consider the individual's statement and any possible supporting documentation in determining if an adverse factor was a direct result of domestic violence, dating violence, sexual assault, or stalking. If further information is necessary for this determination, the "AUTHORITY" may request additional supporting documentation from the applicant or tenant. However, any request for additional documentation must:

- a. Be in accordance with the "AUTHORITY" policies or practices,
- b. Not require evidence of the domestic violence, dating violence, sexual assault, or stalking other than as specified in 24 CFR 5.2007., and
- c. Not violate the VAWA Final Rule's confidentiality requirements or any other laws.

Where an applicant, tenant or participant fails to request VAWA protections, the "AUTHORITY" is not independently required to identify whether adverse factors are the direct result of domestic violence, dating violence, sexual assault, or stalking. The "AUTHORITY" may seek training, where available, from a trained third-party (such as an expert victim service provider) on reviewing VAWA documentation. Any communications with a third party must be done consistent with the VAWA rule's confidentiality requirements.

If the "AUTHORITY" believes any information is not clear, it should speak to the victim to try and clarify the information. After the "AUTHORITY" has received the information from the tenant or applicant, if necessary, clarified this information with the tenant or applicant, the "AUTHORITY" must make an objectively reasonable determination, based on all of the circumstances, whether the adverse factor is a direct result of the fact that the applicant or tenant/participant is a victim of domestic violence, dating violence, sexual

"AUTHORITY" of the County of Merced  
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assault, or stalking.

The "AUTHORITY" must notify the applicant or tenant if the "AUTHORITY" finds that the denial, termination, or eviction is not on the basis or as a "director result" of being a victim of domestic violence, dating violence, sexual assault, or stalking, and the applicant or tenant is thus denied admission to, denied assistance under, termination from participation in, or evicting from the housing. An applicant or tenant that disagrees with the finding should use the program's appeal procedures, if applicable.

In the case of a termination or eviction, the "AUTHORITY" must comply with the prohibition in 5.2005(d)(2) which provides:

The covered housing provider must not subject the tenant, who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, or is affiliated with an individual who is or has been a victim of domestic violence, dating violence, sexual assault or stalking, to a more demanding standard than other tenants in determining whether to evict or terminate assistance.

Therefore, even if the direct result prohibition does not apply, the "AUTHORITY" cannot use that violation to terminate or evict the tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, if the covered housing provider does not ordinarily terminate or evict tenants for that violation.

The requirements of VAWA that are incorporated into the Housing Choice Voucher Housing Assistance Payment (HAP) Contract and Tenancy Addendum are as follows:

- An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as serious or repeated violations of the lease or other "good cause" for termination of assistance, tenancy, or occupancy rights of a victim of abuse (section 8(o)(7)(C) of the U.S. Housing Act of 1937).
- Criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is engaged in by a member of a tenant's household or any guest or other person under the tenant's control shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an affiliated individual of the tenant is the victim or threatened

victim of that abuse (section 8(o)(7)(D)(i) of the U.S. Housing Act of 1937).

- Notwithstanding the VAWA restriction on admission, occupancy or terminations of occupancy or assistance, or any Federal, State or local law to the contrary, a "AUTHORITY" may terminate assistance to, or an owner or manager may "bifurcate" a lease, or otherwise remove a household member from a lease, without regard to whether a household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members of others. This action may be taken without evicting, removing, terminating assistance to the occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State and local law for the termination of leases or assistance under the Housing Choice Voucher Program (section 8(o)(7)(D)(ii) of the U.S. Housing Act of 1937).
- Nothing in section 8(o)(7)(D)(i) may be construed to limit the authority of a public housing agency, owner or manager, when notified, to honor court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up (section 8(o)(7)(D)(iii) of the U.S. Housing Act of 1937).
- Nothing in section 8(o)(7)(D)(i) limits any otherwise available authority of an owner or manager to evict or the public housing agency to terminate assistance to a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that the owner, manager or public housing agency does not subject an individual is or has been a victim of domestic violence, dating violence, sexual assault, or stalking to a more demanding stand than other tenants in determining whether to evict or terminate (section 8(o)(7)(D)(iv) of the U.S. Housing Act of 1937).
- Nothing in section 8(o)(7)(D)(i) shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than section 8(o)(7)(D)(i) for victims of domestic violence, dating violence, sexual assault, or stalking (section 8(o)(7)(D)(iv) of the U.S. Housing Act of 1937).

**A. DEFINITIONS [24 CFR 5.2003]**

As used in VAWA:

- The term *bifurcate* means to divide a lease as a matter of law, subject to the permissibility of such process under the requirements of the applicable HUD covered program and State or local law, such that certain tenants or lawful occupants can be evicted or removed and the remaining tenants or lawful occupants can continue to reside in the unit under the same lease requirements or as may be revised depending upon the eligibility for continued occupancy of the remaining tenants and lawful occupants.
- The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
  - The length of the relationship
  - The type of relationship
  - The frequency of interaction between the persons involved in the relationship
- The term *domestic violence* includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.
- The term *affiliated individual* means, with respect to a person:
  - A spouse, parent, brother or sister, or child of that individual, or an individual to whom that individual stands in the position or place of a parent; or
  - Any other individual, tenant or lawful occupant living in the household of that individual.
- The term *sexual assault* means:
  - Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks the capacity to consent
- The term *stalking* means engaging in a course of conduct directed at a specific person that would cause a reasonable person

to fear for the person's individual safety or the safety of others; or suffer substantial emotional distress.-

- ~~○ To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or~~
- ~~○ To place under surveillance with the intent to kill, injure, harass, or intimidate another person; and~~
- ~~● In the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.~~

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- The term *actual or imminent threat* refers to a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.

- The term *spouse or intimate partner of the victim* includes a person who is or has been in a social relationship or a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.

~~● The term *Covered Housing Program* refers to the individual or entity under a covered housing program, as defined by each program in its regulations, that has a responsibility for the administration and/or oversight of VAWA protections and includes PHAs, sponsors, owners, mortgagors, managers, State and local governments or agencies thereof, nonprofit or for-profit organizations or entities. -consists of the following HUD programs:~~

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~~○ Section 202 Supportive Housing for the Elderly (12 U.S.C. 1701q), with implementing regulations at 24 CFR part 891~~

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~~○ Section 811 Supportive Housing for Persons with Disabilities (42 U.S.C. 8013), with implementing regulations at 24 CFR part 891.~~

~~o Housing Opportunities for Persons With AIDS (HOPWA) program (42 U.S.C. 12901 *et seq.*), with implementing regulations at 24 CFR part 574.~~

~~o HOME Investment Partnerships (HOME) program (42 U.S.C. 12741 *et seq.*), with implementing regulations at 24 CFR part 92.~~

~~o Homeless programs under title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360 *et seq.*), including the Emergency Solutions Grants program (with implementing regulations at 24 CFR part 576), the Continuum of Care program (with implementing regulations at 24 CFR part 578), and the Rural Housing Stability Assistance program.~~

~~o Multifamily Rental Housing under section 221(d)(3) of the National Housing Act (12 U.S.C. 17151(d)) with a below-market interest rate (BMIR) pursuant to section 221(d)(5), with implementing regulations at 24 CFR part 221.~~

~~o Multifamily Rental Housing under section 236 of the National Housing Act (12 U.S.C. 1715z-1), with implementing regulations at 24 CFR part 236.~~

~~o HUD programs assisted under the United States Housing Act of 1937 (42 U.S.C. 1437 *et seq.*); specifically, public housing under section 6 of the 1937 Act (42 U.S.C. 1437d) (with regulations at 24 CFR Chapter IX), tenant-based and project-based rental assistance under section 8 of the 1937 Act (42 U.S.C. 1437f) (with regulations at 24 CFR chapters VIII and IX), and the Section 8 Moderate Rehabilitation Single Room Occupancy (with implementing regulations at 24 CFR part 882, subpart H).~~

~~o The Housing Trust Fund (12 U.S.C. 4568) (with implementing regulations at 24 CFR part 93.~~

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~~o *Cover Housing Provider* refers to the individual or entity under a covered housing program that has responsibility for the administration and/or oversight of VAWA protections and includes PHA's, sponsors, owners, mortgagors, managers, State and local governments or agencies thereof, nonprofit or for-profit organizations or entities. The program-specific regulations~~

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~~for the covered housing programs identify the individual or entity that carries out the duties and responsibilities of the covered housing provider as set forth in part 5, subpart L. For any of the covered housing programs, it is possible that there may be more than one covered housing provider; that is, depending upon the VAWA duty or responsibility to be performed by a covered housing provider, the covered housing provider may not always be the same individual or entity.~~

- For Project Based Voucher (PBV) program, “covered housing provider,” as such term is used in HUD's regulations in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking) refers to the PHA or owner (as defined in 24 CFR 982.4), as applicable given the responsibilities of the covered housing provider as set forth in 24 CFR part 5, subpart L. For example, the PHA is the covered housing provider responsible for providing the notice of occupancy rights under VAWA and certification form described at 24 CFR 5.2005(a). In addition, the owner is the covered housing provider that may choose to bifurcate a lease as described at 24 CFR 5.2009(a), while the PHA is the covered housing provider responsible for complying with emergency transfer plan provisions at 24 CFR 5.2005(e).
- VAWA means the Violence Against Women Act of 1994, as amended (42 U.S.C. 13925 and 42 U.S.C. 14043e *et seq.*).

## **B. NOTIFICATION**

The “AUTHORITY” of the County of Merced (“AUTHORITY”) acknowledges that a victim of domestic violence, dating violence, sexual assault, or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to an apartment, a prior arrest record) that would warrant denial under the “AUTHORITY”'s policies. Therefore, if the “AUTHORITY” makes a determination to deny admission to an applicant family, the “AUTHORITY” will include in its notice of denial:

- A statement of the protection against denial provided by VAWA.
- A description of “AUTHORITY” confidentiality requirements.
- A request that an applicant wishing to claim this protection submit to the “AUTHORITY” documentation meeting the

specifications below with her or his request for an informal hearing.

**C. VAWA PROTECTIONS (24 CFR 5.2005)**

**Notification of Occupancy Rights under VAWA and Certification Form**

The "AUTHORITY" must provide notice to each of its applicants and HCV participants the notice of occupancy rights and the certification form as described:

- A "Notice of Occupancy Rights under the Violence Against Women Act," as prescribed and in accordance with directions provided by HUD, that explains the VAWA protections under this subpart, including the right to confidentiality, and any limitations on those protections; and
- A certification form, in a form approved by HUD, to be completed by the victim to document an incident of domestic violence, dating violence, sexual assault or stalking, and that:
  - States that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking;
  - States that the incident of domestic violence, dating violence, sexual assault, or stalking that is the ground for protection under this subpart meets the applicable definition for such incident under §5.2003; and
  - Includes the name of the individual who committed the domestic violence, dating violence, sexual assault, or stalking, if the name is known and safe to provide.
- The "Notice of Occupancy Rights under the Violence Against Women Act," and certification form must be provided to an applicant or tenant no later than at each of the following times:
  - At the time the applicant is denied assistance or admission under a covered housing program;
  - At the time the individual is provided assistance or admission under the covered housing program;
  - With any notification of eviction or notification of termination of assistance; and
  - During the 12-month period following *December 16, 2016*, either during the annual recertification or lease renewal process, whichever is applicable, or, if there will be no recertification or lease renewal for a tenant during the first year after the rule takes effect, through other means.
- The "Notice of Occupancy Rights under the Violence Against Women Act," and certification form must be made available in multiple languages, consistent with guidance issued by HUD in

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accordance with Executive Order 13166 (Improving Access to Services for Persons with Limited English Proficiency, signed August 11, 2000, and published in the FEDERAL REGISTER on August 16, 2000 (at 65 FR 50121).

- For the HCV program under 24 CFR part 982, the project-based voucher program under 24 CFR part 983, the public housing admission and occupancy requirements under 24 CFR part 960, and renewed funding or leases of the Section 8 project-based program under 24 CFR parts 880, 882, 883, 884, 886, as well as project-based section 8 provided in connection with housing under part 891, the HUD-required lease, lease addendum, or tenancy addendum, as applicable, must include a description of specific protections afforded to the victims of domestic violence, dating violence, sexual assault, or stalking, as provided in this subpart. Prohibited Basis for Denial of Termination of Assistance or Eviction.
- Generally an applicant for assistance or tenant assisted under a covered housing program may not be denied admission to, denied assistance under, terminated from participation in, or evicted from the housing on the basis or as a direct result of the fact that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy.
- Termination *on the basis of criminal activity*. A tenant in a covered housing program may not be denied tenancy or occupancy rights solely on the basis of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking if:
  - The criminal activity is engaged in by a member of the household of the tenant or any guest or other person under the control of the tenant, and;
  - The tenant or an affiliated individual of the tenant is the victim or threatened victim of such domestic violence, dating violence, sexual assault or stalking.

### **Construction of Lease Terms and Terms of Assistance**

- An incident of actual or threatened domestic violence, dating violence, sexual assault, or stalking shall not be construed as:
  - A serious or repeated violation of a lease executed under a covered housing program by the victim or threatened victim of such incident; or



- Good cause for terminating the assistance, tenancy, or occupancy rights under a covered housing program of the victim or threatened victim of such incident.

### **Limitations of VAWA Protections**

- Nothing in this section limits the authority of a covered housing provider, when notified of a court order, to comply with a court order with respect to:
  - The rights of access or control of property, including civil protection orders issued to protect a victim of domestic violence, dating violence, sexual assault, or stalking; or
  - The distribution or possession of property among members of a household.
- Nothing in this section limits any available authority of a covered housing provider to evict or terminate assistance to a tenant for any violation not premised on an act of domestic violence, dating violence, sexual assault, or stalking that is in question against the tenant or an affiliated individual of the tenant. However, the covered housing provider must not subject the tenant, who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, or is affiliated with an individual who is or has been a victim of domestic violence, dating violence, sexual assault or stalking, to a more demanding standard than other tenants in determining whether to evict or terminate assistance.
- Nothing in this section limits the authority of a covered housing provider to terminate assistance to or evict a tenant under a covered housing program if the covered housing provider can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to property of the covered housing provider would be present if that tenant or lawful occupant is not evicted or terminated from assistance. In this context, words, gestures, actions, or other indicators will be considered an “actual and imminent threat” if they meet the standards provided in the definition of “actual and imminent threat” in §5.2003.
- Any eviction or termination of assistance, as provided in paragraph (d)(3) of this section should be utilized by a covered housing provider only when there are no other actions that could be taken to reduce or eliminate the threat, including, but not limited to, transferring the victim to a different unit, barring the perpetrator from the property, contacting law enforcement to increase police presence or develop other plans to keep the

property safe, or seeking other legal remedies to prevent the perpetrator from acting on a threat. Restrictions predicated on public safety cannot be based on stereotypes, but must be tailored to particularized concerns about individual residents.

### **Emergency Transfer Plan**

- For purposes of this section, the following definitions apply:
  - *Internal emergency transfer* refers to an emergency relocation of a tenant to another unit where the tenant would not be categorized as a new applicant; that is, the tenant may reside in the new unit without having to undergo an application process.
  - *External emergency transfer* refers to an emergency relocation of a tenant to another unit where the tenant would be categorized as a new applicant; that is the tenant must undergo an application process in order to reside in the new unit.
  - *Safe unit* refers to a unit that the victim of domestic violence, dating violence, sexual assault, or stalking believes is safe.
- The emergency transfer plan must provide that a tenant receiving rental assistance through, or residing in a unit subsidized under, a covered housing program who is a victim of domestic violence, dating violence, sexual assault, or stalking qualifies for an emergency transfer if:
  - The tenant expressly requests the transfer; and
  - A.) The tenant reasonably believes there is a threat of imminent harm from further violence if the tenant remains within the same dwelling unit that the tenant is currently occupying; or
  - B.) In the case of a tenant who is a victim of sexual assault, either the tenant reasonably believes there is a threat of imminent harm from further violence if the tenant remains within the same dwelling unit that the tenant is currently occupying, or the sexual assault occurred on the premises during the 90-calendar-day period preceding the date of the request for transfer.
- The emergency transfer plan must detail the measure of any priority given to tenants who qualify for an emergency transfer under VAWA in relation to other categories of tenants seeking transfers and individuals seeking placement on waiting lists.
- The emergency transfer plan must incorporate strict confidentiality measures to ensure that the covered housing provider does not disclose the location of the dwelling unit of the

tenant to a person who committed or threatened to commit an act of domestic violence, dating violence, sexual assault, or stalking against the tenant.

- The emergency transfer plan must allow a tenant to make an internal emergency transfer under VAWA when a safe unit is immediately available. The emergency transfer plan must describe policies for assisting a tenant in making an internal emergency transfer under VAWA when a safe unit is not immediately available, and these policies must ensure that requests for internal emergency transfers under VAWA receive, at a minimum, any applicable additional priority that housing providers may already provide to other types of emergency transfer requests.
- The emergency transfer plan must describe reasonable efforts the covered housing provider will take to assist a tenant who wishes to make an external emergency transfer when a safe unit is not immediately available. The plan must include policies for assisting a tenant who is seeking an external emergency transfer under VAWA out of the covered housing provider's program or project, and a tenant who is seeking an external emergency transfer under VAWA into the covered housing provider's program or project. These policies may include:
  - Arrangements, including memoranda of understanding, with other covered housing providers to facilitate moves; and
  - Outreach activities to organizations that assist or provide resources to victims of domestic violence, dating violence, sexual assault, or stalking.
- Nothing may preclude a tenant from seeking an internal emergency transfer and an external emergency transfer concurrently if a safe unit is not immediately available.
- Where applicable, the emergency transfer plan must describe policies for a tenant who has tenant-based rental assistance and who meets the requirements of paragraph (e)(2) of this section to move quickly with that assistance.
- The emergency transfer plan may require documentation from a tenant seeking an emergency transfer, provided that:
  - The tenant's submission of a written request to the covered housing provider, where the tenant certifies that they meet the criteria in paragraph (e)(2)(ii) of this section, shall be sufficient documentation of the requirements in paragraph (e)(2) of this section;
  - The covered housing provider may, at its discretion, ask an individual seeking an emergency transfer to document the occurrence of domestic violence, dating violence, sexual

- assault, or stalking, in accordance with §5.2007, for which the individual is seeking the emergency transfer, if the individual has not already provided documentation of that occurrence; and
  - o No other documentation is required to qualify the tenant for an emergency transfer.
- The covered housing provider must make its emergency transfer plan available upon request and, when feasible, must make its plan publicly available.
- The covered housing provider must keep a record of all emergency transfers requested under its emergency transfer plan, and the outcomes of such requests, and retain these records for a period of three years, or for a period of time as specified in program regulations. Requests and outcomes of such requests must be reported to HUD annually.

**D. DOCUMENTATION [24 CFR 5.2007]**

If an applicant or tenant represents to the covered housing provider that the individual is a victim of domestic violence, dating violence, sexual assault, or stalking entitled to the protections under 24 CFR 5.2005 or remedies under 24 CFR 5.2009, the covered housing provider may request in writing the applicant or tenant submit within 14 business days:

- The [HUD-5382](#) certification form, or
- A document:
  - o Signed may be an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional or mental health professional (collectively “professional”) from which the victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking under 24 CFR 5.2003. The person signing the documentation must attest under penalty of perjury to the person’s belief that the incidents in question are bona fide incidents of abuse that is the ground for protection and remedies under this subpart, and that the incident meets the applicable definition of domestic violence, dating violence, sexual assault, or stalking under 24 CFR 5.2003 and signed by the applicant or tenant
- A record of a Federal, State, tribal, territorial, or local law enforcement agency or court documenting the domestic violence, dating violence, sexual assault, or stalking, or

- At the discretion the covered housing provider, a statement or other evidence provided by the applicant or tenant.
- The "AUTHORITY" is not required to ask for documentation when an individual presents a claim for VAWA protections; the "AUTHORITY" may instead choose to provide benefits to an individual based solely on the individual's verbal statement or other corroborating evidence. The "AUTHORITY" will document in a confidential manner, the individual's verbal statement or other corroborating evidence.

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#### **E. TIME FRAME FOR SUBMITTING DOCUMENTATION**

If an applicant or tenant does not provide the documentation requested within 14 business days after the date that the tenant receives a request in writing for such documentation from the covered housing provider, nothing in 24 CFR 5.2005 or 24 CFR 5.2009, which addresses the protections of VAWA, may be construed to limit the authority of the covered housing provider to:

- Deny admission by the applicant or tenant to the covered housing program;
- Deny assistance under the covered housing program to the applicant or tenant;
- Terminate the participation of the tenant in the covered housing program; or
- Evict the tenant, or a lawful occupant that commits a violation of a lease.

A covered housing provider may, at its discretion, extend the 14-business-day deadline. During the 14-business day period and any granted extensions of that time, no adverse actions, such as eviction or termination, can be taken against the individual requesting VAWA protection. The "AUTHORITY" will not schedule an eviction, grievance hearing, informal review, or informal hearing to take place during this time frame.

#### **Remedies Available to Victims**

##### **Lease bifurcation**

The "AUTHORITY" may terminate assistance to a household member who engages in criminal activity relating to domestic violence, dating violence, sexual assault or stalking against an affiliated individual or other individual:

Reasonable time to establish eligibility for assistance or find alternative housing:

- *Applicability.* The reasonable time to establish eligibility under a covered housing program or find alternative housing is specified in the Reasonable time to establish assistance or find alternative housing section below, or alternatively in the program-specific regulations governing the applicable covered housing program. Some covered housing programs may provide different time frames than are specified in the Reasonable time to establish assistance or find alternative housing section below, and in such cases, the program-specific regulations govern.
- *Reasonable time to establish assistance or find alternative housing.*
- If a covered housing provider exercises the option to bifurcate a lease as provided in the Applicability section above, and the individual who was evicted or for whom assistance was terminated was the eligible tenant under the covered housing program, the covered housing provider shall provide to any remaining tenant or tenants that were not already eligible a period of 90 calendar days from the date of bifurcation of the lease to:
  - Establish eligibility for the same covered housing program under which the evicted or terminated tenant was the recipient of; or
  - Establish eligibility under another covered housing program
  - Find alternative housing.
  - The 90-calendar-day period provided by Reasonable time to establish assistance or find alternative housing section above will not be available to a remaining household member if the statutory requirements for the covered housing program prohibit it. The 90-day calendar period also will not apply beyond the expiration of a lease, unless this is permitted by program regulations. The 90-calendar-day period is the total period provided to a remaining tenant to establish eligibility under the three options provided in this Reasonable time to establish eligibility for assistance or find alternative housing.
- The covered housing provider may extend the 90-calendar-day period in the Reasonable time to establish eligibility for assistance or find alternative housing section up to an additional 60 calendar days, unless prohibited from doing so by statutory requirements of the covered program or unless the time period would extend beyond expiration of the lease.

**Efforts to promote housing stability for victims of domestic violence, dating violence, sexual assault, or stalking.**

Covered housing providers are encouraged to undertake whatever actions permissible and feasible under their respective programs to assist individuals residing in their units who are victims of domestic violence, dating violence, sexual assault, or stalking to remain in their units or other units under the covered housing program or other covered housing providers, and for the covered housing provider to bear the costs of any transfer, where permissible.

**CONFLICTING DOCUMENTATION [24 CFR 5.2007(e)]**

In cases where the "AUTHORITY" receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the "AUTHORITY" may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above (Item 2 and 3). The "AUTHORITY" must honor any court orders issued to protect the victim or to address the distribution of property.

If presented with conflicting certification documents (two or more forms HUD-50066) from members of the same household, the "AUTHORITY" will attempt to determine which is the true victim by requiring each of them to provide third-party documentation in accordance with 24 CFR 5.2007(b)(2) or (3) and by following any HUD guidance on how such determinations should be made.

**DISCRETION TO REQUIRE NO FORMAL DOCUMENTATION [24 CFR 5.2007(d)]**

The "AUTHORITY" has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b).

If the "AUTHORITY" accepts an individual's statement or other corroborating evidence of domestic violence, dating violence, sexual assault or stalking, the "AUTHORITY" will document acceptance of the statement or evidence in the individual's file.

**FAILURE TO PROVIDE DOCUMENTATION [24 CFR 5.2007(c)]**

In order to deny relief for protection under VAWA, the "AUTHORITY"

must provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 14 business days from the date of receipt, or such longer time as the "AUTHORITY" may allow, the "AUTHORITY" may deny relief for protection under VAWA.

**F. CONFIDENTIALITY [24 CFR 5.2007(b)(4)]**

All information provided to a covered housing provider including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking (confidential information) shall be maintained in strict confidence by the Housing Provider.

- The covered housing provider shall not allow any individual administering assistance on behalf of the covered housing provider or any persons within their employ (e.g., contractors) or in the employ of the covered housing provider to have access to confidential information unless explicitly authorized by the covered housing provider for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.
- The covered housing provider shall not enter confidential information described in of this section into any shared database or disclose such information to any other entity or individual, except to the extent that the disclosure is:
  - Requested or consented to in writing by the individual in a time limited release.
  - Required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program; or
  - Otherwise applicable by law

**G. HUD VASH**

In HUD-Veterans Affairs Supportive Housing (HUD-VASH), when a veteran's family member is seeking protection as a victim of domestic violence, dating violence, sexual assault, or stalking, and the veteran is the perpetrator of such violence, the victim must continue to be assisted.

Upon termination of the perpetrator's HUD-VASH voucher due to the perpetrator's acts of domestic violence, dating violence, sexual assault, or stalking, the victim receiving protections under 24 CFR part



5, subpart L should be given a regular voucher if one is available, and the perpetrator's HUD-VASH voucher should be used to serve another eligible veteran family. If a regular voucher is not available for the victim, the perpetrator must be terminated from assistance, and the victim will continue to utilize the HUD-VASH voucher. In the case of the victim utilizing the HUD-VASH voucher upon termination of the perpetrator, this HUD-VASH voucher must be issued to another eligible veteran family upon the voucher's turnover.

#### **H. Violence Against Women Act (VAWA) Self-Petitioner Verification Procedures**

Prior to VAWA, non-citizen victims of covered crimes were dependent on the good will of their abusers to obtain the authorized immigration status necessary to receive assisted housing. Section 214 of the Housing and Community Development Act of 1980 states that HUD may not allow financial assistance to ineligible non-citizens, but assistance must not be denied while verifying immigration status.

HUD has determined that self-petitioners can indicate that they are in "satisfactory immigration status" when applying for assistance or continued assistance from Section 214- covered housing providers.<sup>1</sup> "Satisfactory immigration status" means an immigration status which does not make the individual ineligible for financial assistance. After verifying such immigration status in the Department of Homeland Security (DHS) Systematic Alien Verification for Entitlements (SAVE) System, PHAs will make a final determination as to the self-petitioner's eligibility for assistance.

**Applicability to other VAWA Housing Protections.** Not every noncitizen victim who has been subjected to battery or extreme cruelty will qualify under these procedures. In order to qualify, the noncitizen victim must have been battered or subjected to extreme cruelty by their spouse or parent, who is a U.S. citizen or LPR. PHAs may receive a petition at any time, but submissions will most likely be related to a request for VAWA protections pursuant to 24 CFR Part 5 Subpart L (e.g. with a request for an emergency transfer or family breakup resulting from domestic violence, dating violence, sexual assault, or stalking). See PIH 2016-09. Once a PHA receives a self-petition (INS Form I-360 or I-130) or INS Form 797, it is prohibited from requesting any additional information from the VAWA self-petitioner, other than what is required below to complete the verification.

5) Procedure. When a PHA receives a self-petition or INS Form 797 Notice of Action, the PHA must initiate verification in the SAVE System:

1. Enter self-petitioner name, alien ID number, and date of birth in the SAVE System.

The system will provide one of the following responses:

- If the SAVE system responds with a match, no further action is necessary at this time. Skip to step 3.
- If the SAVE system responds "no match," the PHA must complete the following additional steps. Continue to step 2.

2. Push the button for "Institute Additional Verification." In the next screen, in the memo field, type "verify VAWA self-petition." If the documentation provided by the applicant is a form I-130, type in the memo field "verify I-130." Upload one of the following documents from applicant:

- I-360 VAWA Self-Petition
- I-130 Family-Based Visa Petition
- I-797 Notice of Action

Steps undertaken by DHS:

- receipt of I-130 or I-360
- prima facie determination
- approval of self-petition

3. Wait for a final determination from the SAVE System. You will receive one of two confirmations: (1) the VAWA self-petition is verified, in which case the applicant is immediately eligible for housing and no evidence of battery or extreme cruelty shall be requested or collected; (2) the I-130 is verified, in which case the petitioner submitting a family-based visa petition must provide to the PHA any evidence of "battery or extreme cruelty." See 8 USC 1154(a)(1)(J). Housing assistance and all other VAWA protections will be granted to the self-petitioner throughout the verification process until a final determination of LPR status is made. If the final determination is to deny the VAWA self-petition or LPR petition, the PHA must alert the petitioner and take actions to terminate voucher assistance or evict the petitioner from public

housing in accordance with the existing public housing requirements.

**Effect On Other Laws (24 CFR 5.2011)**

- Nothing in this subpart shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, sexual assault, or stalking.
- All applicable fair housing and civil rights statutes and requirements apply in the implementation of VAWA requirements. See 24 CFR 5.105(a).

## Chapter 25

### VETERANS AFFAIRS SUPPORTIVE HOUSING PROGRAM (VASH) FEDERAL REGISTER VOL. 77, NO. 57

#### A. BACKGROUND

The HUD-VASH program combines HUD HCV rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs (VA) at its medical centers and within the community. Ongoing VA case management, health, and other supportive services will be made available to homeless veterans at Veterans Affairs Medical Center supportive services across the nation.

The HUD-VASH HCV program is administered in accordance with the HCV tenant-based rental assistance regulations. However, the Act allows HUD to waive or specify alternative requirements for any provision of any statute or regulation that HUD administers in connection with this program to be necessary for the effective delivery and administration of the HUD-VASH program. In addition, the "AUTHORITY" may request additional statutory or regulatory waivers that it determines are necessary for the effective delivery and administration of the program. The "AUTHORITY" will accept the Certificate of Release or Discharge from Active Duty (DD-214) or the VA-verified Application for Health Benefits (10-10EZ) as verification of SSN and for proof-of-age purposes for veterans applying for or participating in the HUD VASH program. These documents will be accepted in lieu of birth certificates or other required documentation. If photo identification is required, VA issued photo identification cards will be accepted by the "AUTHORITY" in lieu of another type of government issued photo identification. These cards may also be used to verify SSNs and date of birth.

Income-targeting requirements of section 16(b) of the 1937 Act, as well as 24 CFR

982.201(b)(2), do not apply for HUD-VASH families. To expedite the leasing process, "AUTHORITY" may pre-inspect available units that veterans may be interested in leasing, in order to maintain a pool of eligible units. However, the veteran must be free to select his/her unit and cannot be steered to these units. The "AUTHORITY" has adopted the published HUD-VASH guidelines and will continue to develop separate policy documents for the HUD-VASH program as needed.

#### B. VASH CASE MANAGEMENT REQUIREMENTS

As a condition of HCV rental assistance, a HUD-VASH eligible family must receive case management services from the local VAMC as published in the Federal Register, Vol. 77, No. 57, dated Friday, March 23, 2012. A HUD-VASH participant family's HCV assistance must be

terminated for failure to participate, without good cause, in case management as verified by the VAMC. However, a VAMC determination that the participant family no longer requires case management is not grounds for termination of assistance. In such case, and at its option, the "AUTHORITY" may offer the family continued HCV assistance through one of its regular vouchers, to make available the HUD-VASH voucher for another eligible family referred by the VAMC. If the "AUTHORITY" has no available vouchers, the family will retain its HUD-VASH voucher until such time as the "AUTHORITY" has an available voucher for the family. If the family no longer requires case management, there are no portability restrictions. Normal portability rules apply.

**C. INCOME ELIGIBILITY (24 CFR 982.201)**

The "AUTHORITY" must determine income eligibility for HUD-VASH families in accordance with 24 CFR 982.201. Income-targeting requirements of section 16(b) of the 1937 Act, as well as 24 CFR 982.201(b)(2), do not apply for HUD-VASH families so that Housing Authorities can effectively serve the eligible population specified in the various appropriations acts; that is, homeless veterans, who may be at a variety of income levels, including low income. The "AUTHORITY" may, however, choose to include the admission of extremely low-income HUD-VASH families in its income targeting numbers for the fiscal year in which these families are admitted. In conformance with normal program rules, PHAs may not deny admission to a family with zero income and must consider hardship circumstances before charging a minimum rent in accordance with 24 CFR 5.630(b).

**D. INITIAL TERM OF ASSISTANCE (24 CFR 982.303(a))**

HUD-VASH vouchers are issued with an initial search term of 60 days. Extensions, suspensions, and progress reports will remain under the policies of the "AUTHORITY"'s Administrative Plan, but will apply after the minimum 120-day initial search term.

Recognizing the challenges that HUD-VASH participants may face with their housing search, HUD-VASH vouchers must have an initial search term of at least 120 days. The initial search term must be at least 60 days, shall not apply, since the initial term must be at least 120 days. Any extensions, suspensions, and progress reports will remain, but will apply after the minimum 120-day initial search term. Under the HCV program, voucher participants must enter into an initial lease with the owner for one year, unless a shorter term would improve housing opportunities for the tenant and the shorter term is a prevailing market practice.

**E. PORTABILITY- WHILE RECEIVING VA CASE MANAGEMENT (PIH 2011 53(HA))**

1. If the family moves under portability, and the initial PHA'S ("AUTHORITY") partnering VAMC will still be able to provide the necessary case management services due to its proximity to the partnering VAMC, the receiving PHA must process the move in accordance with the portability procedures of 24 CFR 982.355. If the receiving PHA has VASH vouchers available, they may absorb or administer the voucher. Both the VAMC and Initial PHA ("AUTHORITY") must be in support of the family's relocation before approving the family to port.
2. Portability Moves Where Case Managements is provided by the Receiving PHA's Partnering VAMC.

If a family wants to move to another jurisdiction where it will not be possible for the initial PHA's ("AUTHORITY") partnering VAMC to provide case management services, the VAMC must first approve the family's relocation and then determine that the HUD-VASH family could be served by another VAMC that is participating in VASH and the receiving PHA must have a HUD-VASH voucher available for this family. In these cases, the families must be absorbed by the receiving PHA either as a new admission (if the family did not participate in the initial PHA's ("AUTHORITY") VASH program) or as a portability move-in (after initial leasing in the initial PHA's ("AUTHORITY") jurisdiction). When the VASH voucher is absorbed by the receiving PHA, the initial PHA's ("AUTHORITY") HUD-VASH voucher will become available to lease to a new HUD-VASH eligible family, as determined by the partnering VAMC, and the absorbed family will count toward the number of HUD-VASH slots awarded to the receiving PHA.

A HUD-VASH family can move within the VAMC's area as long as case management can still be provided, as determined by the VA. The VA must always be consulted prior to a move to ensure that case management will continue to be provided. If the receiving PHA does not have a HUD-VASH program, they must bill the initial PHA. If the receiving PHA does have a HUD-VASH program, they may absorb the family or bill the initial PHA. A HUD-VASH family can move outside of the VAMC's catchment area if the referring VAMC confirms that the new VAMC has an available case management slot. The receiving PHA must have a HUD-VASH program and the HUD-VASH family must be absorbed.

If a HUD-VASH family wishes to move under portability and the Veteran no longer requires case management, they do not need to move to a community in which case management can be provided. The receiving PHA does not need to be a HUD-VASH PHA, and they may choose to bill the initial PHA or absorb the Veteran with a regular voucher. If they choose to bill the initial PHA, they must enter/maintain "VASH" on line 2n of form HUD-50058.

**F. DENIAL OF ASSISTANCE**

At initial intake, the VASH family can only be determined ineligible due to:

- Income limitations or
- Having any member of the household subject to a lifetime registration requirement under a state sex offender registration program.

The "AUTHORITY" cannot deny assistance to a Veteran that previously participated in a Public Housing program (Housing Choice Voucher or Conventional) and still owes money.

In any case where the "AUTHORITY" decides to deny assistance to the family, the "AUTHORITY" must give the family written notice which states:

- The reason(s) for the denial of assistance
- The family's right to request an informal review to be held before denial of assistance.
- The date by which a request for an informal review must be received by the "AUTHORITY".

Once the applicant becomes a resident, the resident must follow all of the "AUTHORITY" rules including the family obligations (See Chapter 15 entitled "Denial or Termination of Assistance").

As a condition of HCV rental assistance, a HUD-VASH eligible family must receive the case management services from the VAMC. Therefore, a HUD-VASH family's HCV assistance must be terminated for failure to participate, without good cause, in case management as verified by the VAMC. However, a VAMC determination that the participant family no longer requires case management is not grounds for termination of assistance.

**G. TERMINATION OF ASSISTANCE**

HUD has not established any alternative requirements for termination of assistance for HUD-VASH participants. However, prior to terminating HUD-VASH participants, HUD strongly encourages PHAs to exercise their discretion under 24 CFR 982.552(c)(2) and consider all relevant circumstances of the specific case, including granting reasonable accommodations for persons with disabilities in accordance with 24 CFR part 8, as well as including the role of the case manager and the impact that ongoing case management services can have on mitigating the conditions that led to the potential termination, prior to determining whether to terminate assistance. In addition, a HUD-VASH participant family must not be terminated after admission, for a circumstance or activity that occurred before admission and was known to the PHA, but could not be considered at the time of admission due to the HUD-VASH Operating Requirements. The "AUTHORITY" can terminate the family's assistance only for program violations that occur after the family's admission to the voucher program.

**H. DISCHARGE FROM THE HUD-VASH PROGRAM**

Graduation from case management is a goal of the HUD-VASH program in order to help the Veteran achieve optimal independent functioning and the ability to live independently in the community. Some Veterans are able to achieve this goal more quickly than others. Case managers, in consultation with the Veteran, determine if the Veteran achieves this milestone and may then discharge the Veteran from the case management portion of the program.

If a HUD-VASH participant or family no longer needs case management, as determined by the VA case manager, the family is still eligible for rental assistance under the tenant-based HCV Program. In cases where case management is no longer needed, the "AUTHORITY" can use one of its own vouchers, if available, to continue assisting this family and free up a voucher for another HUD-VASH eligible family. If a tenant-based voucher is not available, the family continues utilizing the HUD-VASH voucher. If a HUD-VASH voucher is switched from a HUD-VASH voucher to a tenant-based voucher, the family is not subject to the "AUTHORITY"'s waiting list because the family is already a participant in the "AUTHORITY"'s HCV tenant-based program.

Some Veterans may not discharge in a successful manner. If a Veteran refuses to participate in the case management portion of the program, the voucher can be revoked by the "AUTHORITY" following the applicable regulations and processes. The case manager, as much as possible, works to link the Veteran with treatment or resources, as appropriate to the Veteran's individual needs.



## I. **VASH VOUCHER ISSUANCE**

Since VASH vouchers are for homeless Veterans, the vouchers must always remain with the Veterans. In the case of divorce or separation, the voucher remains with the Veteran.

If the Veteran dies, the voucher would remain with the remaining members of the tenant family. The family will continue to utilize the HUD-VASH voucher.

Once the family has begun participation in the VASH Program, and the Department of VAMC has determined that the Family no longer requires case management, they will not be considered for termination of assistance.

In such cases, the "AUTHORITY" will offer the family continued assistance through one of its tenant-based HCV vouchers, in order to free up a VASH voucher for another eligible family referred by the Department of VAMC. If the "AUTHORITY" has no tenant-based HCV voucher to offer the family, the family will retain their VASH voucher until such time as the "AUTHORITY" has an available tenant-based HCV voucher to offer the family.

**HUD VASH VAWA:** In HUD-Veterans Affairs Supportive Housing (HUD-VASH), when a veteran's family member is seeking protection as a victim of domestic violence, dating violence, sexual assault, or stalking, and the veteran is the perpetrator of such violence, the victim must continue to be assisted.

Upon termination of the perpetrator's HUD-VASH voucher due to the perpetrator's acts of domestic violence, dating violence, sexual assault, or stalking, the victim receiving protections under 24 CFR part 5, subpart L should be given a regular voucher if one is available, and the perpetrator's HUD-VASH voucher should be used to serve another eligible veteran family. If a regular voucher is not available for the victim, the perpetrator must be terminated from assistance, and the victim will continue to utilize the HUD-VASH voucher. In the case of the victim utilizing the HUD-VASH voucher upon termination of the perpetrator, this HUD-VASH voucher must be issued to another eligible veteran family upon the voucher's turnover.

3. Chapter 11: Owner rents, Rent Reasonableness, and Payment Standards, page 11-1  
**B. MAKING PAYMENTS TO OWNERS (24 CFR §982.451)**

Once the HAP contract is executed, the PHA begins processing payments to the owner.

The

PHA issues payments to landlords via direct deposit. As a requirement, all landlords must agree

to Electronic Funds Transfer (EFT) as the sole method of payment. A HAP Register will be used

as a basis for monitoring the accuracy and timeliness of payments. Changes are made to the HAP

Register for the following month. Payments are disbursed by the PHA's Finance Division to the

owner each month. Payments may not be picked up by owner at the PHA. Exceptions may be

made with the approval of a Supervisor in cases of hardship. Payments that are not received will

not be replaced until a request has been received from the payee and a stop payment has been

placed on the payment. A request for stop payment will be processed no sooner than ten (10)

days after the payment issuance date.

*This is a policy change and provides landlords with faster more secure payment.*

Chapter 19: Special Housing Types, page 19-6

The rent of the manufactured home space (including other eligible housing expenses) is the total

of:

(a) the rent charged for the manufactured home space;

(b) the owner, maintenance and management charges for the space;

(c) the monthly payments made by the family to amortize the cost of purchasing the manufactured home, including any required insurance and property taxes; and

(d) the applicable allowances for tenant paid utilities.

The PHA must not approve a lease for a manufactured home space until the PHA determines that

the initial rent to owner for the space is reasonable rent, and the rent to owner for the space must

not exceed a reasonable rent during the assisted tenancy. In addition, the PHA must redetermine

that the current rent to owner is a reasonable rent at least annually during the assisted tenancy. (See 24 CFR 982.622(b)(2))

Chapter 21: Project Based Housing Choice Voucher Program, page 21-3

**Non-Competitive Process**

A PHA may provide PBV assistance to improve, develop, or replace a public housing property or property that it controls or has an ownership interest in without using a competitive process in compliance with HOTMA (H.R. 3700 Housing Opportunities Through Modernization Act of 2016, Section 106).

Additionally, the PHA may add units to an existing PBV HAP Contract without engaging in a competitive process in order to preserve funding or provide additional resources to serve homeless families.

*This language is added as a result of the new legislation allowing this option.*

The PHA intends to apply a project-based voucher to a unit of housing owned by the PHA, but not receiving HUD assistance. The PHA is planning to replace a public housing property that it controls and has an ownership interest in without using a competitive process (PIH 2017-21

Chapter 21: Project Based Housing Choice Voucher Program, page 21-4

4) The Type of Housing to Be Funded

Single or multi-family units may be considered. "Tiny homes" can be considered if it will pass HQS standards at the time of occupancy. For a complete listing of all ineligible units refer to 24 CFR Parts 983.53 and 983.54.

*Tiny homes were not mentioned previously and so the PHA added this language to be inclusive.*

1) Number of Units to Be Funded

The PHA may issue an RFP for housing at any time in order to create affordable housing stock that remains available to families independent of market conditions. As required, the PHA will continue to notify HUD before an RFP is published. The PHA will ensure that the number of project-based units does not exceed the maximum allowed.

*The PHA added language to allow future Request For Proposals for project based vouchers to serve homeless families.*

**8-I.E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL [24 CFR 35.1225; FR Notice 1/13/17]**

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood lead level, the PHA must complete a risk assessment of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The risk assessment must be completed in accordance with program requirements, and the result of the risk assessment must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the risk assessment report from the PHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and the PHA will take action in accordance with Section 8-II.G.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an environmental intervention blood lead level are discussed in Chapter 16.

#### **8-I.E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL [24 CFR 35.1225; FR Notice 1/13/17]**

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood lead level, the PHA must complete a risk assessment of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The risk assessment must be completed in accordance with program requirements, and the result of the risk assessment must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the risk assessment report from the PHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and the PHA will take action in accordance with Section 8-II.G.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an environmental intervention blood lead level are discussed in Chapter 16.

#### **8-I.E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ELEVATED BLOOD LEAD LEVEL [24 CFR 35.1225; FR Notice 1/13/17]**

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an elevated blood lead level, the PHA must complete an environmental investigation of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The environmental investigation must be completed in accordance with program requirements, and the result of the environmental investigation must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information

must be provided to the owner.

Within 30 days after receiving the environmental investigation report from the PHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and the PHA will take action in accordance with Section 8-II.G.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an elevated blood lead level are discussed in Chapter 16.

## GLOSSARY

### ACRONYMS USED IN SUBSIDIZED HOUSING

- AAF** Annual Adjustment Factor. A factor published by HUD in the Federal Register which is used to compute annual rent adjustment.
- ACC** Annual Contributions Contract
- ACOP** Admissions and Continued Occupancy Policy
- ADA** Americans with Disabilities Act
- AHAP** Agreement to enter into a Housing Assistance Payment Contract
- AIDS** Acquired immune deficiency syndrome
- AMI** Area Median Income
- CDBG** Community Development Block Grant
- CFR** Code of Federal Regulations. Published federal rules that define and implement laws; commonly referred to as “the regulations”
- COP** Contract of Participation
- CPI** Consumer Price Index. The CPI is published monthly by the Department of Labor as an inflation indicator.
- EID** Earned Income  
Disallowance **EITC** Earned  
Income Tax Credit **EIR**  
Earned Income  
Range
- EIV** Enterprise Income Verification System

- ELI** Extremely Low Income
- FAQ** Frequently Asked Questions
- FDIC** Federal Deposit Insurance Corporation
- FHA** Federal Housing Administration
- FHEO** Fair Housing and Equal Opportunity

**FICA** Federal Insurance Contributions Act - Social Security taxes

**FMR** Fair Market Rent

**FR** Federal Register

**FSS** Family Self Sufficiency

**FUP** Family Unification Program

**FTS** Full Time

Student **FY** Fiscal

Year

**FYE** Fiscal Year End

**GAO** Government Accounting Office

**GR** Gross Rent

**HA** Housing Authority or Housing Agency

**HACM** Housing Authority the County of Merced

**HAP** Housing Assistance Payment

**HCDA** Housing and Community Development Act

**HCVP** Housing Choice Voucher Program

**HOH** Head of Household

**HQS** Housing Quality Standards

**HUD** The Department of Housing and Urban Development or its designee.

**HUDCLIPS** HUD Client Information and Policy System

**HURRA** Housing and Urban/Rural Recovery Act of 1983; resulted in most of the 1984 HUD

regulation changes to definition of income,  
allowances, rent calculations



**IPA** Independent Public Accountant

**IRA** Individual Retirement Account

**IRS** Internal Revenue Service

**ITSP** Individual Training and Services Plan

**JTPA** Job Training Partnership Act

**LAP** Language Access Plan

**LBP** Lead Based Paint

**LEP** Limited English Proficiency

**LI** Low Income

**LIHTC** Low Income Housing

Tax Credit **MOA** Memorandum of

Agreement **MOU** Memorandum of

Understanding **MOV** Methods

of Verification

**MSA** Metropolitan Statistical Area established by the U.S. Census Bureau

**OIG** Office of the Inspector

General **OMB** Office of

Management and Budget

**PASS** Plan to Achieve Self-Support

**PBA** Project Based Assistance

**PBC** Project Based Contract

- PBV** Project Based Voucher
- PCC** Program Coordinating Committee
- PHA** Public Housing Agency
- PIH** Public Information Center
- PII** Personally Identifiable Information
- PMSA** A Primary Metropolitan Statistical Area established by the U.S. Census Bureau
- PS** Payment Standard
- QC** Quality Control
- QHWRA** Quality Housing and Work Responsibility Act of 1998
- RAB** Resident Advisory Board
- RAD** Rental Assistance
- Demonstration **REAC** Real Estate Assessment Center **RFP** Request for Proposal
- RFTA** Request for Tenancy Approval
- RIGI** Regional inspector general for investigation (handles fraud and program abuse matters for HUD at the regional office level)
- RRP** Rental Rehabilitation Program
- SAVE** Systematic Alien Verification for Entitlements
- SEMAP** Section Eight Management Assessment Program
- SRO** Single Room Occupancy

**SSA** Social Security Administration

**SSI** Supplemental Security Income

**SSN** Social Security Number

**SWICA** State Wage Information

Collection Agency **TANF** Temporary Assistance for Needy Families

**TPV** Tenant protection vouchers

**TR** Tenant Rent

**TDD** Telecommunications Device for the Deaf

**TTP** Total Tenant Payment

**TTY** TeleTYpe

**UA** Utility Allowance

**UFAS** Uniform Federal Accessibility Standards

**UIV** Upfront Income Verification

**URP** Utility Reimbursement Payment

**USCIS** U.S. Citizenship and Immigration Services (formerly INS)

**VASH** Veterans Affairs Supportive Housing

**VAWA** Violence Against Women Reauthorization Act of 2013

**VG** Verification Guidance

**VLI** Very Low Income

**WIC** Women and Infant Children

## **GLOSSARY OF TERMS IN SUBSIDIZED HOUSING**

### **1937 ACT**

The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.)

### **ADMINISTRATIVE PLAN**

The HUD required written policy of the HACM governing its administration of the Housing Choice Voucher tenant-based programs. The Administrative Plan and any revisions must be approved by the HACM's board and a copy submitted to HUD as a supporting document to the HACM Agency Plan.

### **ABSORPTION**

In portability, the point at which a receiving HACM stops billing the initial HACM for assistance on behalf of a portability family. The receiving HACM uses funds available under the receiving HACM's consolidated Annual Contributions Contract (ACC).

### **ACC RESERVE ACCOUNT (FORMERLY "PROJECT RESERVE")**

Account established by HUD from amounts by which the maximum payment to the HACM under the consolidated ACC (during a HACM fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

### **ADA**

Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.)

### **ADJUSTED INCOME**

Annual income, less allowable HUD deductions.

### **ADMINISTRATIVE FEE**

Fee paid by HUD to the HACM for administration of the program.

### **ADMINISTRATIVE FEE RESERVE (Formerly "Operating reserve")**

Account established by HACM from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

### **ADMISSION**

The effective date of the first Housing Assistance Payment (HAP) contract for a family (first day of initial lease term). This is the point when the family becomes a participant in the program.

### **ADULT**

Any person age 18 years or over.

### **ANNUAL BUDGET AUTHORITY**

The maximum annual payment by HUD to a HACM for a funding increment.

**ANNUAL CONTRIBUTIONS CONTRACT (ACC)**

A written contract between HUD and a HACM. Under the contract, HUD agrees to provide funding for operation of the program, and the HACM agrees to comply with HUD requirements for the program.

**AFFILIATED INDIVIDUAL**

In accordance with VAWA 2013

- A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or
- Any individual, tenant, or lawful occupant living in the household of that individual.

**ANNUAL INCOME**

The anticipated total annual income of an eligible family from all sources for the twelve (12) month period following the date of determination of income, computed in accordance with the regulations.

**APPLICANT** (or applicant family)

A family that has applied for admission to a program, but is not yet a participant in the program.

**“AS-PAID” STATES**

States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

**ASSETS**

(See Net Family Assets.)

**ASSISTED LIVING FACILITY**

An assisted living facility is a public facility, proprietary facility, or facility of a private nonprofit corporation that:

- Is licensed and regulated by the State (or if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located;
- Makes available to residents supportive services to assist the residents in carrying out activities of daily living, such as bathing, dressing, eating, getting in and out of bed or chairs, walking, going outdoors, using the toilet, laundry, home management, preparing meals, shopping for personal items, obtaining and taking medication, managing money, using the telephone, or performing light or heavy housework, and which make available to residents home health care services such as nursing and therapy; and
- Provides separate dwelling units for residents, each of which may contain a full kitchen and bathroom, and which includes common rooms and other facilities appropriate for

the provision of supportive services to the residents of the facility.

Assisted living facilities may be referred to as residential care facilities, adult care facilities, congregate care facilities or group homes as long as they meet the requirements noted above.

**ASSISTED TENANT**

A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplements, Rental Assistance Payments, or HCVP assistance and all other 236 and 221 (d)(3) BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.



**BUDGET AUTHORITY**

An amount authorized and appropriated by Congress for payment to HACM's under the program. For each funding increment in a HACM program, budget authority is the maximum amount that may be paid by HUD to the HACM over the ACC term of the funding increment.

**CHILD CARE EXPENSES**

Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable a family member to be employed or for a household member to further his/her education.

**CO-HEAD**

An individual in the household who is equally responsible for the lease with the head of household. A family never has a co-head and a spouse and a co-head is never a dependent.

**COMMON SPACE**

In shared housing: space available for use by the assisted family and other occupants of the unit.

**CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT**

(Consolidated ACC) See 24 CFR 982.151.

**CONTIGUOUS MSA**

In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial HACM is located.

**CONTINUOUSLY ASSISTED**

An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the certificate or voucher program.

**CONTRACT**

(See Housing Assistance Payments Contract.)

**COVERED FAMILIES**

Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for noncompliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

**DEPENDENT**

A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a disabled person or handicapped person, or is a full- time student 18 years of age or over.

**DISABILITY ASSISTANCE EXPENSE**

Anticipated costs for care attendants and auxiliary apparatus for disabled family members which enable a family member (including the disabled family member) to work.

**DISABLED PERSON**

A person who is any of the following:

A person who has a disability as defined in section 223 of the Social Security Act. (42 U.S.C.423);

A person who has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such a nature that ability to live independently could be improved by more suitable housing conditions; or

A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

**DISABLED FAMILY**

A family whose head, including co-head, spouse, or sole member is a person with a disability.

**DISPLACED PERSON/FAMILY**

A person or family displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under Federal disaster relief laws.

**DOMICILE**

The legal residence of the household head or spouse as determined in accordance with State and local law.

**DRUG**

Drug is a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

**DRUG-RELATED CRIMINAL ACTIVITY**

The illegal manufacture, sale, distribution, use, or the possession with intent to manufacture, sell, distribute or use, of a controlled substance (as defined in Section 102 of the Controlled Substance Act (21 U.S.C. 802).

**DRUG TRAFFICKING**

The illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute or use, of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

**ELDERLY HOUSEHOLD**

A family whose head, including co-head, spouse or sole member is a

person who is at least 62 years of age.

**ELDERLY PERSON**

A person who is at least 62 years of age.

**ELIGIBILITY INCOME**

On May 10, 1984, regulations deleted eligibility income because "annual income" is now used for eligibility determination to compare to income limits.

**ELIGIBLE FAMILY**

A family is defined by the HACM in this Administrative Plan, which is approved by HUD.

**EMANCIPATED MINOR**

A person under the age of 18 years of age who qualifies as an adult under state law.

**EXCEPTION RENT**

In the pre-merger certificate program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR (see Area Exception rent).

**EXCESS MEDICAL EXPENSES**

Any medical expenses incurred by elderly or disabled families only in excess of three percent (3%) of annual income which are not reimbursable from any other source.

**EXTREMELY LOW-INCOME FAMILY**

A very low income family whose annual income does not exceed 30% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

**FAIR MARKET RENT (FMR)**

The rent including the cost of utilities (except telephone) that would be required to be paid in the housing market area to obtain privately owned existing decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms) and are published in the *Federal Register*.

**FAMILY**

A person or group of persons, as determined by the HACM consistent with 24 CFR 5.403, approved to reside in a unit with assistance under the program.

**FAMILY OF VETERAN OR SERVICE PERSON**

A family is a "family of veteran or service person" when: the veteran or service person is (a) either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death. The veteran or service person, unless deceased, is living with the family or is only temporarily absent unless they were: (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support they are legally responsible and the

spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that they are a family member at the time of hospitalization and there still remains in the family at least two related persons.

**FAMILY SELF-SUFFICIENCY (FSS) PROGRAM**

The program established by the HACM to promote self-sufficiency of assisted families, including the provision of supportive services.

**FAMILY SHARE**

The amount calculated by subtracting the housing assistance payment from the gross rent.

**FAMILY UNIT SIZE**

The size of the voucher issued to the family based on the HACM's subsidy standards.

**FMR/EXCEPTION RENT LIMIT**

The fair market rent published by HUD headquarters. In the voucher program the Housing Authority may adopt a payment standard up to one hundred ten percent (110%) of the FMR.

**FOSTER CHILD CARE PAYMENT**

Payment to eligible households by State, local, or private agencies appointed by the State, to administer payments for the care of foster children.

**FULL-TIME STUDENT**

A person who is attending school or vocational training on a full-time basis.

**FUNDING INCREMENT**

Each commitment of budget authority by HUD to a HACM under the consolidated ACC for the HACM programs.

**GENDER IDENTITY**

Gender identity means actual or perceived gender-related characteristics.

**GROSS RENT**

The sum of the rent to owner and the utility allowance. If there is no utility allowance, rent to owner equals gross rent.

**HAP CONTRACT**

(See "Housing Assistance Payments Contract")

**HEAD OF HOUSEHOLD**

The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

**HOUSING AGENCY**

A state, country, municipality or other governmental entity or public body authorized to administer the program. The term "HACM" includes an Indian HACM (IHA).

**HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974**

Act in which the U.S. Housing Act of 1937 (sometimes referred to as the Act) was recodified, and which added the Section 8 Programs.

**HOUSING ASSISTANCE PAYMENT**

The monthly assistance payment by a HACM. The total assistance payment consists of a payment made to the owner for rent under the family's lease. An additional payment is made to the family if the total assistance payment exceeds the rent to owner.

The additional payment is called a Utility Reimbursement Payment (URP).

**HOUSING ASSISTANCE PAYMENTS (HAP) CONTRACT**

A written contract between a HACM and an owner in the form prescribed by HUD headquarters, in which the HACM agrees to make housing assistance payments to the owner on behalf of an eligible family.



**HACM ADMINISTRATIVE AND AGENCY PLAN**

The annual Administrative Plan and the 5-year Agency Plan as adopted by the HACM and approved by HUD in accordance with part 903 of this chapter.

**HOUSING QUALITY STANDARDS (HQS)**

The HUD minimum quality inspection standards for housing assisted under the tenant-based programs.

**HUD REQUIREMENTS**

HUD requirements are issued by HUD headquarters as regulations, Federal Register notices or other binding program directives for all tenant-based housing.

**IMPUTED ASSET**

Assets disposed of for less than Fair Market Value during two (2) years preceding examination or reexamination.

**IMPUTED INCOME**

HUD passbook rate times the total cash value of assets. This calculation is used when assets exceed \$5,000.

**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 nonetheless included in the family's annual income. This amount is included in family annual income and therefore, reflected in the family rental contribution based on this income.

**INITIAL HACM**

In portability, the term refers to both: A HACM that originally selected a family that later decides to move out of the jurisdiction of the selecting HACM; and a HACM that absorbed a family that later decides to move out of the jurisdiction of the absorbing HACM.

**INITIAL PAYMENT STANDARD**

The payment standard at the beginning of the HAP contract term.

**INITIAL RENT TO OWNER**

The rent to owner at the beginning of the HAP contract term.

**INCOME**

Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

**INCOME FOR ELIGIBILITY**

Gross annual income.

**INCOME TARGETING**

The HUD admissions requirement that HACM's not admit less than the

number required by law of families whose income does not exceed 30% of the area median income in a fiscal year.

**INDIAN**

Any person recognized as an Indian or Alaska Native by an Indian Tribe, the Federal government, or any State.

**INDIAN HACM (IHA)**

A housing agency established either: by exercise of the power of self-government of an Indian Tribe, independent of State law, or by operation of State law, providing specifically for housing authorities for Indians.

**INTEREST REDUCTION SUBSIDIES**

The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

**JURISDICTION**

The area in which the HACM has authority under State and local law to administer the program.

**LANDLORD**

This term means either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

**LEASE**

A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the Housing Authority.

**LEASE ADDENDUM**

See Tenancy Addendum.

**LIVE-IN AIDE**

A person who resides with an elderly person or disabled person and who is determined to be essential to the care and well-being of the person and is not obligated for the support of the person. They would not be living in the unit except to provide necessary supportive services.

**LOCAL PREFERENCE**

A preference used by the HACM to select among applicant families without regard to their federal preference status.

**LOW-INCOME FAMILY**

A family whose annual income does not exceed eighty percent (80%)

of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. For admission to the voucher program, HUD may establish income limits higher or lower than eighty percent (80%) of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

**MANUFACTURED HOME**

A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets HQS. A special housing type (see 24 CFR 982.620 and 982.621).

**MANUFACTURED HOME SPACE**

In a manufactured home space rental, the space is leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space (see 24 CFR 982.622 to 982.624).

**MARKET RENT**

The rent HUD authorizes the owner of an FHA insured/subsidized multi-family housing project to collect from families ineligible for assistance. For unsubsidized units in an FHA insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

**MEDICAL EXPENSES**

Those total medical expenses, including medical insurance premiums that are anticipated during the period for which annual income is computed, and that are not covered by insurance. A deduction is given to elderly households only. These allowances are given when calculating adjusted income for medical expenses in excess of three percent (3%) of annual income.

**MEDICAL MARIJUANA**

Medical Marijuana refers to the use of cannabis or marijuana, including constituents of cannabis, THC and other cannabinoids, a physician recommended form of medicine or herbal therapy

**MINIMUM RENT**

An amount established by the HACM between \$0 and \$50.

**MINOR**

A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

**MIXED FAMILY**

A family with citizens and eligible immigration status and without citizens and eligible immigration status as defined in 24 CFR 5.504(b)(3).

**MONTHLY ADJUSTED INCOME**

1/12 of the Annual Income after allowances or Adjusted Income.

**MONTHLY INCOME**

1/12 of the Annual Income.

**NATIONAL**

A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

**NEAR-ELDERLY FAMILY**

A family whose head, including co-head, spouse, or sole member is at least 50 years of age, but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of

62 living together; or one or more persons who are at least 50 years of age but below the age of 62.

**NEGATIVE RENT**

Now called Utility Reimbursement. A negative tenant rent results in a Utility Reimbursement Payment (URP).

**NET FAMILY ASSETS**

Value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition.

**NET FAMILY CONTRIBUTION**

Former name for Tenant Rent.

**NON-CITIZEN**

A person who is not a citizen or a national of the United States.

**OCCUPANCY STANDARDS [Now referred to as Subsidy Standards]**

Standards established by a HACM to determine the appropriate number of bedrooms for families of different sizes and compositions.

**OWNER**

Any persons or entity having the legal right to lease or sublease a unit to a participant.

**PARTICIPANT**

A family that has been admitted to the HACM's voucher program. The family becomes a participant on the effective date of the first HAP contract executed by the HACM for the family (first day of initial lease term).

**PAYMENT STANDARD**

The maximum subsidy payment for a family (before deducting the family contribution). The HACM sets a payment standard in the range from 90% to 110% of the current FMR/exception rent limit.

**PERSONS WITH DISABILITIES**

Individuals with any condition or characteristic that renders a person an individual with a handicap as defined in 24 CFR 8.2.

**PORTABILITY**

Renting a dwelling unit with Housing Choice Voucher tenant-based assistance outside the jurisdiction of the initial HACM.

**PREMISES**

The building or complex in which the dwelling unit is located, including common areas and grounds.

**PRIVATE SPACE**

In shared housing, the portion of a contract unit that is for the exclusive use of an assisted family.



**PROGRAM**

The Housing Choice Voucher tenant-based assistance program under 24 CFR Part 982.

**PROGRAM RECEIPTS**

HUD payments to the HACM under the consolidated ACC, and any other amounts received by the HACM in connection with the program.

**PUBLIC ASSISTANCE**

Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, State, or local governments.

**PUBLIC HOUSING AGENCY (PHA)**

Any state, county, municipality or other governmental entity or public body which is authorized to administer the program (or an agency or instrumentality of such an entity), or any of the following:

- A consortia of housing agencies, each of which meets the qualifications in paragraph (1) of this definition, that HUD determines has the capacity and capability to efficiently administer the program (in which case, HUD may enter into a consolidated ACC with any legal entity authorized to act as the legal representative of the consortia members);
- Any other public or private non-profit entity that was administering a Housing Choice Voucher tenant-based assistance program pursuant to a contract with the contract administrator of such program (HUD or a HACM) on October 21, 1998; or
- For any area outside the jurisdiction of a HACM that is administering a tenant- based program, or where HUD determines that such HACM is not administering the program effectively, a private non-profit entity or a governmental entity or public body that would otherwise lack jurisdiction to administer the program in such area.

**REASONABLE RENT**

A rent to owner that is not more than the rent charged for comparable units in the private unassisted market, and not more than the rent charged for comparable unassisted units in the premises.

**RECEIVING HACM**

In portability, a HACM that receives a family selected for participation

in the tenant- based program of another HACM. The receiving HACM issues a voucher and provides program assistance to the family.

**RECERTIFICATION**

Also referred to as reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next twelve (12) months if there are no additional changes to be reported. There are annual and interim recertifications.

**REMAINING MEMBER OF TENANT FAMILY**

Person left in assisted housing after other family members have left and become unassisted.

**RENT TO OWNER**

The total monthly rent payable to the owner under the lease for the unit. Rent to owner covers

payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

**RESIDENCY PREFERENCE**

A HACM preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area (“residency preference area”).

**RESIDENCY PREFERENCE AREA**

The specified area where families must reside to qualify for a residency preference.

**RESPONSIBLE ENTITY**

For Public Housing, Housing Choice Voucher assistance, project-based voucher assistance and moderate rehabilitation programs, the responsible entity means the HACM administering the program under an ACC with HUD. For all other Housing Choice Voucher programs, the responsible entity means the Housing Choice Voucher owner.

**SECRETARY**

The Secretary of Housing and Urban Development.

**SECURITY DEPOSIT**

A dollar amount which can be applied to unpaid rent, damages or other amounts to the owner under the lease.

**SEXUAL ORIENTATION**

Sexual Orientation means homosexuality, heterosexuality, or bisexuality.

**SERVICE PERSON**

A person in the active military or naval service (including the active reserve) of the United States.

**SINGLE PERSON**

A person living alone or intending to live alone.

**SPECIAL ADMISSION**

Admission of an applicant that is not on the HACM waiting list or without considering the applicant’s waiting list position.

**SPECIAL HOUSING TYPES**

See Subpart M of 24 CFR 982, which states the special regulatory requirements for SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

**SPORADIC INCOME**

Income that is temporary, occasional and nonrecurring including gifts that are excluded from annual income.

**SPOUSE**

The husband or wife of the head of the household.

**SUBSIDIZED PROJECT**

A multi-family housing project (with the exception of a project owned by a cooperative housing

Mortgage Corporation or association) which receives the benefit of subsidy in the form of:

- 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
- Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or
- Direct loans pursuant to Section 202 of the Housing Act of 1959; or
- 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;
- Payments under the Housing Choice Voucher 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;
- A Public Housing Project.

**SUBSIDY STANDARDS**

Standards established by a HACM to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

**SUBSTANDARD UNIT**

Substandard housing is defined by HUD for use as a federal preference.

**SUSPENSION/TOLLING**

Stopping the clock on the term of a family's voucher, for such period as determined by the HACM, from the time when the family submits a request for HACM approval to lease a unit, until the time when the HACM approves or denies the request. If the HACM decides to allow extensions or suspensions of the voucher term, the HACM Administrative Plan must describe how the HACM determines whether to grant extensions or suspensions, and how the HACM determines the length of any extension or suspension.

**TENANCY ADDENDUM**

In the lease between the tenant and the owner, the lease language required by HUD.

**TENANT**

The person or persons (other than a live-in aide) who execute the lease as lessee of the dwelling unit.

**TENANT RENT**

The amount payable monthly by the family as rent to the unit owner (Housing Choice Voucher owner or HACM in public housing).

**TOTAL TENANT PAYMENT (TTP)**

The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

**TUITION**

Tuition is the amount of money charged to students for instructional services which may be charged per term, per course, or per credit. Tuition and fees is further defined as the amount of tuition and required fees covering a full academic year most frequently charged to students. These values represent what a typical student would be charged and may not be the same for all students at an institution. If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an entire academic year is used to estimate average tuition. Required fees include all fixed sum charges that are required of a large proportion of all students. The student who does not pay the charges is an exception. Examples of required fees include, but are not limited to, writing and science lab fees and fees specific to the student's major or program (i.e., nursing program).

**UNIT**

Residential space for the private use of a family.

**UNUSUAL EXPENSES**

Prior to the change in the 1982 regulations, this was the term applied to the amounts paid by the family for the care of minors under 13 years of age or for the care of disabled or handicapped family household members, but only where such care was necessary to enable a family member to be gainfully employed.

**UTILITIES**

Utilities mean water, electricity, gas, other heating, and refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

**UTILITY ALLOWANCE**

If the cost of utilities (except telephone) including range and refrigerator, and other housing services for an assisted unit is not included in the contract rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a Housing Authority or HUD of a reasonable consumption of such utilities and other services for the unit by an energy conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthy living environment.

**UTILITY REIMBURSEMENT PAYMENT**

The amount the utility allowance exceeds the total tenant payment for the family occupying the unit.

**VACANCY LOSS PAYMENTS**

This applies to contracts effective prior to 10/2/95. When a family vacates its unit in violation of its lease, the owner is eligible for eighty percent (80%) of the contract rent for a vacancy period of up to one additional month (beyond the month in which the vacancy occurred) if the owner notifies the HACM as soon as the owner learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.

**VERY LOW INCOME FAMILY**

A low-income family whose annual income does not exceed fifty percent (50%) of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than fifty percent (50%) of the median income for the area on the basis of its finding that such variations are necessary because of unusually high



or low family incomes. This is the income limit for the Housing Choice Voucher Program.

**VETERAN**

A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released there from under conditions other than dishonorable.

**VIOLENT CRIMINAL ACTIVITY**

Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

**VOUCHER HOLDER**

A family holding a voucher with an unexpired term (search time).

**VOUCHER PROGRAM**

The Housing Choice Voucher program.

**WAITING LIST ADMISSION**

An admission from the HACM waiting list.

**WAITING LIST**

A list of families organized according to HUD regulations and HACM policy that are waiting for subsidy to become available.

**WELFARE ASSISTANCE**

Income assistance from Federal or State welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, child care or other services for working families.

**WELFARE RENT**

This concept is used ONLY for pre-merger Certificate tenants who receive welfare assistance on an "AS-PAID" basis. It is not used for the Housing Voucher Program.

If the agency does NOT apply a ratable reduction, this is the maximum a public assistance agency COULD give a family for shelter and utilities, NOT the amount the family is receiving at the time the certification or recertification is being processed.

If the agency applies a ratable reduction, welfare rent is a percentage of the maximum the agency could allow.

**GLOSSARY OF TERMS USED IN THE NON-CITIZENS  
RULE**

**CHILD**

A member of the family other than the family head or spouse who is under the age of 18 years old.

**CITIZEN**

A citizen or national of the United States.

**EVIDENCE**

Evidence of citizenship or eligible immigration status means the documents which must be submitted to evidence citizenship or eligible immigration status.

**HACM**

A Public Housing Agency or an Indian HACM or both.

**HEAD OF HOUSEHOLD**

The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

**HUD**

Department of Housing and Urban Development.

**MIXED FAMILY**

A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

**NATIONAL**

A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

**NON-CITIZEN**

A person who is not a citizen or a national of the United States.

**PUBLIC HACM**

A HACM that operates Public Housing.

**RESPONSIBLE ENTITY**

The person or entity responsible for administering the restrictions on providing assistance to non- citizens with ineligible immigration status (the HACM).

**SECTION 214**

Section 214 restricts HUD from making financial assistance available for non-citizens unless they meet one of the categories of eligible immigration status specified in Section 214.

**SPOUSE**

Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.

**USCIS**

U.S. Citizenship and Immigration Services.