



**ADMINISTRATIVE PLAN**

**FOR THE**

**SECTION 8**

**HOUSING CHOICE VOUCHER PROGRAM**

**Housing Authority of DeKalb County  
Housing Choice Voucher Program Department  
750 Commerce Drive, Suite 201  
Decatur, Georgia 30030  
Board Approved August 26, 2011**

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## 1.0

# CHAPTER 1 OVERVIEW OF THE PROGRAM AND PLAN *(24 FR Part 982 Subpart B)*

## 1.1 INTRODUCTION

The Housing Authority of DeKalb County (Hereinafter referred to as HADC) mission is "To provide affordable housing opportunities and meet the needs of those we serve." Towards this mission, HADC operates a wide variety of programs that are designed to provide affordable housing solutions to DeKalb County residents, and promote community and economic development. The Housing Choice Voucher (HCV) Program, (also known and referred to as the Section 8 Program) plays a vital role in promoting HADC's mission through the administration of a high-performing program that achieves the following goals:

- Provision of quality housing opportunities to eligible families with rents that are affordable
- Participation of excellent property owners and landlords in the provision of quality units to families, particularly in areas of low poverty and/or minority concentration
- Family economic self-sufficiency
- Offers quality, affordable homeownership opportunities through the Section 8 Homeownership program

## 1.2 PURPOSE OF PLAN

The purpose of this Administrative Plan (hereinafter referred to as Administrative Plan or Plan) is to set forth policies for operation of HADC's HCV programs, to include the participant-based Section 8 voucher, Project Based Rental Assistance, Section 8 Homeownership and Special Housing Programs, in a manner consistent with federal laws and regulations and local goals and objectives. The Administrative Plan also covers policies and requirements for admission and continued participation in HADC's HCV program for both the assisted family and property owners and landlords. The Administrative Plan is a supporting document to HADC's agency plan which is available for public review during normal business hours.

## 1.3 JURISDICTION

The jurisdiction of HADC covers the unincorporated areas of DeKalb, Georgia, excluding the City of Atlanta in DeKalb County, The City of Decatur, the City of Lithonia (except where specifically authorized), and any other municipalities that might be legally excluded.

## 1.4 COVERED PROGRAMS

This Administrative Plan covers HADC's HCV program to include the participant-based Section 8 voucher, Project Based Rental Assistance, Section 8 homeownership and the use of the Section 8 voucher for Special Housing to include Single Room Occupancy (SRO), Congregate Housing, Group Homes, Shared Housing, Cooperative Housing and Manufactured Homes. The policies herein apply to all covered programs, except where special rules apply and/or there are additional requirements as outlined in this Plan.

## **1.5 PLAN REGULATIONS AND REQUIREMENTS**

Administration of HADC's HCV Program shall be in compliance with its Personnel Policy, HUD's HCV regulations, notices and guidance as well as, all federal, state and local Fair Housing laws and regulations. The policies in this Administrative Plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

The original Administrative Plan, and any subsequent changes, must be approved by HADC's Board of Commissioners and a copy provided to HUD. HADC is responsible for complying with and incorporating into its Administrative Plan all changes in HUD regulations pertaining to the HCV Program. If HUD changes conflict with this Plan, HUD regulations will have precedence. HADC will review and update the Plan at least once a year, and more often if needed, to reflect changes in regulations, HADC operations, or when needed to ensure staff consistency in operation.

## 2.0

# CHAPTER 2 FAIR HOUSING AND EQUAL OPPORTUNITY

*(24 FR Part 982, Subpart B and G; 24 CFR Part 5 Subpart A and L)*

## 2.1 NONDISCRIMINATION

The Fair Housing Act, as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing related transactions, based on race, color, religion, sex, national origin, familial status and disability. For all of the housing programs described in this Administrative Plan, HADC will fully comply with all Federal, State and local nondiscrimination laws and with the rules and regulations governing fair housing and equal opportunity in housing and employment to include the following:

- Title VIII of the Civil Rights Act of 1968 (Fair Housing Act) as amended
- Title VI of the Civil Rights Act of 1964
- Section 504 of the Rehabilitation Act of 1973
- Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act of 1990
- Violence Against Women Reauthorization Act of 2005 (VAWA)
- Executive Order 11063

Additionally, HADC will not discriminate on the basis of marital status or sexual orientation, and 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 HADC's facilities are inaccessible to or unusable by persons with disabilities. Further, HADC will affirmatively further fair housing choice in accordance with HUD and nondiscrimination regulations.

## 2.2 PROVIDING INFORMATION TO FAMILIES AND OWNERS

HADC will take steps to ensure that families and owners are fully aware of all applicable civil rights laws. The Housing Assistance Payments (HAP) contract informs owners of the requirements not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status or disability in connection with the contract. HADC will provide Federal/State/local information to Voucher holders regarding "discrimination" and any recourse available to them if they are victims of discrimination. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder's briefing packet.

## 2.3 DISCRIMINATION COMPLAINTS

If an applicant or participant believes that they or any family member has been discriminated against by HADC, they should contact HADC's Director of Administration. HADC will give participants a copy of HUD Form 903 and will provide information to the applicant or participant about how to file a discrimination complaint.

HADC will also attempt to remedy discrimination complaints made against HADC by conducting an investigation into the matter.

In the event a participant has been discriminated by an owner, HADC will advise families how to file a discrimination complaint. HADC may also report the owner to HUD (Fair Housing/Equal Opportunity) or a local Fair Housing organization.

Depending on the nature of the complaint, HADC may suspend the voucher, extending its term from the date that the complaint was made until resolved.

## **2.4 REASONABLE ACCOMMODATION TO PERSONS WITH DISABILITIES**

HADC's policies and practices are 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. HADC strives to be service-directed in the administration of its housing programs, and to exercise and demonstrate a high level of professionalism while providing housing services to families.

HADC is accessible to persons with disabilities. Communication between HADC and persons with disabilities is available through Georgia Relay ([www.georgiarelay.org](http://www.georgiarelay.org)) by dialing 711.

### **Request for Reasonable Accommodation**

A participant with a disability must first ask for a specific change to a policy or practice as an accommodation of their disability before HADC will treat a person differently than anyone else. 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. This policy is applicable to all situations described in this Administrative Plan including when a family initiates contact with HADC, when HADC initiates contact with a family including when a family applies, and when HADC schedules or reschedules appointments of any kind.

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

- A physical or mental impairment that substantially limits one or more of the major life activities of an individual;
- A record of such impairment; or
- Being regarded as having such an impairment

Rehabilitated former drug users and alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with 24 CFR 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.

HADC will provide a written decision to the person requesting the accommodation within a reasonable time period.

### **Approving a Reasonable Accommodation Request**

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

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.

### **Denying a Reasonable Accommodation Request**

If HADC finds that the requested accommodation creates an undue administrative or financial burden, HADC 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 HADC (i.e., waiving a family obligation). An undue financial burden is also one that when considering the available resources of the agency as a whole, the requested accommodation would pose a severe financial hardship on HADC. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review HADC's decision. In requesting the informal hearing, the applicant with disabilities can request a reasonable accommodation to participate in the informal hearing.

### **Denial or Termination of Assistance**

HADC's decision to deny or terminate a family's assistance that includes a person with disabilities is subject to consideration of reasonable accommodation (24 CFR 982.552 (2)(iv)). When reviewing reasonable accommodation requests, HADC will consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to HADC's decision to deny or terminate assistance.

### **Housing Search Assistance to Persons with Disabilities**

At the family's request, additional assistance during a housing search may be provided by HADC as a reasonable accommodation. This includes providing information on accessible units in the market, housing search assistance, and extension of the search time. Depending on the nature of the request, persons requiring such assistance may be required to provide a request in writing to HADC as described in this section.

## 2.5 VIOLENCE AGAINST WOMEN ACT (VAWA)

The Violence Against Women Reauthorization Act of 2005 (VAWA) provides that criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a participant's household or any guest or other person under the participant's control shall not be a cause for termination of assistance, tenancy, or occupancy rights if the participant or an immediate member of the participant's family is the victim or threatened victim of that domestic violence, dating violence, or stalking.

### **Terminating Assistance of Domestic Violence or Stalking Victims**

VAWA does not limit HADC's authority to terminate the assistance of any participant if HADC can demonstrate an "actual and imminent threat" to other participants or those employed at or providing service to the property if that participant is not evicted or terminated from assistance [24 CFR 5.2005(d)(2)].

When an individual facing termination of assistance for reasons related to domestic violence, dating violence, or stalking claims protection under VAWA, HADC will request that the individual provide documentation supporting the claim.

### **Victim Documentation**

When a participant family is facing assistance termination because of the actions of a participant, household member, guest, or other person under the participant's control and a participant or immediate family member of the participant's family claims that she or he is the victim of such actions and that the actions are related to domestic violence, dating violence, or stalking, HADC will require the individual to submit documentation affirming that claim.

HADC will accept one of three methods for certification of a claim:

- A completed HUD form 50066 (Certification of Domestic Violence, Dating Violence, and Stalking); and/or
- A federal, state, tribal or territorial or local police or court record; and/or
- Documentation signed and attested to by a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence or stalking, or the effects of abuse, in which the professional attests to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim of domestic violence or stalking has signed or attested to the documentation

The required certification and supporting documentation must be submitted to HADC within 14 calendar days after HADC issues its written request. The 14-day deadline may be extended at HADC's discretion. If the individual does not provide the required certification and supporting documentation within 14 calendar days, or the approved extension period, HADC may proceed with termination of assistance.

### **Terminating Assistance of a Domestic Violence Offender**

Although VAWA provides termination protection for victims of domestic violence, it does not provide protection for offenders. HADC may exercise its explicit authority to “terminate assistance to any individual who is a participant or lawful occupant and who engages in criminal acts of physical violence against family members or others without evicting, removing, or terminating assistance to, or otherwise penalizing the victim of such violence who is also a participant or lawful occupant.” This authority supersedes any local, state, or other federal law to the contrary. However, if HADC chooses to exercise this authority, HADC will follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance [Pub.L. 109-271].

### **Portability**

HADC may provide a voucher and allow a move in violation of the lease under portability procedures if the family has complied with all other obligations of the voucher program and has moved out of the assisted unit in order to protect the health or safety of an individual who is or has been the victim of domestic violence, dating violence or stalking and who reasonably believes that he or she is imminently threatened by harm from further violence if he or she remains in the assisted unit.

### **Confidentiality Requirements**

All information provided to HADC regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared data base nor provided to any related entity, except to the extent that the disclosure (a) is requested or consented to by the individual in writing, (b) is required for use in an eviction proceeding, or (c) is otherwise required by applicable law.

## **2.6 ASSISTING FAMILIES WITH LIMITED ENGLISH PROFICIENCY**

HADC will take affirmative steps to communicate with people who need services or information in a language other than English. These persons are referred to as Persons with Limited English Proficiency (LEP).

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

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

These factors are designed to promote meaningful access by LEP persons to services and programs while not imposing undue burdens on HADC.

## **2.7 PRIVACY RIGHTS**

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/HADC will release family information.

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

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

A statement of HADC's policy pertaining to release of information will be included in the briefing packet provided to the family.

HADC's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in an area that is accessible by authorized staff only. HADC staff will not discuss family information contained in files unless there is a business reason to do so.

## **2.8 DECONCENTRATION**

As a matter of fair housing choice and families' access to housing opportunities in lower-poverty, less impacted neighborhoods, HADC encourages property owners and landlords outside of areas of minority or poverty concentration to participate in the HCV program.

## 3.0

# CHAPTER 3 BASIC ELIGIBILITY

*(24 CFR Part 982 Subpart E and G; 24CFR Part 5 Subpart E)*

HADC strives for objectivity and consistency in applying criteria to evaluate the eligibility of families applying for housing assistance. This chapter describes HADC's policies in determining the eligibility of families to include individual(s) approved to join the family after the family has been admitted to the program. The family must provide any information needed by HADC to confirm eligibility and determine the level of the family's assistance. 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 HADC pertaining to their eligibility.

## 3.1 ELIGIBILITY CRITERIA

HADC 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 HADC.

The HUD eligibility criteria are:

- An applicant must be a "family" (see Appendix I for definition of "family")
- An applicant must be income eligible
- An applicant must furnish Social Security Numbers for all family members age
- An applicant must furnish declaration of Citizenship or Eligible Immigrant Status and verification when required
- At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before HADC may provide any rental assistance
- An applicant must sign consent authorization documents

## 3.2 INCOME ELIGIBILITY

To be eligible for assistance, an applicant family must have an annual income at the time of admission that does not exceed the income limits for occupancy for a family of that size as established by HUD. The family must qualify under any of the following criteria:

- A. A very low-income family.
- B. A low-income family that is "continuously assisted". An applicant is "continuously assisted" if the family is already receiving assistance under any 1937 Housing Act when the family is admitted to the voucher program. HADC will also consider a family to be continuously assisted if an interruption in assistance under any 1937 Housing Act program does not exceed 60 days.
- C. A low-income family or moderate income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of an insurance contract on eligible low-income housing as defined in 24 CFR 248.101.

- D. A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 or HOPE 2 development or other HUD-assisted multifamily homeownership program covered by 24 CFR 248.173.
- E. A low-income family that meets additional eligibility criteria specified by HADC.

In accordance with HADC's agency plan, HADC's criteria for admitting low-income families, in addition to those required under the regulations and identified above, is to admit families who:

- 1. Are pursuing their education
- 2. Are participating in an economic self-sufficiency program
- 3. Are working (full time or part-time)

Families whose annual income exceeds the income limit will be denied admission and offered an informal review. Income limits apply only at admission and are not applicable for continued occupancy.

### **Income Limits and Portability**

The applicable income limit used for initial issuance of a voucher is the highest income limit within HADC's jurisdiction. In terms of portability and the initial lease-up at admission, families who exercise portability must be within the applicable income limit for the jurisdiction of the receiving PHA in which they want to live.

## **3.3 FAMILY COMPOSITION**

This part provides information on family and household members in applying eligibility requirements.

### **A. Head of Household**

The head of household is the adult member of the household who is 18 years of age or older, and 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.

### **B. Spouse of Head and Co-Head**

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

For proper application of the Non-citizens Rule, the definition of spouse is the marriage partner whom, in order to dissolve the relationship, and 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.

Common-law marriages/relationships are no longer recognized in the state of Georgia effective January 1, 1997. If the common-law relationship existed prior to January 1, 1997, the relationship can be considered in determining a family's eligibility for assistance.

### 3.4 CO-HEAD

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. Minors who are emancipated under state law may be designated as a co-head.

#### C. **Dependent**

A dependent is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, co-head, foster children/adults and live-in aides.

#### D. **Elderly and Near Elderly Persons:**

An **elderly person**, which is:

- a. A family whose head, spouse, or sole member is a person who is at least 62 years of age;
- b. Two or more persons who are at least 62 years of age living together; or
- c. One or more persons who are at least 62 years of age living with one or more live-in aides.

A **near-elderly person**, which is:

- a. A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62;
- b. Two or more persons who are at least 50 years of age but below the age of 62 living together; or
- c. One or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

#### E. **Person with a Disability**

A **person with a disability**, which is:

- a. A family whose head, spouse, or sole member is a person with disabilities;
- b. Two or more persons with disabilities living together; or
- c. One or more persons with disabilities living with one or more live-in aides.

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

**F. Displaced Person**

**A displaced person is:**

- a. A family in which each member, or whose sole member, has been displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
- b. A remaining member of a participant family authorized to be on the lease.

**G. Foster Children and Foster Adults**

**A foster child is:**

- a. Children temporarily absent from the home due to placement in foster care are considered family members. This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.
- b. Unborn children and children in the process of being adopted are considered family members for purposes of determining bedroom size, but are not considered family members for determining income limit.

**H. Live-in Attendants**

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

1. Is determined by HADC to be essential to the care and well-being of an elderly person (62 years and older), a near-elderly person (50-61 years), or a person with disabilities,
2. Is not obligated for the support of the person(s), and
3. Would not be living in the unit except to provide care for the person(s).

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

1. Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
2. Live-in aides are not subject to Non-Citizen Rule requirements.
3. Live-in aides may not be considered as a remaining member of the participant family.
4. 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 HADC. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker. The verification

provider must certify that a live-in aide is needed for the care of the family member who is elderly, near elderly or disabled. Verification must include the hours the care will be provided.

HADC will apply the same standards of verification that is applied to applicants for admission into the HCV program. Verifications may be required annually.

HADC 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 24 CFR 982.316 and the Reasonable Accommodation to Persons with Disabilities section of this Administrative Plan.

HADC will refuse to approve a particular person as a live-in aide or may withdraw such approval if:

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

### **3.5 MULTIPLE FAMILIES IN THE SAME HOUSEHOLD**

When families consisting of two families living together (e.g. a mother and father, and a daughter with her own husband or children), apply as a family unit, they will be treated as a family unit.

### **3.6 JOINT CUSTODY OF CHILDREN**

Children who are subject to a joint custody agreement but live with one parent at least 51 percent (51 percent) of the time will generally be considered members of that household. "51 percent of the time" is defined as 183 days of the year, which do not have to run consecutively. However, when both parents are on the Waiting List and both are trying to claim a school-age child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent. There will be a self-certification required of families who claim joint custody or temporary guardianship.

### **3.7 CARETAKER FOR CHILDREN**

If neither the head, co-head or spouse remains in the household with dependent children and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children, HADC will treat the caretaker as a guest for the first 90 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 after the first 90 days and the agency or the Court cannot provide a reasonable estimate of time concerning custody of the children, the rental assistance to the unit will be terminated.

When HADC approves a person to reside in the unit as caretaker for the child/children, HADC will work with the appropriate service agencies and the landlord to provide a smooth transition.

### **3.8 ABSENT FAMILY MEMBERS**

Reporting changes in household composition is both a HUD and a HADC requirement. If a family member leaves the household, the family must report this change to HADC, in writing, within 10 days of the change and certify as to whether the member is temporarily absent or permanently absent. HADC will conduct an interim evaluation for changes that affect the Total Tenant Payment in accordance with the interim policy.

Individuals may be absent from the unit, either temporarily or permanently, for a variety of reasons including educational activities, placement in foster care, employment, illness, court order, incarceration, and death. The following describes HADC's policies on temporary versus permanent absences:

#### **Temporary Absence**

Generally, an individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be a family member.

#### **Permanent Absence**

An individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and is no longer a family member. Exceptions to this policy include the following:

1. **Absent Students** – When a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to HADC indicating that the student has established a separate household or the family declares that the student has established a separate household.
2. **Absences 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, HADC 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 90 days from the date of removal of the child/children, the voucher size will be reduced.

3. **Absent Head, Spouse or Co-head due to Employment** – An employed head, spouse, or co-head absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.
4. **Family Members Permanently Confined for Medical Reasons** - If a person is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member. If the person is the Head of Household, and there is no Spouse, the assistance will be terminated. If there is a spouse, the assistance will be transferred to the spouse as the remaining member of the household. If there are dependent children, see policy on Caretaker for Children. HADC will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent.
5. **Death of Head of Household.** Families that experience the death of the Head of Household while applying for assistance or receiving assistance under the HCV program must contact HADC within ten days. HADC will assess on a case-by-case basis to determine if the family remains eligible for assistance or, in the case of participants, which family members remain assisted under the program. HADC may require verification such as a death certificate, coroner's report or other reliable source to substantiate this type of claim. Also, in instances where the head of household dies leaving minor children, an adult that has custody of the children may be eligible to become the new head of household and will be subject to all HADC eligibility and admission requirements.
6. **Family Member Affected by Court Order.** If a member of the household is subject to a court order that restricts him/her from the home for more than 30 consecutive days in a 12 month period, the person will be considered permanently absent.

In the case of permanent absence of a family member, the voucher size will be reduced in accordance with HADC's subsidy standards. Also, if the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with HADC's "Family Absence from the Unit" policy.

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

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

### **3.9 ABSENCE DUE TO INCARCERATION**

If a sole member or members of the household is absent from the household due to incarceration for violent or drug-related criminal activity assistance, the family is subject to termination (See chapter on Denial or Termination of Assistance). Also, in cases where the incarceration is for non-violent or non-drug related criminal activity but is for 60 consecutive days or more, assistance will be terminated. Once assistance is terminated, a family must reapply for the program. HADC will require the family member to provide information relating to their incarceration. Requested information may include but not be limited to police reports, warrants, incident reports and any other information pertinent to the cause for incarceration.

### **3.10 FAMILY ABSENCE FROM THE UNIT**

Families are required both to notify HADC before they move out of a unit and to give HADC information about any family absence from the unit. "Family Absence" means that no family member is residing in the unit. Families must notify HADC at least 10 days before leaving the unit or no less than 14 days after leaving the unit if they are going to be absent from the unit for more than 30 consecutive days.

An entire family may not be absent from the assisted unit for a period of more than 180 total days per year in any circumstance and for any reason. After 90 consecutive days of absence, assistance to the family will terminate unless the family presents proof of intent to return to the unit within 180 days of the initial departure, and documents that no alternate residence is being maintained. Absences of 90 days or more accompanied by a failure to pay rent or utilities for the whole duration of the absence may result in termination.

In instances where the family has moved out of the unit, HADC will terminate assistance in accordance with appropriate termination procedures contained in this Plan. If the absence which resulted in termination of assistance was due to a person's disability, and HADC can verify that the person was unable to notify HADC in accordance with the family's responsibilities, and if funding is available, HADC may reinstate the family as an accommodation if requested by the family within 180 days.

### **3.11 ADDITION OF A NEW HOUSEHOLD MEMBER**

Reporting changes in household composition to HADC is both a HUD and a HADC requirement. The family obligations require the family to request HADC approval to add any other family member as an occupant of the unit and to inform HADC of the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members in writing within 10 days of the move-in date. Failing to do so will cause the additional occupant to be considered an unauthorized person and the family rental assistance is subject to termination.

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

When a participant family requests to add a new member to the family must disclose the assigned Social Security Number (SSN) to HADC at the time of such request, or at the time of processing the interim or annual reexamination of family income and/or composition. If the family is unable to provide the required documentation of the SSN, HADC may not add the new household member until the family provides such documentation.

When a family requests to add a child as a new household member and the child does not have an assigned SSN, the participant family must obtain a SSN and provide to HADC within 90 calendar days of the child being added to the household. If the family is unable to disclose and provide evidence of the SSN within 90 calendar days, HADC will grant the family an additional 90-day period to comply with the SSN disclosure and documentation requirement. If HADC determines the family was unable to comply with the requirements due to unforeseen circumstances the child is to be included as part of the assisted household and entitled to all the benefits of being a household member during the allotted time for the family to comply with the SSN disclosure and documentation requirement. HADC may generate an alternate identification number to identify the child until a SSN is obtained. Upon expiration of the provided time period, if the family has not complied with the SSN disclosure and documentation requirement, HADC must terminate the entire family's tenancy.

### **3.12 VISITORS/GUEST**

Participants are subject to lease terms and conditions related to the timeframe that visitors or guests are allowed to remain in the unit. HADC considers any person, adult or child, not included on the HUD 50058 who has been in the unit for 30 days or less a visitor/guest. If the visitor/guest is in the unit for more than 30 consecutive days within a 12-month period, without HADC approval, the visitor/guest will be considered an unauthorized household member living in the unit and the family's rental assistance is subject to termination. The burden of proof that the individual is a visitor/guest rests on the family. Statements from the landlord will also be considered in making the determination.

Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to 120 days per year without being considered a member of the household. In a joint custody arrangement, if the minor is in the household less than 180 days per year, the minor will be considered to be an eligible visitor/guest and not a family member.

### **3.13 FAMILY BREAK-UP**

Families who separate while being assisted will be assessed on a case-by-case basis to determine which family members remain assisted under the program. HADC's policy will be that:

- The head, co-head or remaining family member of the household who has full legal custody of any minor children will retain the use of the voucher
- In cases where the head and co-head have joint custody arrangement for minor children, the head of household in which the minor children reside 51 percent of the time will retain use of the voucher unless mutually agreed upon in writing otherwise by the parents or decreed by a court of law

- If a separation is the result of a divorce or separation under a settlement or judicial decree, HADC will follow any court determination of which family members keep the voucher
- In cases where the head of household dies, leaving minor children, an adult that has custody of the children is eligible to become the new head of household and will be subject to all HADC eligibility and admission requirements
- In cases where there are two adult co-heads of household with no minor children, the original head of household will retain the use of the voucher
- In cases where a non-related adult has been added to the household, the original head of household will retain use of the voucher
- In the event that the head of household moves out of the assisted unit or dies, a remaining adult household member (without children) may retain use of the voucher if that adult has been part of the household for at least six months, is in compliance with all program rules and regulations and meets all other program eligibility and continued occupancy requirements
- In the event of death of a sole household member, the voucher cannot be transferred
- In the event of death of a sole household member, who has a live-in aide, the voucher cannot be transferred
- Exceptions to the “remaining family member” requirement will be reviewed by HADC staff on a case-by-case basis
- In order for a minor to continue receiving assistance as a family member, the court has to have awarded emancipated minor status to the minor or HADC has to verify that DFCS and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the minor for an indefinite period of time
- If exceptional circumstances exist concerning the remaining member of a family, a discretionary administrative determination may be made by HADC staff on a case-by-case basis

### **3.14 CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS**

Housing Assistance is available only to individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or noncitizens that have eligible immigration status. For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined and eligibility is determined. No individual or family may be assisted by HADC prior to the affirmative establishment by HADC that the individual or at least one family member is eligible. However, HADC may elect to provide assistance to a family before the verification of the eligibility of the individual or one family member.

HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals and eligible noncitizens the declaration must be signed personally by the head, spouse, co-head, and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status. No declaration is required for live-in aides, foster children, or foster adults.

**Eligible Noncitizens.** In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with HADC's efforts to verify their immigration status.

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

**Ineligible Noncitizens.** Those noncitizens who do not wish to contend their immigration status are required to have their names listed on a non-contending family members listing, signed by the head, spouse, or co-head (regardless of citizenship status), indicating their ineligible immigration status.

**Non-citizen students.** Providing housing assistance to noncitizen students is prohibited (24 CFR 5.522). This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany or follow to join the noncitizen student.

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

**Appeals.** For this eligibility requirement only, the applicant is entitled to a hearing similar to the hearing process established for participants.

### 3.15 SOCIAL SECURITY INFORMATION

#### **Mandatory Social Security Numbers**

In accordance with 24 CFR 5.216, applicants and participants (including each member of the household) are required to disclose his/her assigned SSN, with the exception of the following individuals:

1. Those individuals who do not contend to have eligible immigration status (individuals who may be unlawfully present in the United States). These individuals in most instances would not be eligible for a SSN.
2. A family that consists of a single household member (including a pregnant individual) who does not have eligible immigration status.
3. A mixed family that consists of two or more household members where at least one household member has eligible immigration status and is eligible for prorated assistance in accordance with 24 CFR 5.520.
4. Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid. In this case, HADC may confirm HUD's validation of the participant's SSN by viewing the household's Summary Report or the Identity Verification Report in the EIV system.

5. Existing program participants as of January 31, 2010, who are 62 years of age or older, and had not previously disclosed a valid SSN. This exemption continues even if the individual moves to a new assisted unit.

### **3.16 INDIVIDUALS WITHOUT AN ASSIGNED SSN**

It is not uncommon for certain individuals to not have a Social Security Administration (SSA) assigned SSN. Below is a listing of such individuals, which is not all-inclusive:

1. Newborn children (these individuals will be issued a SSN upon SSA confirmation of birth)
2. Non-citizens lawfully present in the U.S. (these individuals will be issued a SSN upon SSA confirmation of the individual's DHS documentation or confirmation that the individual is required by law to provide a Social Security number to receive general assistance benefits that they already have qualified for)
3. Non-citizens unlawfully present in the U.S. (these individuals cannot be assigned a SSN)

Citizens and lawfully present non-citizens, who state that they have not been assigned a SSN by the SSA, should make such declaration in writing and under penalties of perjury to HADC.

HADC may use the Alternate Identification (Alt ID) generator within the Public and Indian Housing Information Center (PIC) to generate a unique identifier for those individuals who do not have or are unable to disclose a SSN. Once an individual discloses a SSN, HADC will delete the ALT ID, enter the SSN on form HUD-50058, and transmit the form HUD-50058 to HUD within 30 calendar days of receipt of the SSN.

An individual who has never been issued a SSN card or has lost their SSN card, may complete Form SS-5 – Application for a Social Security Card to request an original or replacement SSN card, or change information on his/her SSA record.

#### **SSN Documentation and Verification**

Disclosure of SSN's is considered information subject to the Federal Privacy Act. In accordance with 24 CFR 5.212, the collection, maintenance, use, and dissemination of SSN's, any information derived from SSN's and income information must be conducted, to the extent applicable, in compliance with this Act and all other provisions of federal, state, and local law.

Each member of the household, who is not exempt, must provide HADC documentation of their SSN. The following documentation is acceptable evidence of the social security number:

1. An original SSN card issued by the SSA
2. An original SSA-issued document, which contains the name and SSN of the individual
3. An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual
4. Such other evidence of the SSN as HUD may prescribe

### **Rejection of Documentation:**

HADC may reject documentation of the SSN provided by the applicant or participant for the following reasons:

1. The document is not an original document; or
2. The original document has been altered, mutilated, or not legible; or
3. The document appears to be a forged document (i.e. does not appear to be authentic).

In such instance, HADC will require acceptable documentation of the SSN be re-submitted within a time frame specified by HADC.

### **Retention of SSN Information:**

Once an individual's status is classified as "verified" in HUD's EIV system, HADC will remove and destroy copies of documentation accepted as evidence of social security numbers by no later than the next reexamination. HADC will retain EIV verification in accordance with HUD regulations, PIH Notices and Guidance.

### **Penalties for Failure to Provide Documentation of SSN**

In accordance with 24 CFR 5.218, the following penalties apply for noncompliance with the SSN disclosure and documentation requirements:

HADC must deny the eligibility of assistance for an applicant, or terminate assistance for a family (including each member of the household required to disclose his/her SSN) if a family member does not disclose a SSN and/or provide documentation of such SSN. Persons who have not been issued a social security number must sign a certification that they have never been issued a number. Persons who disclose their social security number but cannot provide verification must sign a certification and provide verification within 90 days. Elderly or disabled persons must provide verification within 120 days.

Applicants without social security cards may provide other acceptable forms of documentation that identify the social security number including: earnings statements or payroll stubs, bank statements, IRS Form 1099, unemployment benefit letters and court records.

## **3.17 SIGNING CONSENT FORMS**

In order to be eligible each member of the family who is at least 18 years of age, and each family head and spouse regardless of age, must sign one or more consent forms for obtaining information required by HADC, including Form HUD-9886 (Authorization for Release of Information/Privacy Act Notice).

### **3.18 VERIFICATION OF ELIGIBILITY BEFORE ADMISSION**

HADC will not provide assistance to families prior to the verification of eligibility for the individual or at least one member of the family (see chapter on Verifications). Information provided by the Applicant family will not be verified until the family is selected from the waiting list for final eligibility processing as described in the chapter on "Waiting List, Applications and Participant Selection." Reasons for denial of admission are addressed in the "Denial or Termination of Assistance" chapter. These reasons for denial constitute additional admission criteria.

### **3.19 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. See "Complaints and Appeals" chapter for additional information about reviews and hearings.

## **4.0**

# **CHAPTER 4**

## **WAITING LIST, APPLICATIONS, AND PARTICIPANT SELECTION**

*(24 CFR Part 982 Subpart E)*

It is the policy of HADC to ensure that all families expressing an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes policies related to the initial application for assistance, placement on the waiting list, and participant selection.

### **4.1 WAITING LIST**

The HADC will maintain a waiting list for its HCV tenant-based assistance separate from its public housing program waiting list. However, if the HCV waiting list is open at the time the applicant family applies for HADC's public housing, HADC will make the applicant family aware. Applicants will be selected from HADC's HCV waiting list in accordance with policies outlined in this Administrative Plan.

Additionally, HADC will maintain a separate waiting List for Project Based Rental Assistance (PBRA). See chapter on PBRA for more information.

### **4.2 FAMILY OUTREACH**

When HADC's waiting list is open, HADC will publicize and disseminate information to the public to make known the availability of housing assistance and related services for eligible families. HADC will publicize the availability and nature of housing assistance in a newspaper of general circulation, minority media and/or distribute information to community service agencies and service providers, utilize public service announcements, and by other suitable means and alternative approaches to facilitate maximum exposure and accessibility to apply.

Because HUD requires a specified percentage of extremely low income families to be served, HADC may conduct targeted outreach to ensure that an adequate number of such families apply for assistance.

### **4.3 OPENING AND CLOSING THE WAITING LIST**

When HADC opens the waiting list, HADC will advertise at a minimum through appropriate public notice in newspapers, including minority publications. The notice(s) will comply with all HUD fair housing requirements and will specify who may apply and where and when applications will be received. The notices will be made available in an accessible format if requested. See Chapter 2 which provides a discussion on HADC's policies related to providing reasonable accommodations for persons with disabilities and limited English proficiency.

Closing HADC's waiting list will be announced via public notice. The public notice will state the date the waiting list will be closed. The public notice will be published in local newspapers of general circulation and also by any available minority media. HADC can, at its discretion, announce the opening and closing of the waiting list. Where HADC has particular preferences or funding criteria that require a specific category of family, HADC may elect to continue to accept applications from these applications while closing the waiting list to others.

#### **4.4 REPORTING CHANGES WHILE ON WAITING LIST**

Applicants are required to inform HADC in writing of changes in information provided, including contact information, mailing address and telephone number. Also, applicants are required to respond to requests from HADC to update information on their pre-application and to determine their continued interest in the HCV program. All updates and/or changes are to be made in writing and hand delivered or mailed to the HADC's Central Office.

#### **4.5 INELIGIBILITY/REMOVAL FROM THE WAITING LIST**

If at any time HADC determines from the information provided that a family is ineligible, or an applicant family is on the waiting list and HADC determines that the family is no longer eligible for assistance, the family will be removed from the waiting list. In such instances, a notice will be sent to the family's address of record as well as to any alternate address provided on the pre-application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal review regarding HADC's decision.

#### **4.6 OTHER HOUSING ASSISTANCE**

HADC may not take any of the following actions because an applicant has applied for, received, or refused other housing assistance:

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

Other housing assistance means a federal, State or local housing subsidy, as determined by HUD, including public housing. However, HADC may remove the applicant from the waiting list for participant-based assistance if HADC has offered the applicant assistance under the voucher program.

#### **4.7 PRE-APPLICATION**

When the waiting list is open for any one of HADC's programs, the first step in the application process is the completion of a pre-application. As part of the pre-application, HADC gathers information to make a preliminary assessment of the family's eligibility for placement on the waiting list. Once the assessment has been made, the applicant family will be placed on the waiting list and will be provided a date stamped copy of the pre-application as written notification of preliminary eligibility. The date stamp on the pre-application acknowledges receipt of their pre-application and establishes the placement order of the family on the waiting list. It should be noted that duplicate pre-applications, including applications from a segment of an applicant household, will not be accepted.

Pre-applications will not require an interview and placement on the waiting list does not indicate the family is eligible for assistance. The information on the pre-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 complete.

HADC will accept pre-applications from eligible families unless there is good cause for not accepting the application, such as denial of assistance because of action or inaction by members of the family for the grounds stated in the "Denial or Termination of Assistance" chapter of this Administrative Plan. If the family is determined to be ineligible based on the information provided in the pre-application, HADC will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s), and inform them of their right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation. See "Complaints and Appeals" chapter.

#### **Limits on Who May Apply**

When the waiting list is open any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete a pre-application. Depending upon the composition of the waiting list with regard to family types and preferences and to better serve the needs of the community, HADC may only accept pre-applications from families claiming preference(s). See Chapter on Local Preferences and Special Admissions for more information on preferences.

#### **4.8 SELECTION FROM WAITING LIST**

As vouchers become available, families will be selected from the waiting list in accordance with policies in this chapter and the Chapter on Preferences and Special Admissions. These selected families will form a final "eligibility pool." Selection from the pool will be based on completion of the full application and verification. When there is insufficient funds to subsidize a family at the top of the list, HADC will not select any other applicant until funding is available for the first applicant. 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 and prior to completing the full application. The qualification for preference must exist at the time the preference is claimed and at the time of verification, since claim of a preference determines placement on the waiting list. If the applicant cannot verify their preference, the applicant will be returned to the waiting list based on the date and time of the pre-application without a preference.

#### **4.9 COMPLETION OF A FULL APPLICATION**

The second phase is the full application process which determines final eligibility for admission to the HCV program and issuance of a voucher. The full application takes place when the family reaches the top of the waiting list and is selected. The full application is completed during a "Full Application Interview" scheduled by HADC. Assistance in completing the application is provided to persons with disabilities who make a request for accommodation. During the Full Application Interview, HADC ensures that verification of all HUD and HADC eligibility factors are current and in order to determine the family's eligibility for issuance of a voucher. HADC staff will review the information on the full application form and will then interview the applicant. The applicant will sign and certify that all information is complete and accurate.

Failure to provide information or to respond to mailings or requests for information by HADC will result in the applicant being removed from the waiting list.

#### **4.10 SUPPLEMENTAL INFORMATION TO APPLICATION FOR ASSISTANCE REGARDING IDENTIFICATION OF FAMILY MEMBER, FRIEND OR OTHER PERSON OR ORGANIZATION SUPPORTIVE OF A PARTICIPANT FOR OCCUPANCY IN HUD ASSISTED HOUSING**

Applicants will be provided the opportunity to complete the information on form HUD-92006, Supplement to Application for Federally Assisted Housing. The form gives applicants the option to identify an individual or organization that the Owners and Management Agents (O/A) or HADC may contact and the reason(s) the individual or organization may be contacted. The applicants, if they choose to provide the additional contact information, must sign and date the form.

Applicants who are currently on the O/As or HADC's waiting list and who have not been provided the opportunity to complete form HUD-92006, Supplement to Application for Federally Assisted Housing, must be provided the opportunity at the time of admission. O/As and HADC cannot require any individual or family applying for occupancy to provide the contact information as providing contact information is optional on the part of the individual or family.

Those applicants who choose not to provide the contact information should check the box indicating that they "choose not to provide the contact information" and sign and date the form. O/As and HADC should provide applicants the opportunity at time of admission to update, remove or change contact information provided at the time of application, particularly if a long period of time has elapsed between the time of application and actual admission to the program. If the applicant chooses to have more than one contact person or organization, the applicant must make clear to the O/A or HADC the reason each person or organization may be contacted. The O/A or HADC should accommodate the applicant by allowing the applicant to complete a form HUD-92006 for each contact and indicating the reason the O/A or HADC may contact the individual or organization. For example, the applicant may choose to have a relative as a contact for emergency purposes and an advocacy organization for assistance for tenancy purposes.

#### **4.11 REQUIREMENT TO ATTEND INTERVIEW**

HADC utilizes the Full Application Interview to discuss the family's circumstances in greater detail and to clarify and ensure completeness of information provided by the family. The interview is also used to meet the informational needs of the family about the application and verification process and to advise the family of other HADC services or programs, which may be available.

The family (which includes the head(s) of household and all other adult family members) are required to attend the interview and sign the housing application. Exceptions may be made for students attending school out of state. If the head(s) of household or any adult family member is not present for the Full Application Interview, the interview will not be conducted. It is the responsibility of the applicant family to contact HADC to reschedule the

appointment. A family who fails to appear and wants to reschedule a missed appointment must make the request to reschedule no later than five (5) days from the original appointment date. The request must be made to the staff person who scheduled the appointment.

If the applicant family misses the second appointment due to a medical or family emergency that required the direct involvement of the applicant family's head(s) of household, or other adult family member and can provide written proof, HADC will afford the applicant family one additional opportunity to attend the Full Application Interview and complete the formal application. This proof must be provided within three (3) days after the missed appointment. In any case where the family misses an appointment without prior approval and/or without being rescheduled as specified in this section, HADC will reject the application and the applicant family will be required to reapply. The applicant family will be notified in writing of denial of their application for failure to appear and offered an opportunity to request an informal review. (See chapter on Complaints, Hearings and Appeals)

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

All adult members must sign the HUD Form 9886, the application form, the declarations and consents related to citizenship/immigration status and all other supplemental forms and documents required by HUD and/or HADC. Applicants will also be required to sign specific verification forms for information, which is not covered by the HUD form 9886. Failure to sign necessary certifications and releases as required by HADC will cause for denial of the application.

If HADC determines during or after the interview that additional information or document(s) are needed, HADC will request the document(s) or information in writing. The family will be given ten (10) days to supply the information. If the information is not supplied in this time period, HADC will provide the family a notification of denial for assistance. (See "Complaints and Appeals" chapter)

#### **4.12 OTHER ADMISSIONS CRITERIA**

HADC will use other admissions criteria and policies as described throughout this Administrative Plan to determine a family's ability to participate in the program. This includes information found in the chapters on Eligibility, Verification and Denial or Termination of Assistance.

#### **4.13 PROHIBITED ADMISSIONS CRITERIA**

Admission to the program may not be based on:

- A. Where a family lives prior to admission to the program.
- B. Where the family will live with assistance under the program.

- C. Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock.
- D. Discrimination because a family includes children.
- E. Whether a family decides to participate in a family self-sufficiency program; or
- F. Other reasons as covered in the "Fair Housing and Equal Opportunity" chapter.

#### **4.14 VERIFICATION**

Information provided by the applicant will be verified by HADC to include, but not limited to, eligibility factors such as family composition, citizenship/immigration, social security, income and full-time student status, allowances and deductions, assets, rent calculation factors, and other information requiring verification (See chapter on Verification for additional information). Verified information may not be more than sixty (60) days old at the time of issuance of the Voucher.

#### **4.15 SPLIT HOUSEHOLDS PRIOR TO VOUCHER ISSUANCE**

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

- A. Which family member applied as head of household.
- B. Which family member has legal custody the children or any disabled or elderly members.
- C. The circumstances that existed when separated.
- D. Restrictions that were in place at the time the family applied.
- E. Role of domestic violence in the split.
- F. Information and/or recommendations of social service agencies or qualified professionals such as children's welfare agency that has knowledge of the situation.
- G. Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by HADC.
- H. In cases where domestic violence played a role, the standard used for verification will be the same, as that required for the "domestic violence" preference.
- I. HADC will require evidence that the family has been displaced as a result of fleeing violence in the home. Families are also eligible for this preference if there is proof that the family is currently living in a situation where they are being subjected to or victimized by violence in the home (See "Establishing Preferences and Maintaining the Waiting List" chapter).

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

After the verification process is complete, HADC will make a final determination of eligibility. If the family is determined to be eligible, HADC will mail a notification of eligibility. A briefing will be scheduled for the issuance of a voucher and the family's orientation to the HCV program. If HADC determines a family is ineligible a written

notification of ineligibility will be sent within 10 business day of the determination. The notification will specify the reasons for ineligibility, and will inform the family of its right to request an informal review.

If a family fails to qualify for any criteria that affected the order in which the family was selected from the waiting list (e.g. extremely low-income), the family will be returned to its original position on the waiting list. HADC will notify the family in writing that it has returned to the waiting list, and will specify the reasons for it.

## 5.0

# CHAPTER 5 SPECIAL ADMISSIONS AND LOCAL PREFERENCES

*(24 CFR Part 982 Subpart E)*

It is HADC's objective to ensure that families are placed in the proper order on the waiting list and selected in accordance with the policies in this Administrative Plan. This chapter covers policies related to special admissions, preferences and income targeting requirements in which families may qualify and HADC utilizes in selecting families for assistance.

## 5.1 SPECIAL ADMISSIONS/PROGRAMS

If HUD awards HADC program funding that is targeted for a special purpose or specified category of family, HADC will admit these families under its Special Admissions Policy. Special Admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list. HADC maintains separate records of these admissions.

HADC may limit the number of applicants for Special Admissions by an amount not to exceed 10 percent of its total allocation (minus its allocation for special funded units).

The following are examples of types of special program funding that may be designated by HUD for specified categories of families and subject to the Special Admissions Policy:

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

## 5.2 LOCAL PREFERENCES

Consistent with HADC's Agency Plan and local housing needs, HADC may select applicant families (residing in DeKalb County) based on the preferences in the order listed as follows:

**A. Involuntary Displacement by Government Action**

This category applies to families that have been involuntarily displaced and not living in standard, permanent replacement housing, or will be involuntarily displaced within no more than six months from the date of verification. The displacement has to be due to an activity carried out by an agency of the United States or by any State or local government in connection with a public improvement or development program within DeKalb County, or to a disaster declared by an agency of the United States or local code enforcement activity in connection with the condemnation of a unit due to substandard housing conditions.

HADC considers a family to be involuntarily displaced if they are required to vacate housing as a result of:

- A disaster (fire, flood, earthquake, etc.) that has caused the unit to be determined uninhabitable by the local code enforcement. The family must provide HADC with the condemnation notice for verification purposes.
- Federal, state or local government action related to code enforcement, public improvement or development.

Standard, permanent replacement housing is defined as housing that is decent, safe and sanitary according to HADC's Housing Quality Standards (HQS) and local housing code. Standard permanent housing must also be adequate for the family size according to HQS and local code that the family is occupying pursuant to a written or oral lease or occupancy agreement.

Standard, permanent replacement housing does not include transient facilities, hotels, motels, temporary shelters, and (in the case of Victims of Domestic Violence) housing occupied by the individual who engages in such violence. It does not include any individual imprisoned or detained pursuant to State Law or an Act of Congress. Shared housing with family or friends is not considered temporary and is considered standard replacement housing.

**B. Elderly and Persons with Disabilities Who are DeKalb County Residents and Are Paying More than 50% of Income for Rent and Utilities:**

This category covers elderly or persons with disabilities paying more than 50% of income for rent and utilities, to include payment for rent or amortized purchase price of a manufactured home, plus the cost of HADC's reasonable estimate of participant-purchased utilities (except telephone and other housing services that are normally included in rent).

HADC requires written documentation such as leases, rent receipts, copies of utility bills (must be in applicant family's name) showing that the applicant family is paying more than 50 percent of income for rent and utilities; and written notices and verification from landlords, owners, owner/agents,

governmental agencies, etc. that the Applicant family is about to be involuntarily displaced. This documentation is required at the time of HADC's application interview.

**C. Working Families, Elderly Families and Disabled Families with Local Residence of DeKalb County.**

Families who are DeKalb County residents paying over 50% of their income for rent or who live in substandard housing.

**D. Working Families, Elderly Families and Disabled Families Who Are Non-DeKalb County Residents.**

Families who are not DeKalb County residents paying over 50% of their income for rent or who live in substandard housing.

**E. Special Housing Programs (Set Aside)**

HADC reserves this category in the event of funding availability for a specially designated population of applicants not otherwise described herein.

### **5.3 TARGETED FUNDING PROGRAMS**

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 on the waiting list. HADC may have the following targeted funding programs:

**Family Unification Program (FUP)**

This category applies to families that are referred to HADC from the Department of Family and Children Services (DFCS) that have been certified by DFCS eligible to participate in this specially funded program.

**HUD-VASH (Veterans Affairs Supportive Housing) Program**

This category applies to disabled Veterans that are referred to HADC from the Veterans' Administration (VA) who are homeless veterans with severe psychiatric or substance abuse disorders.

**Mainstream Program Vouchers**

Mainstream Program Vouchers enable families having a person with disabilities to lease affordable private housing of their choice. Mainstream program vouchers also assist persons with disabilities who often face difficulties in locating suitable and accessible housing on the private market.

**State Vo-Rehab Accessible Housing**

This category is for persons with mobility impairments who are enrolled in the Georgia Vocational Rehabilitation Program and require a barrier-free or otherwise accessible unit.

**Homeless Program**

This category is for persons with disabilities who are or will be enrolled in an approved Program aimed at increasing their economic self-sufficiency or their ability to live independently. Referrals are accepted from agencies that serve the homeless.

**Lithonia Housing Authority Units (Set Aside)**

This category is for persons who have been determined eligible and who currently reside in the City of Lithonia and/or contiguous areas who have expressed the desire to reside in a rental unit owned by the Housing authority of the City of Lithonia, Georgia.

**Non-Working Families who are Local Residents of DeKalb County**

**Non-Working Families who are Non-Resident of DeKalb County**

**5.4 INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION**

An applicant's certification that they qualify for a preference will be accepted without verification at the pre-application. However, when the full application for admission is taken, the applicant family will be required to submit proof that the preference they claimed on their Pre-Application still exists. If the applicant cannot verify the preference claimed, the applicant family will be returned to the waiting list in the position that he/she should have been placed without the preference.

The applicant family will be afforded the right to an informal review, as discussed in the chapter on Complaints, Hearings and Appeals, based on any adverse action by HADC.

## 5.5 REPORTING CHANGES IN FAMILY CIRCUMSTANCES

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

If an applicant claims an additional preference while on the waiting list, they will be placed on the waiting list in the appropriate order determined by the newly claimed preference. The exception to this is, if at the time the family applies, 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.

## 5.6 INELIGIBILITY FOR PREFERENCES

An applicant will not be granted any local preference if any member of the family has been evicted from housing assisted under a 1937 Housing Act program during the past five years due to drug-related criminal activity. The HADC may grant an exception to the family if:

- 1) The responsible member has successfully completed a rehabilitation program.
- 2) The evicted person clearly did not participate in or know about the drug related activity.
- 3) The evicted person no longer participates in any drug related criminal activity.

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

## 5.7 INCOME TARGETING

HUD requires that extremely low-income families make up at least 75 percent of the families admitted to the HCV program during the fiscal year. An "extremely low income family" is a family whose income does not exceed 30 percent of the median income for the area, adjusted for family size. HADC will meet this requirement when determining family eligibility during admissions, except in instances where HADC has made all the required efforts, but is unable to attract an adequate number of extremely low-income families.

Families living in eligible low-income housing that are displaced as a result of prepayment of a mortgage or voluntary termination of a mortgage insurance contract and those continuously assisted under the 1937 Housing Act are not subject to the 75 percent restriction.

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, the family will be returned to the waiting list.

## **5.8 ORDER OF SELECTION**

The date and time of application will be utilized to determine the sequence within the aforementioned Local Preferences. All families in preference A will be offered housing before any families in preference B, families in preference B will be offered housing before any families in preference C, and so forth.

Notwithstanding the above, if necessary to meet the statutory requirement that 75 percent of newly admitted families in any fiscal year be families who are extremely low-income (unless a different target is agreed to by HUD), HADC retains the right to skip higher income families on the waiting to reach extremely low-income families. This measure will only be taken if it appears the goal will not otherwise be met.

## **5.9 PREFERENCE DENIAL**

If HADC denies a preference, HADC will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for an informal review. If the preference denial is upheld as a result of the review, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference.

## **5.10 REMOVAL FROM WAITING LIST AND PURGING**

The waiting list will be updated and purged at least annually starting with the oldest year of applications on the list at the time of the purge, unless a different order of purge is determined by HADC. All active applicants for that year will be mailed a Statement of Continued Interest "Interest Letter" to the last known address, on file, at the time of the purge. Applicants will be given a specific time in which to respond. An extension of ten (10) days to respond will be granted, if requested, and needed as a reasonable accommodation request for a person with a disability.

Interest Letters received after the deadline date will be considered, provided that the letter is postmarked prior to the deadline date. If an applicant fails to respond by the specified date, the applicant family's pre-application will be dead filed and a new Pre-Application will be required for future consideration.

The only manner in which an applicant family may be returned to the waiting list is through the applicant showing proof that he/she complied with the requirements to keep their application updated, or that the applicant family was dead filed in error by HADC. If the applicant did not respond to HADC's request for information at update due to a family member's or head of household's disability, HADC will reinstate the applicant to his/her former position.

In the event of any adverse decision on the part of HADC, the applicant family will be afforded an informal review in accordance with the chapter on Complaints, Hearings and Appeals.

## 6.0

# CHAPTER 6 VERIFICATION

*(24 CFR Part 982 Subpart K and L; 24 CFR Part 5 Subpart B and E)*

This chapter explains HADC's policies and standards for verification of information used to establish the family's eligibility and level of assistance during interim and annual reexaminations. Families must cooperate with the verification process as a condition of receiving assistance. HADC will not pass on the cost of verification to the family.

### 6.1 FAMILY CONSENT TO RELEASE INFORMATION

Applicants and program participants must provide true and complete information to HADC whenever information is requested and must consent to HADC verification of that information.

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

### 6.2 PENALTIES FOR FAILING TO CONSENT

If any family member who is required to sign a consent form fails to do so, HADC will deny admission to applicants and terminate assistance of participants. The family may request an informal review (applicants) or informal hearing (participants) in accordance with HADC policy and procedures.

### 6.3 METHODS OF VERIFICATION AND TIME ALLOWED

HADC will verify information through the six methods of verification acceptable to HUD in the following order:

1. Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system
2. UIV using a non-HUD systems
3. Written Third-party Verification (may be provided by applicant or participant)
4. Written Third-party Verification Form
5. Oral Third-party Verification
6. Self-Certification

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth. For applicants, verifications may not be more than 60 days old at the time of Voucher issuance. For participants, they are valid for 120 days from date of receipt.

#### **6.4 UP-FRONT INCOME VERIFICATION USING THE ENTERPRISE INCOME VERIFICATION SYSTEM**

HUD's EIV system contains data showing earned income, unemployment benefits, social security benefits, and SSI benefits for participant families. HADC will generate reports as part of the annual reexamination process. Income reports may also be used to meet the regulatory requirement for third-party verification.

#### **6.5 UP-FRONT INCOME VERIFICATION USING NON-HUD SYSTEMS**

HADC will inform all applicants and participants of its use of UIV resources during the admission and reexamination process which includes, but is not limited to, information from the Department of Labor (DOL), Social Security Administration (SSA) and Child Support Enforcement.

#### **6.6 THIRD-PARTY WRITTEN VERIFICATION**

Third-party written verification is used to verify information directly with the source. Written third-party verification documents must be original and authentic and may be supplied by the family or received from a third-party source. Examples of acceptable participant-provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts and unemployment monetary benefit notices. Verifications received electronically directly from the source are considered third-party written verifications.

HADC will accept verifications in the form of computerized printouts delivered by the family from the following agencies:

- Social Security Administration
- Veterans Administration
- Welfare Assistance (Family and Children Services)
- Child Support Enforcement
- Unemployment Compensation Office
- City or County Courts
- Police Department
- E-mail or Facsimile Transmission directly from the third-party to HADC

If there is a question as to the authenticity of the document presented, HADC reserves the right to call the third-party source for verification of the document submitted.

Hand-carried documentation will be accepted if HADC has been unable to obtain third party verification in a four (4) week period of time. Photocopies of the documents provided by the family will be maintained in the file. If HADC is unable to obtain third-party written verification, reasons for failure to obtain shall be documented in the applicant's or participant's file.

### **6.7 THIRD-PARTY ORAL VERIFICATION**

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, HADC is required to initiate a call to the third-party and complete a telephone verification form. If oral third party verification is not available, HADC will compare information to any documents provided by the family.

### **6.8 SELF-CERTIFICATION**

When verification cannot be made by review of documents or third-party verification, families will be required to submit a self-certification. Self-certification is an applicant or participant declaration attesting to the accuracy of the information provided to HADC. The self-certification must be a notarized statement/affidavit/certification under penalty of perjury and must be witnessed. If third-party verification is received after documents have been accepted as self-certification verification, and there is a discrepancy, HADC will utilize the third-party verification.

### **6.9 COMPUTER MATCHING**

HADC and/or HUD will use computer matching as a means of verifying information with State or local agencies as permitted by law and/or regulations. HADC will utilize the HUD established computer-based Tenant Eligibility Verification System (TEVS) tool for obtaining social security benefits, Supplemental Security Income, benefit history and participant income discrepancy reports from the Social Security Administration. When computer matching results in a discrepancy with information in HADC records, HADC will follow up with the family and the sources used to verify information to resolve the discrepancy. If the family has unreported or underreported income, HADC will follow the policies in this Administrative Plan.

**6.10 VERIFYING FAMILY INFORMATION**

**A. Verification of Legal Identity**

HADC will require families to furnish verification of legal identity for each household member. The documents listed below will be considered acceptable verification of legal identity for adults and minors:

<b>Verification of Legal Identity for Adults</b>	<b>Verification of Legal Identity for Minors</b>
Certificate of Birth, naturalization papers	Certificate of Birth
Church issued baptismal certificate	Adoption papers
Current, valid Driver's license or Department of Motor Vehicles Identification Card	Custody agreement
U.S. military discharge (DD 214)	Health and Human Services ID
U.S. passport	School records
Voter's registration	
Company/agency Identification Card	
Hospital records	

If a document submitted by a family is not legible or otherwise questionable, more than one of these documents may be required. If none of these documents can be provided, HADC, at its discretion, may accept verification from a third party who knows the person.

**B. Verification of Marital Status**

HADC must have the following as proof of marital status:

Marriage: Requires a Marriage Certificate. In the case of a common law marriage, the couple must demonstrate that they hold themselves to be married (e.g. by telling the community they are married, calling each other husband and wife, using the same last name, filing joint income tax returns).

Divorce: Requires a certified copy of the divorce decree, signed by a Court Officer.

Separation: Requires a copy of court-ordered maintenance or other records.

**C. Family Relationships**

Applicants and program participants are required to identify the relationship of each household member to the head of household. Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household is normally sufficient verification of family relationship.

HADC also recognizes as family those persons who are related by kinship or adoption. To verify kinship, a notarized statement must be submitted from a third party who has known the family for a minimum of two (2) years. To verify adoption, the family must submit a copy of the adoption papers, or if in process, a statement from the Child Welfare agency or other agency authorized to handle the adoption.

**D. 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, HADC will consider any of the following as verification:

- ***Divorce*** - A copy of the divorce action instituted by the husband or wife, or a certified copy of a divorce decree.
- ***Separation*** - A copy of the legal separation instituted by the husband or wife, or a copy of a court-ordered maintenance or other court record. If no court document is available, documentation from a community-based agency will be accepted.
- ***Restraining Order*** - Order of protection/restraining order obtained by one family member against another.
- ***Absence of Adult Member*** - Proof of another home address, such as utility bills, canceled checks for rent, drivers' license, or lease or rental agreement, or 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.
- ***Incarceration*** - 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. However, if the incarceration is due to felony criminal activity or drug-related criminal activity, the assistance may be terminated.

If no other proof can be provided, HADC will accept a notarized statement, under penalty of perjury from the family.

**E. Verification of Disability**

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

**F. Verification of Foster Children and Foster Adults**

Third party verification from the state or local government agency responsible for the placement of the individual with the family is required.

**G. Verification of Student Status**

HADC requires families to provide current school records documenting students who are 18 years of age or older and are full-time students.

**H. Verification of Change in Family Composition**

HADC 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 Vehicle records, and other sources.

**6.11 VERIFICATION OF CITIZENSHIP/ELIGIBLE IMMIGRANT STATUS**

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for “mixed families” as discussed in Eligibility chapter. The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen or an ineligible noncitizen and submit the required documents, as follows, for each family member.

**A. U.S Citizens and Nationals**

A declaration must be provided for each family member who claims to be a U.S. citizen or national. HADC may request verification of the declaration by requesting presentation of a birth certificate, U.S. passport or other appropriate documentation.

**B. Eligible Immigrants (noncitizens)**

All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals. Documentation required for eligible noncitizens varies depending on a number of factors. The following summarizes the factors and documents family members must provide:

- All noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to HADC
- Except for persons 62 or older, all noncitizens must sign a verification consent form
- A person 62 years or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport or documents showing receipt of SS old-age benefits

- Noncitizens under 62 years of age that claim eligible immigration status also must present the applicable United States Citizenship and Immigration Services (USCIS) document. Acceptable USCIS documents are listed below:

Form I-551 Alien Registration Receipt Card	Form I-94 Arrival-Departure Record with no annotation accompanied by: <ul style="list-style-type: none"> <li>- A final court decision granting asylum (but only if no appeal is taken)</li> <li>- A letter from USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90)</li> <li>- A court decision granting withholding of deportation; or</li> <li>- A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90)</li> </ul>
Form I-94 Arrival-Departure Record annotated with one of the following: <ul style="list-style-type: none"> <li>- “Admitted as a Refuge Pursuant to Section 207”</li> <li>- Section 208 or “Asylum”</li> <li>- Section 243(h) or “Deportation stayed by Attorney General”</li> <li>- Paroled Pursuant to Section 221(d)(5) of the USCIS”</li> </ul>	
Form I-688 Temporary Resident Card annotated “Section 245A” or Section 210”	Form I-688B Employment Authorization Card annotated “Provision of Law 274a 12(11)” or “Provision of Law 274a.12”.
<ul style="list-style-type: none"> <li>- A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant’s entitlement to the document has been verified; or</li> <li>- Other acceptable evidence as determined by the USCIS announced by notice published in the Federal Register</li> </ul>	

### 6.12 VERIFICATION OF PREFERENCE STATUS

HADC must verify any preference claimed by an applicant.

### 6.13 VERIFICATION OF SOCIAL SECURITY NUMBERS

Social security numbers (SSN) must be provided as a condition of eligibility for each member of the household, with the exception of individuals who do not contend eligible immigration status and existing program participants who were at least 62 years of age as of January 1, 2010 and had not previously disclosed an SSN.

Verification of social security numbers will be done through a social security card issued by the Social Security Administration. If a family member cannot produce a social security card, only the documents listed below showing his or her social security number may be used for verification. The family is also required to certify in writing that one of the following document(s) listed below are submitted in lieu of the social security card and information provided is complete and accurate under penalty of perjury:

- a. A driver's license
- b. Identification card issued by a Federal, State or local agency
- c. Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)
- d. An identification card issued by an employer or trade union
- e. An identification card issued by a medical insurance company
- f. Earnings statements or payroll stubs
- g. Bank Statements
- h. IRS Form 1099 or W-2 Form
- i. Benefit award letters from government agencies/Unemployment Benefit letter
- j. Retirement benefit letter
- k. Life insurance policies
- l. Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records
- m. SSN, Social Security and SSI benefits will be verified through the EIV system.

If an applicant or participant is able to disclose the social security number but cannot meet the documentation requirements, the applicant or participant must sign a certification to that effect provided by HADC. The applicant/participant or family member will have an additional 30 days to provide proof of the social security number. If they fail to provide this documentation, the family's assistance will be denied or terminated.

In the case of an individual at least 62 years of age (excluding those who are existing program participants and meet the exception above), the PHA may grant an extension for an additional 60 days to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's assistance will be terminated. If the elderly family member states they have not been issued a number, the family member will be required to sign a certification to that effect.

#### **6.14 VERIFICATION OF AGE**

HADC accepts a birth certificate or other official record of birth as the preferred form of age verification for all family members. For elderly family members an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

#### **6.15 VERIFICATION OF INCOME**

HADC must verify any assets or income reported by the family. HADC uses the EIV system as the preferred method to verify all published sources of income and benefits. This section supplements the general methods for verification discussed in the first part of this chapter by providing additional HADC policies for verifying various types of income and assets.

**A. Employment Income**

When information cannot be obtained or verified through the EIV system, other acceptable methods of employment income verification include:

- Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings.
- Written statement from employer on company letterhead. Third party oral verification will be used to verify the authenticity of the letter and information contained in it.
- W-2 forms plus signed income tax return forms by the family may be used for verifying self-employment income, or income from tips and other gratuities.

HADC may also require each working household member to have employers complete an employment verification form that requests the following:

- Dates of employment
- Amount and frequency of pay
- Date of the last pay increase
- Likelihood of change of employment status and effective date of any known salary increase during the next 12 months
- Year to date earnings
- Estimated income from overtime, tips, bonus pay expected during next 12 months

Applicants and program participants are required to sign an authorization for release of information from the Internal Revenue Service for further verification of income when there are questions about the validity of information provided by the family.

When the family furnishes HADC with a letter or notice from HUD concerning the amount or verification of income, HADC will verify the accuracy of income information contained in the notice and will, as it deems appropriate, change the amount of Total Tenant Payment, family rent to owner and housing assistance payment, set-up repayment agreement or terminate assistance.

**B. Social Security, Pensions, Supplementary Security Income (SSI), Disability Income**

Acceptable methods of verification for social security, pensions and disability income used by HADC include:

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

**C. Unemployment Compensation**

Acceptable methods of verification for unemployment compensation used by HADC include:

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

**D. TANF Payments or General Assistance**

Acceptable methods of verification for TANF or general assistance include:

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

**E. Alimony or Child Support Payments**

Acceptable methods of verification alimony or child support include:

1. Certified copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules
2. A notarized letter from the person paying the support
3. Computer generated printout from the Office of Child Support Enforcement
4. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received

If alimony or child support payments are irregular or no payments have been made, the family must provide evidence that reasonable efforts have been made to collect amounts due. This includes providing:

1. A copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedule
2. A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement
3. A notarized affidavit from the family, or a record of the payments paid from child support enforcement, indicating the amount(s) received. An average of the amounts paid will be taken and annualized to determine income received from the source
4. A welfare notice of action showing amounts received by the welfare agency for child support, if applicable
5. A written statement from an attorney certifying that collection or enforcement action has been filed, or a statement from a collection entity that has assisted the family in these efforts

If the amount of child support or alimony received is less than the amount awarded by the court, HADC 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. HADC will accept verification that the family is receiving an amount less than the award if:

- HADC 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.

#### **F. Net Income from a Business**

In order to verify net income from a business, HADC will view IRS and financial documents from prior years. Acceptable methods of verification to be provided by business owners and self-employed persons include the following:

1. IRS Form 1040, including:
  - Schedule C (Small Business)
  - Schedule E (Rental Property Income)
  - Schedule F (Farm Income)
  - If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules
2. Audited or unaudited financial statement(s) of the business
3. Credit report or loan application
4. Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the previous six months (or lesser period if not in business for six months) to project income for the coming year. The family will be advised to maintain these documents in the future if they are not available.
5. Family's self-certification as to net income realized from the business during previous years

#### **G. Child Care Business**

If an applicant/participant is operating a licensed day care business, income will be verified using the same requirements stated above. If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), HADC will require that the applicant/participant complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person. If the family has filed a tax return for the "cash and carry" operation, the family will be required to provide it. For participants, if the family member ceases to care for children, the procedure governing interim reexaminations will be followed.

## **H. Recurring Gifts/Contributions/Other Income Support**

For recurring gifts, the family must furnish a self-certification which contains the following information which is used to evaluate the gift/contribution:

- The person who provides the gifts/contributions
- The value of the gifts/contributions
- The regularity (dates) of the gifts/contributions
- The purpose of the gifts/contributions

HADC also requires verification of gifts/contributions. Acceptable forms of verification are: cancelled checks, money order receipts, bank statements, and credit card payment statements and a notarized statement/letter from the source. A notarized letter of payment in cash amounts is not an acceptable form of verification for the purpose of this policy. If the contribution income was received in the form of cash, the source must provide information that demonstrates their financial capacity to contribute to the assisted family household income. HADC may require additional documentation from provider, as needed to verify gifts and contributions.

If a family cannot provide one of the acceptable forms of verification, then the contribution income will not be used to determine the family rental share for the purpose of qualifying for the unit.

## **I. Zero Income Status**

Families claiming to have zero income will be required to execute verification forms to confirm that income such as unemployment benefits, TANF, SSI, etc., are not being received by the household. HADC will also run a credit report if information is received that indicates the family has an unreported income source. Additionally, HADC will verify employment history of the family through the State Department of Labor and will request information from the IRS on previous and current tax years, the Child Welfare agency and the Office of Child Support Enforcement.

Families who claim zero income, may be required to complete a Budget Evaluation and zero income counseling monthly. The Budget Evaluation will take into account contributions received as gifts to the family.

## **J. Income While a Full-Time Student**

Only the first \$480 of the earned income of full-time students, other than head, co-head, or spouse, will be counted towards family income. Financial aid, scholarships and grants received by full-time students are not counted towards family income. Proof of full-time student status must be verified. The following are acceptable forms of verification:

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

Failure to provide proof will result in the loss of the \$480 cap.

## 6.16 VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

### A. Child Care Expenses

To show proof of payments to a child care provider, a written verification is required from the child care provider specifying the child care provider's name, address, telephone number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods. This policy also applies if the child care provider is an individual. The family must also certify as to whether any of the child care payments have been or will be paid or reimbursed by outside sources.

### B. Medical Expenses

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

1. Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency
2. Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family
3. Written confirmation from the SSA of Medicare premiums to be paid by the family over the next 12 months

### C. Attendant Care Assistance

To claim attendant care assistance as a medical expense, a reliable, knowledgeable professional's certification will be required, attesting to the need for care along with the following documentation:

1. 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
2. Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months
3. 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
4. Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. HADC 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

HADC will also require a projection of the number of hours of care required and will use mileage at the standard rate approved by the IRS, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment and to calculate adjustments to income.

**D. Auxiliary Equipment**

In the case of a family who uses auxiliary apparatus, the following criteria will be required as verification:

- Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus
- In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment

In addition, HADC must also verify that the family for whom the expense is incurred is a person with disabilities and that the expense is not reimbursed from another source.

**E. Medical Need a for Larger Unit**

To verify a medical need for a larger unit, a written certification is required from a reliable, knowledgeable medical or social service professional before a voucher for a larger unit will be issued.

## 6.17 VERIFICATION OF ASSETS

**A. Family Assets**

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

Acceptable verification may include any of the following:

1. Verification forms, letters, or documents from a financial institution or broker
2. Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker
3. Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate
4. Real estate tax statements if the approximate current market value can be deduced from assessment
5. Financial statements for business assets
6. Copies of closing documents showing the selling price and the distribution of the sales proceeds
7. Appraisals of personal property held as an investment
8. Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes

**B. Assets Disposed of for Less than Fair Market Value (FMV)**

Assets that have been disposed of for less than FMV during two years preceding the effective date of the initial certification or annual reexamination must be verified as follows:

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

**6.18 INCOME FROM ASSETS**

**A. Savings Account Interest Income and Dividends**

Acceptable methods of verification include, in this order:

1. Account statements, passbooks, certificates of deposit, or HADC verification forms completed by the financial institution
2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification
3. IRS Form 1099 from the financial institution, provided that HADC must adjust the information to project earnings expected for the next 12 months

**B. Interest Income from Mortgages or Similar Arrangements**

Acceptable methods of verification include, in this order:

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

**C. Net Rental Income from Property Owned by Family**

Acceptable methods of verification include, in this order:

1. IRS Form 1040 with Schedule E (Rental Income)
2. Copies of latest rent receipts, leases, or other documentation of rent amounts
4. 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

## 7.0

# CHAPTER 7 BRIEFINGS AND VOUCHER ISSUANCE

*(24 CFR Part 982 Subpart G)*

This chapter describes HADC's policies on the family briefing process and issuance of the voucher. HADC conducts mandatory briefings to ensure the family's knowledge, understanding and obligations in complying with the HCV Program. Upon completion of the briefing, families are issued a voucher to begin their housing search for a quality, affordable unit.

For the briefing process for owners and landlords, see Chapter entitled "Owners".

## 7.1 BRIEFING

When a family is selected from the waiting list (or as a special admission as described in the Special Admission Chapter), or when a participant family wants to move to another unit, HADC will conduct a mandatory briefing. HADC will provide a notice to the family identifying who is required to attend the briefing, as well as the date and time of the scheduled briefing. All briefings will cover at least the following program requirements:

- A description of how the HCV program works
- Family and owner responsibilities
- Where a family may lease a unit, including renting a dwelling unit inside or outside HADC's jurisdiction
- HADC's explanation of how portability works to families who are eligible
- If the family is currently living in a high poverty census tract in HADC's jurisdiction, the briefing will explain the advantages of moving to area that does not have a high concentration of poor families
- Types of eligible housing
- How family rent is calculated and rental shares determined
- Explanation that the family share of rent may not exceed 40 % of the family's monthly adjusted income if the gross rent exceeds the applicable payment standard

## 7.2 BRIEFING TYPES AND REQUIRED ATTENDANCE

### A. Initial Applicant Briefing

An oral briefing will be conducted for applicant families who are eligible for assistance. The purpose of the briefing session is to fully explain the families' rights in selecting an eligible unit for lease and to review the documents contained in the voucher holder's briefing packet concerning the requirements of the Section 8 Program. Briefings will be conducted either in group settings or individually by family, whichever method HADC deems appropriate

Prior to the briefing, the family must attend a scheduled appointment to confirm family composition and income information on their application. At that time, the family will be notified in writing of the date, time and

location of their briefing session. Reasonable accommodation requests from persons with disabilities or families with LEP to attend scheduled appointments or briefings need to be arranged in advance by the family with HADC.

Attendance at the briefing session is mandatory. No voucher will be issued to a family if the head(s) of household and family members 18 years and older do not attend their scheduled briefing and the head(s) of household does not sign the voucher. Families who fail to attend the scheduled briefing, without prior notification and approval from HADC will have their application withdrawn from the waiting list. The family will be notified in writing of said action and afforded an opportunity for an informal review.

Families who provide prior notice of inability to attend a briefing will be scheduled for the next available briefing. Whenever necessary, HADC will also conduct individual briefings upon request by the family, if required as a reasonable accommodation of a special need.

#### **B. Move Briefing**

Families who request or are required to move at the end of their lease term, and have given their Owner/Landlord and HADC a "Intent to Vacate Form" or letter, or have been notified by the Owner/Landlord of their intent not to renew their lease, will be updated and issued a new voucher and may be required to attend a scheduled briefing. HADC may require the family to attend a group briefing or individual briefing.

Incoming and outgoing portable families may be required to attend a briefing before a voucher is issued to the family. If the family's current information is more than 120 days old, the family must first attend a scheduled appointment to update their family composition and income information.

### **7.3 BRIEFING PACKET**

All applicants attending the briefing sessions will receive a packet that includes a number of documents that further explain the HCV program requirements. Briefing packet requirements are stipulated by 24 CFR Part 982.301. HADC may also include other helpful information and material in the briefing packet to assist families in understanding and complying with the HCV program.

### **7.4 FAMILY OBLIGATIONS**

Family Obligations include responsibilities the family is required to fulfill in participating in the HCV program, as well as prohibited actions. HADC will inform families of these obligations during the briefing and the same information will be provided in the briefing packet. When the family's unit is approved and the HAP contract is executed, the family must meet those obligations in order to continue participating in the program. Violation of any family obligation is grounds for denial or termination of assistance. (See Chapter on Denial and Termination of Assistance)

The following includes, but is not limited to, a listing of a participant family's obligations:

- Supply any information that HADC or HUD determines to be necessary in the administration of the program or for the family's participation
- Must provide true and complete information
- Disclose and verify social security numbers and sign and submit consent forms for obtaining information
- Supply any information regarding family income and composition requested by HADC for use in any annual or interim recertification
- Responsible for any Housing Quality Standards (HQS) breach caused by the family
- Allow HADC to inspect the unit at reasonable times and after reasonable notice
- Notify HADC and the owner before the family moves out of the unit or terminates the lease
- Promptly give HADC a copy of any owner eviction notice
- Use the assisted unit for residence by the family and the family's only residence
- Promptly notify HADC of any changes in household income, family composition, if a family member no longer lives in the unit or family absences from the unit, as defined in this Administrative Plan
- Must not commit any serious or repeated violations of the lease
- Must not sublease the unit, assign the lease or transfer the unit
- Must not engage in any corrupt or criminal act, engage in drug-related criminal activity, or engage in drug or alcohol abuse which threatens the health, safety or rights of members of the household or persons residing in the vicinity of the unit
- Must not receive HCV program assistance while receiving another housing subsidy under any other federal, state or local housing assistance program
- Must not threaten or engage in abusive or violent behavior toward HADC personnel.

## **7.5 ISSUANCE OF VOUCHER**

When funding is available, all of the family information has been verified, eligibility has been approved, subsidy calculated, and the applicant family has attended the briefing, HADC will issue the voucher and the family can begin their search for a unit. The voucher represents a contractual agreement between HADC and the family specifying the rights and responsibilities of each party. It does not constitute admission to the HCV program. Families become HCV program participants once the lease and Housing Assistance Payment (HAP) contract become effective.

If HADC determines that there is insufficient funding after a voucher has been issued, HADC may rescind the voucher and place the affected family back on the waiting list.

## **7.6 TERM OF VOUCHER**

Once HADC issues the voucher to the family, it is valid for a period of 120 calendar days from the date of issuance. The family must submit a Request For Tenancy Approval (RFTA) and Lease within the 120-day period unless an extension has been granted by HADC.

## **7.7 VOUCHER EXPIRATION**

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

## **7.8 EXTENSIONS OF VOUCHER TERM**

HADC has the authority to grant extensions of search time, to specify the length of an extension, and to determine the circumstances under which extensions will be granted. A family must provide a written request for an extension of the voucher term. All requests for extensions must be received prior to the expiration date of the voucher. Extensions are permissible at the discretion of HADC up to a maximum of 60 additional days from the expiration date of the initial term unless additional time is approved.

## **7.9 SUSPENSION OF VOUCHER TERM (TOLLING TIME)**

HADC does not suspend the voucher term, also known as “tolling time”. Tolling time means the clock has stopped on the voucher’s term during the suspension period. For example, if a 120-day voucher is suspended for 10 days, the voucher term would be extended to 130 days. HADC’s determination not to toll time is not subject to informal review.

## **7.10 VOUCHER ISSUANCE FOR SPLIT HOUSEHOLDS**

When an applicant family or a participant family splits into two otherwise eligible families, and there is no court determination, at its sole discretion, HADC will make the decision as to which family receives the voucher taking into consideration the following factors:

1. Which family member applied as head of household or was the head of household when the voucher was initially issued (listed on the initial application)
2. Which family member has legal custody of dependent children or any disabled or elderly members
3. The composition of the new family units, and which unit contains elderly or disabled members
4. The circumstances that existed when separated
5. Which family members remains in the unit
6. Restrictions that were in place at the time the family applied
7. Role of domestic violence in the split

8. Information and/or recommendations of social service agencies or qualified professionals such as children's welfare agency that has knowledge of the situation
9. Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by HADC
10. In cases where domestic violence played a role, the standard used for verification will be the same, as that required for the "domestic violence" preference
11. HADC will require evidence that the family has been displaced as a result of fleeing violence in the home. Families are also eligible for this preference if there is proof that the family is currently living in a situation where they are being subjected to or victimized by violence in the home

The above listing is intended to be a guide, but not all inclusive of the factors considered by HADC in making the determination. The requesting party is responsible for providing documentation to support the claim/request to HADC within ten days from the date of the request. If documentation is not provided within the time frame required, HADC will terminate the assistance based on a failure to provide information necessary for issuance of a voucher or recertification.

When the breakup of the family results in a reduction of the size of the voucher, the family will be required to move to a smaller unit if the current Owner/Landlord is unwilling to accept the rent level of the smaller sized voucher.

#### **7.11 VOUCHER RETENTION FOR REMAINING MEMBER(S) OF PARTICIPANT FAMILY**

In the event the head(s) of household is no longer a member of the family, as a result of (1) Death of the head of household; (2) Divorce; (3) Nursing home admissions or long-term care hospitalization the assistance will transfer to the responsible adult who remains in the household. A request to transfer the voucher from the head of household to the remaining adult family member is not automatic and requires prior written approval from HADC.

To qualify as the remaining member of the participant family, the responsible adult must have been an approved member of the household, and on the lease, at the time. When only minors are left in the family, they will not be considered as the remaining member of the family and will not be allowed to retain the assistance. However, where an adult has custody of the minor children and is eligible to become the new head of household, the adult will be subject to all HADC eligibility and admission requirements.

In the case of divorce, HADC will be bound by any court ordered decree of custody of minor children. Also, live-in attendants, by definition, are not a member of the family and are not considered as a remaining member of the family.

Any changes in the family composition of the household may require a reduction in the voucher size and the participant family must agree to accept the reduction. If the reduction necessitates a move, then the participant family will be required to move at the end of the lease term of the existing unit. If the family is not within the first year of the lease, the family will be required to move, after giving a 30-day notice to the landlord.

### **7.12 VOLUNTARY TERMINATION OF VOUCHER**

The family may voluntarily relinquish their voucher at any time per the request of the head of household. In such cases, HADC will provide the landlord/owner a 30-day notice indicating HADC rental assistance will terminate based on the family's request. The family will be fully liable for the full contract rent after the end of the 30 days. HADC will not reissue a voucher to a family once a request for voluntary termination has been received. If the family needs assistance at a later date, they must re-apply (this does not apply to families at zero HAP and the six month rule).

HADC will not reissue a voucher to a family if a family voluntarily relinquishes their HCV in lieu of facing program termination that may be owed to HADC as a result of program fraud, misrepresentation, or other breach of program regulations.

### **7.13 HOUSING SEARCH OUTSIDE OF AREAS OF MINORITY OR LOW-INCOME CONCENTRATION**

Families are encouraged to search for housing outside of areas of minority or low-income concentration.

## 8.0

# CHAPTER 8 SUBSIDY STANDARDS

*(24 CFR Part 982 Subpart I)*

This chapter explains the subsidy standards that are used to determine the voucher size (family unit size) when families are selected from the waiting list, when there are changes in family's size, or when a family selects a unit size that is different from the voucher. This chapter also addresses HADC's payment standard which is the maximum monthly assistance payment for a family assisted in the HCV program.

## 8.1 DETERMINING VOUCHER SIZE

HADC's subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines. The voucher size is determined prior to the briefing by comparing the family composition to HADC subsidy standards. For the purpose of determining the amount of assistance in which a family is eligible, the following assignments are made based upon the family members listed on the application:

- The Head of Household and his/her spouse (unless medical reasons dictate otherwise) are assigned to one (1) bedroom. No more than two persons may share a bedroom or living/sleeping area
- One bedroom will be assigned for every two family members regardless of age and/or sex
- Every family member is to be counted as a person
- Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family
- Foster children are included in determining unit size
- A single pregnant woman with no other family members must be treated as a two-person family
- Single person families shall be allocated one bedroom

## 8.2 EXCEPTIONS TO VOUCHER SIZE

HADC may grant exceptions from the subsidy standards used in determining the voucher size, if the family requests and HADC 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 due to:

- Verified medical or health reasons
- Elderly persons or persons with disabilities who may require a live-in attendant
- Addition to the Household due to birth, adoption, marriage or court awarded custody (Temporary or Permanent)

HADC will not issue a larger voucher due to additions of family members other than by birth, adoption, marriage, or court-awarded custody. Also, requests based on health related reasons must be verified by a doctor, medical professional or social service professional.

### 8.3 ERROR IN VOUCHER SIZE

If an error in the voucher size is made on the part of HADC, the applicant family will be issued a corrected voucher of the appropriate size and the family will not be penalized.

### 8.4 OCCUPANCY STANDARDS

HADC uses HQS standards for determining the minimum and maximum number of persons permitted per unit, not who shares a bedroom/sleeping room, and there must be at least one person per bedroom on the voucher. 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 following provides occupancy standards based on family size:

<b>NUMBER OF BEDROOMS</b>	<b>MINIMUM PERSONS</b>	<b>MAXIMUM PERSONS</b>
<b>Zero</b>	<b>1</b>	<b>1</b>
<b>One</b>	<b>1</b>	<b>2</b>
<b>Two</b>	<b>2</b>	<b>4</b>
<b>Three</b>	<b>3</b>	<b>6</b>
<b>Four</b>	<b>4</b>	<b>8</b>
<b>Five</b>	<b>6</b>	<b>10</b>
<b>Six</b>	<b>8</b>	<b>12</b>

### 8.5 CHANGES IN OCCUPANCY

The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform HADC within ten (10) days. Also, HADC, in its sole discretion, may grant exceptions from the Occupancy Standards as an accommodation for Persons with Disabilities. This includes, but is not limited to, provisions for a Live-in Aide. In any event, written documentation must be submitted within ten (10) days of occupancy for HADC review and approval. Failure to do so may result in the termination of the participating family's assistance.

If a unit does not meet HQS space standards due to an increase in family size, (e.g. unit too small), HADC will issue a new voucher of the appropriate size and assist the family in locating a suitable unit. In such cases, HADC's voucher term extension policy will be applicable. This policy applies to instances where:

- A family with a disability is under-housed in an accessible unit.
- A family requires the additional bedroom because of a health problem which has been verified by HADC.
- HADC and family have been unable to locate a unit within 30 days.

Participating families with a change in family composition requiring a larger unit will be given priority over families being selected from the waiting list. This assures that families who are already on the program are in the appropriate sized units.

## 8.6 UNIT SIZE SELECTION

Once subsidy and occupancy standards are established by HADC, a family may locate and select a dwelling unit. Once a family becomes a participant in the HCV program and desires to select a different size dwelling unit than that listed on the voucher there are three criteria to consider:

1. Subsidy Limitation: HADC's subsidy standard for an assisted family is based on its adopted payment standards. The payment standard for a family shall be the lower of:
  - The payment standard amount for the approved family unit size; or
  - The payment standard amount for the unit size rented by the family
2. Utility Allowance: The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size approved on the family's voucher.
3. Housing Quality Standards: The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

## 9.0

# CHAPTER 9 RENT REASONABLENESS AND PAYMENT STANDARDS

*(24 CFR Part 982 Subpart K)*

This chapter explains HADC's policies for determining rent-reasonableness, payment standards, adjustments to the payment standards, and rent adjustments. No HAP contract can be approved until HADC determines that the rent for the unit is reasonable based upon comparables in the rental market. The payment standard is the maximum monthly assistance payment for a family assisted in the HCV program before deducting the Total Tenant Payment. HADC will determine rent reasonableness and payment standards in accordance with 24 CFR 982.507 and the 24 CFR 982.503, respectively.

### 9.1 RENT REASONABLENESS DETERMINATIONS

HADC will determine and document on a case-by-case basis that the approved rent is reasonable based upon comparable unassisted units in the market. At all times during the assisted tenancy, the rent may not exceed the reasonable rent as most recently determined or re-determined by HADC. Rent reasonableness determinations are made:

1. When units are placed under HAP contract for the first time;
2. When owners request annual or special contract rent adjustments;
3. If there is a 5 percent decrease in the published Fair Market Rent (FMR) published by HUD in effect 60 days before the contract anniversary (for the unit size rented by the assisted family) as compared with the FMR in effect one year before the contract anniversary;
4. If directed by HUD; and
5. Whenever deemed necessary by HADC.

### 9.2 RENT REASONABLENESS METHODOLOGY

For all units, HADC will perform rent reasonableness using any of the following methods:

- Review of rental information provided by the owner in the landlord package and form HUD 52517 (RFTA)
- Comparison of requested rent amounts with comparable, unassisted units located on the premises, using a participant roll or leases provided by the owner
- Review of comparable, unassisted units in the local market from sources including: online sources, newspapers, realtors, professional associations, inquiries of owners, market surveys and other available sources

The market areas for rent reasonableness are DeKalb County, Georgia. Subject units within a defined housing market area will be compared to similar units within the same area when and where possible.

### 9.3 CENSUS TRACTS CODES BY ZONES

The market areas for rent reasonableness are census tracts within HADC's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area. The following are census tracts codes by zones within HADC's jurisdiction (these zones are subject to change by HADC):

<b>South DeKalb</b>	<b>North Decatur</b>	<b>North DeKalb</b>	<b>North-East DeKalb</b>	<b>Lower DeKalb</b>
<b>Zone 1</b>	<b>Zone 2</b>	<b>Zone 3</b>	<b>Zone 4</b>	<b>Zone 5</b>
205	201	211	218.05	232.03
206	202	212.02	218.06	233.03
207	203	212.4	218.08	233.03
208	204	212.05	218.09	233.03
209	215	212.07	218.10	233.08
227	216.01	212.08	219.02	234.04
228	216.02	212.09	219.03	234.05
229	216.03	212.10	219.04	234.07
230	217.02	212.11	219.05	234.08
231.01	217.03	212.12	220.02	234.09
231.02	217.04	213.01	220.04	239.98
231.03	220.01	213.02	220.05	
231.06	221	213.03	232.04	
231.05	222	213.04	232.05	
234.03	223.01	214.01	232.06	
235.01	223.02	214.02	232.07	
235.02	224.01	214.03	233.05	
236	224.02	214.04	233.06	
237	224.03			
238.01	225			
238.02	226			
238.03				
238.03				

HADC utilizes a rent reasonableness system which includes and defines the HUD factors. The following items will be used for rent reasonableness documentation:

- Size (number of bedrooms/square footage)
- Location (Census Tract Zones)
- Quality
- Amenities (bathrooms, dishwasher, air, garage, etc.)
- Age of unit
- Unit type
- Utilities

#### **9.4 LIMITATIONS ON RENT TO OWNER – MAXIMUM FAMILY SHARE**

The rent to owner is primarily limited by rent reasonableness. The only other limitation on rent to the owner is the maximum rent standard at initial occupancy. At the time that a family initially receives assistance in a HCV approved unit, if the gross rent for the unit exceeds the applicable payment standard, the family share of the rent may not exceed 40 percent of the family's monthly adjusted income.

#### **9.5 ANNUAL RENT INCREASE REQUEST BY OWNER**

After the completion of the initial term of the lease, owners/landlords may request an adjustment in the approved rent once per year. Requests must be made at least 60 calendar days before the proposed effective date of the rent increase. All rent increases are subject to funding availability and HADC may not approve a rent increase if the unit fails HQS due to owner/landlord-caused deficiencies. Additionally, owners/landlords that do not comply with HADC's request for information will have their rent increase request rejected.

For all units, HADC will perform a rent reasonableness analysis using the same methodology as for approving initial rents. The adjusted rent to the owner/landlord will equal the lesser of:

- The reasonable rent as determined by HADC; or
- The amount requested by the owner/landlord.

HADC will notify both the owner/landlord and the participant in writing when HADC has approved a rent increase request. If an increase is approved, the owner must provide HADC with a copy of the new lease executed by both parties.

## 9.6 PAYMENT STANDARDS

The payment standard is the maximum monthly subsidy HADC will pay for units, according to the number of bedrooms in the unit. The payment standard set by HADC is between 90 percent and 110 percent of the HUD-published Fair Market Rents. HADC reviews the appropriateness of the payment standard annually when the FMR is published. HADC may approve a higher payment standard (within the 90 – 110 percent range) for a unit, if required as a reasonable accommodation for a family that includes a person with disabilities or to expand housing opportunities outside of areas of minority or poverty concentration.

## 9.7 ADJUSTMENTS TO PAYMENT STANDARDS

Payment standards will be reviewed annually for each bedroom size to determine whether participant families have a sufficient level of subsidy to allow freedom of choice in the selection of rental housing in HADC's jurisdiction and whether an adjustment should be made for all or some units. HADC's review process may use some or all of the following in making a determination whether an adjustment should be made to the payment standards:

### 1. Assisted Families' Rent Burden

HADC will review reports showing the percent of income used for rent by families to determine the extent to which the rent burden is greater 30 percent of income.

### 2. Availability of Suitable Vacant Units Below the Payment Standard

HADC will review its rent reasonableness and vacancy rate data to determine whether there is an ample supply of vacant units below the payment standards.

### 3. Quality of Units Selected

A review of the quality of units selected by participant families will be conducted to determine whether payment standard adjustments are required to reach the mid-range of the market.

### 4. Rent to Owner Increases

A sample of units may be reviewed to determine the frequency in which owners are increasing rents after the first year of the lease and compared to the applicable annual adjustment factor to determine whether owner increases are excessive in relation to the published annual adjustment factor.

### 5. Time to Locate Housing

HADC will review reports to determine any connection with the established payment standard and the average time period for families to lease-up.

**6. Lowering of the Fair Market Rent**

Lowering of the FMR may require an adjustment to 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 80 percent of the FMR without authorization from HUD.

**7. Financial Feasibility**

HADC will review the budget to determine the impact of projected subsidy increases, from changes in the payment standard, would have on program funding availability and its impact on the number of families served.

**8. Regular Re-examination**

If the payment standard decreases during the HAP contract term, the payment standard for the family is the higher of (1) the payment standard at the beginning of the lease minus any amount by which the initial rent to the owner has decreased; or (2) the payment standard at the current or most recent annual exam. If a change in family size or composition occurs affecting the voucher size, the ability to use the initial payment standard is lost.

**9. Interim Examination**

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

**10. Moves**

If the family moves into a different unit prior to their next recertification and HADC has made a change in the payment standard, the new payment standard will be used. The applicable payment standard will be the lower of either the voucher size issued or the unit size selected at the time of the move.

## 10.0

# CHAPTER 10 FAMILY SHARE OF RENT

*(24 CFR Part 5 Subparts E and F; 24 CFR Part 982 Subpart K)*

This chapter outlines HADC policies for calculating the Total Tenant Payment (TTP) for an assisted family by determining income, assets and deductions from income. 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. The policies contained herein also discuss how the presence or absence of household members may affect the TTP. Income, assets, adjustments to income and the TTP are calculated in accordance with HUD regulations, notices and memoranda.

### 10.1 CALCULATING TOTAL TENANT PAYMENT

Calculating the TTP for an assisted family is the highest of the following amounts, rounded to the nearest dollar:

- 30 percent of the family's monthly adjusted income
- 10 percent of the family's monthly income
- The minimum rent established by HADC
- If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs (including participant-paid utilities), the portion of those payments which is so designated

If a family chooses a unit with a gross rent (rent to owner plus an allowance for participant-paid utilities) that exceeds HADC's payment standard: (1) the family will pay more than the TTP, and (2) at initial occupancy HADC may not approve the tenancy if it would require the family share to exceed 40 percent of the monthly adjusted income.

### 10.2 INCOME

#### **Income Eligibility for Assistance**

To be considered for participation in HADC's HCV program, household income at the time of initial eligibility determination and admission shall not exceed 80 percent of the Area Median Income (AMI).

### **Annual Income**

Annual income is determined in accordance with 24 CFR 5.609 and includes all amounts, monetary or not, that

1. Go to or are on behalf of, the family head or spouse (even if temporarily absent) or to any other family member,
2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination date.
3. Are not specifically excluded
4. Are amounts derived (during the 12-month period) from assets to which any member of the family has access.

Families are subject to verification of all income (see Verification chapter) at the time of initial eligibility determination and at any time prior to annual recertification as requested by HADC.

### **Estimating Income**

When annual income cannot be anticipated for a full 12-month period (e.g. seasonal or cyclic income), or HADC is unable to determine the annual income of the family, HADC will:

1. Average known sources of income to compute an annual income; or
2. Annualize current income and conduct an interim reexamination if income changes; or
3. Use previous year's income to anticipate annual income for the current year. A copy of the previous year's W-2 and Tax Return will be required; or
4. Average the last three most current pay stubs to calculate annual income. Attempts will be made to obtain verification from the family's employer.

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

If, by averaging, an estimate can be made for those families whose income fluctuates monthly; this estimate will be used to determine annual income in lieu of monthly changes to the HAP or to reduce the number of interim adjustments.

Upon written receipt of the true annual income for a family, HADC will conduct an interim reexamination to accurately reflect the family's annual income, and subsequent TTP/family share. Retroactive payments will be charged to the participant, if applicable.

### **Minimum/Zero Income**

There is no minimum income requirement. However, families who report zero income may be required to complete a mandatory written certification, a budget evaluation interview and undergo an interim recertification every 30 days. Families that report zero income will be required to provide information regarding their means of basic subsistence, such as food, utilities and transportation.

### **Regular Gifts/Contributions**

Regular contributions and gifts to the family received from persons outside the household are counted as income for calculation of the Total Tenant Payment. Any contribution or gift received every three months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than \$100 per year (See chapter on Verification for verifying gifts and contributions). 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.

If the family's expenses exceed its known income, HADC will inquire of the family regarding contributions and gifts. Families cannot include family contributions and gifts as to determine their income eligibility for a unit under the 40 percent rent burden rule if the contributions have not been received by the family for at least the last five consecutive months. This rule only applies at initial lease-up.

### **Alimony and Child Support**

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment. If the amount of child support or alimony received is less than the amount awarded by the court, HADC will use the amount awarded by the court unless the family can verify that they are not receiving the full amount.

### **Lump-Sum Receipts**

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in annual income unless the lump-sum has been converted to an asset, at such time it will be included in annual income.

Lump-sum payments caused by delays in processing periodic payments (unemployment or welfare assistance) are counted as annual income. However, lump sum payments derived from a delay in Social Security or SSI benefits are excluded from the calculation of annual income, unless such payments are converted into an asset, at which time the payment will be calculated as an asset. Deferred periodic payments that have accumulated due to a dispute will be treated in the same manner as periodic payments.

### **Changes in Benefits**

If benefits, such as Social Security, SSI or TANF are reduced through no fault of the family, HADC will use the net amount of the benefit to apply towards the family's annual income. However, if benefits were reduced due to family error, omission, or misrepresentation, HADC will use the gross amount of the benefit to apply towards the family's annual income.

### **Imputed Welfare Income**

Welfare assistance is counted as annual income. Welfare assistance includes TANF and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state or local governments. When a welfare agency imposes a sanction that reduces a family's welfare income because the family commits fraud or fails to comply with the agency's economic self-sufficiency or work activities requirement, HADC must include in annual income "imputed" welfare income. The imputed income is the amount the family would have received if the family had not been sanctioned.

HADC 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 HADC determination.

The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

HADC will not include imputed welfare income in annual income if the family was not an assisted resident at the time of the sanction.

### 10.3 TREATMENT OF FAMILY ASSETS

For purposes of determining annual income, HADC will also consider the value of certain family assets. This includes, but is not limited to, the following types of assets:

#### **Net Family Assets**

Net family assets is the net cash value in disposing real property, savings, stocks, bonds and other forms of capital investment.

#### **Contributions to Retirement Funds**

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

- While an individual is employed, only the amount the employee can withdraw without retiring or terminating employment is counted.
- After retirement or termination of employment, any amount the employee elects to receive as a lump sum is counted.

#### **Assets Disposed of for less than Fair Market Value**

HADC must count assets disposed of for less than fair market value during the two years preceding annual or interim reexamination. HADC will count the difference between the market value and the actual payment received in calculating total assets. HADC's minimum threshold for counting assets disposed of for less than Fair Market value is \$5,000. If the total value of assets disposed of within a one-year period is less than \$5,000 they will not be considered an asset.

Assets disposed of as a result of foreclosure or 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.

### 10.4 INCOME OF TEMPORARILY/PERMANENTLY ABSENT FAMILY MEMBERS

HADC must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. "Temporarily absent" is defined as away from the unit for more than 30 days but less than 180 days (See Chapter on Basic Eligibility for HADC policies on temporary versus permanently absent family members). HADC must count the income of a temporarily absent spouse or the head of the household, even if that person is not on the lease (e.g. head and spouse alleges they're no longer together but cannot provide paperwork or verification of legal separation). 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) are counted as income. Income of persons permanently absent (i.e. absence greater than 180 days) will not be counted.

It is the responsibility of the head of household to report changes in family composition within ten days from the date of the change. See Chapter on Eligibility for HADC policies on temporary and permanently absent family members' eligibility in the HCV program.

**A. Income of Full-time Students**

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

- **Temporarily absent from the household.** All applicable income of the full-time student will be included in the computation of the TTP.
- **Permanent absence from the household.** If the full-time student moves from the household and is taken off the lease, they will be considered permanently absent and the TTP will be re-calculated. In addition, the voucher size will be reduced accordingly at the end of the lease term if the move occurs within three months of the end of the lease term. Otherwise, the reduction in subsidy size will occur within sixty days of the removal, if the family is not in the first year of the lease.

**B. Income of Persons Permanently Confined to a Nursing Home**

When a member of the family, other than the Head of Household, is confined to the hospital or nursing home on a permanent basis, HADC will exclude the member's income from the household in the calculation of the Total Tenant Payment.

**C. Caretaker for Children**

If neither parent remains in a household with minor children 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, HADC will treat that adult as a guest for the first 90 days. See Chapter on Eligibility for eligibility of a caretaker after 90 days.

## 10.5 ADJUSTED INCOME AND ALLOWABLE DEDUCTIONS

Adjusted Income is a family's annual income minus HUD allowable deductions. In determining adjusted income, the following represent mandatory deductions from annual income in accordance with 24 CFR Part 5.611:

1. **Dependent Allowance:** \$480 for each dependent;
2. **Elderly/Disabled Allowance:** \$400 for any elderly family or disabled family;
3. **The sum of the following to the extent the sum exceeds three percent of annual income:**
  - a. **Unreimbursed Medical Expenses** of any elderly family or disabled family
  - b. **Unreimbursed Reasonable Attendant Care and Auxiliary Apparatus Expense** for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the (including the member who is a person with disabilities) to be employed, but this allowance may not exceed the earned income received by family members who are 18 years of age or older who are able to work because of such attendant care or auxiliary apparatus; and
  - c. **Any Reasonable Child Care Expense** necessary to enable a member of the family to be employed or to further his or her education.

### Child Care Expenses

Child care expenses for children under age 13 may be deducted from annual income if they enable an adult to work or attend school full time, or to actively seek employment. In the case of a child attending private school, only after-hours care can be counted as child care expenses.

HADC's allowable deductions for child care expenses are based on the following guidelines:

- **Child care to work:** The maximum child care expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.
- **Child care for school:** The number of hours claimed for child care may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.
- **Amount of Expense:** The amount of childcare expense allowed must not exceed the annual income of the family. If HADC deems the amount of child care expense claimed to be excessive, a survey will be taken of comparable child care facilities to obtain their rates, and the amount used for the child care expense will be an average of those surveyed.

Child care expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child and is not working or actively seeking employment. 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.

### **Medical Expenses**

Medical expenses will be deducted only if the family's Head, or Spouse, has been determined to be "Elderly" or "Disabled" as defined in this Administrative Plan. If the Head, or Spouse is elderly or disabled, then all eligible medical expenses for the household are to be considered in the computation. If the family's Head, or Spouse, is not elderly or disabled, but has an Elderly or Disabled family member, there will be no deductions made for medical expenses.

Those necessary medical expenses, including medical insurance premiums, which are anticipated during the period for which annual income is computed and are not covered by insurance, will be deducted if the sum of the expense is over three percent of annual income. Nonprescription medicines must be doctor-recommended in order to be considered a medical expense. Non-traditional medical services will be treated on a case-by-case basis.

## **10.6 DISALLOWANCE OF EARNED INCOME FOR PERSONS WITH DISABILITIES**

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

1. 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;
2. 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
3. Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any State program for Temporary Assistance for 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 amount of TANF received in a 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.

**A. Initial Twelve-Month Exclusion**

During the cumulative 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the HADC 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.

**B. Second Twelve-Month Exclusion and Phase-in**

During the second cumulative 12-month period after the expiration of the initial cumulative 12-month period referred to above, HADC must exclude from annual income of a qualified family fifty percent (50 percent) of any increase in income of a family member who is a person with disabilities as a result of employment over income of that family member prior to the beginning of such employment.

**C. Maximum Four Year Disallowance**

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

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

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

**D. Applicability to Childcare and Disability Assistance Expense Deductions**

The amount deducted for childcare 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.

**E. Inapplicability to Admission**

The earned income disallowance is only applied to determine the annual income of disabled families who are participants in the HCV 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).

**10.7 MINIMUM RENT**

The minimum rent for HADC's HCV Program is \$50.00 and includes the combined amount a family pays towards rent and/or utilities when it is applied.

**10.8 HARDSHIP REQUESTS FOR AN EXCEPTION TO MINIMUM RENT**

HADC recognizes that in some circumstances even the minimum rent may create a financial hardship for families. HADC will review all relevant circumstances regarding financial hardship as it applies to the minimum rent. The following provides HADC's policies with regard to minimum rent financial hardship which is in accordance with 24 CFR 5.630.

**A. Criteria for Hardship Exception**

The financial hardship exemption only applies to payment of the minimum rent and not to the other elements used to calculate the TTP. 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:

1. The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance, including a family with a member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act, and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.
2. The family would be evicted as a result of the imposition of the minimum rent requirement.
3. The income of the family has decreased because of changed circumstances, including loss of employment, death in the family, or other circumstances as determined by HADC or HUD.

All requests for minimum rent hardship exceptions are required to be in writing and must include a statement of the family hardship that qualifies the family for an exception. HADC will use its standard verification procedures to verify circumstances that have resulted in financial hardship.

If a family requests a financial hardship exemption, HADC will suspend the minimum rent requirement beginning the month following the family's request for a hardship exemption until HADC determines whether there is a qualifying financial hardship, and whether such hardship is temporary or long term. HADC will not evict the family for nonpayment of minimum rent during the 90-day period beginning the month following the family's request for a hardship exemption. If HADC determines there is no qualifying financial hardship exemption, HADC must reinstate the minimum rent, including back rent owed from the beginning of the suspension. The family must pay the back rent on terms and conditions established by HADC.

**B. Temporary Hardship**

If HADC determines that a qualifying financial hardship is temporary, HADC will not impose the minimum rent during the 90-day period beginning the month following the date of the family's request for a hardship exemption. At the end of the 90-day suspension period, the responsible entity must reinstate the minimum rent from the beginning of the suspension. The family must be offered a reasonable repayment agreement, on terms and conditions established by the responsible entity, for the amount of back rent owed by the family.

**C. Long-term Hardship**

If HADC determines a qualifying financial hardship is long term, HADC must exempt the family from the minimum rent requirements so long as such hardship continues. Such exemption shall apply from the beginning of the month following the family's request for a hardship exemption until the end of the qualifying financial hardship.

**10.9 UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS**

The utility allowance schedule is computed based on the unit size and subtracted from the TTP to establish the family's rental amount that is paid to the owner. The same utility allowance schedule is used for all participant-based programs.

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

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

Where the calculation on the HUD 50058 results in a utility reimbursement payment to the family, HADC will provide a utility reimbursement payment directly to the family each month.

#### **10.10 PRORATION OF ASSISTANCE FOR MIXED FAMILIES**

The participant share of the rent may be affected by a "mixed" family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

HADC prorates assistance for a mixed family 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. This prorated amount may affect the family's share of the rent payable to the owner or landlord.

## 11.0

# CHAPTER 11 REQUEST FOR TENANCY APPROVAL AND HAP CONTRACT

*(24 CFR Part 982 Subpart G and J)*

This chapter describes HADC's policies pertaining to processing the Request For Tenancy Approval (RFTA) and other activities leading up to, and the execution of, the Housing Assistance Payment (HAP) contract.

### 11.1 REQUEST FOR TENANCY APPROVAL

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of HADC, or outside of HADC's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to lease the unit under the program and the owner and family must request HADC to approve the assisted tenancy of the selected unit.

The owner and family must submit two documents to HADC within the term of the voucher:

- Completed RFTA – Form HUD 52517
- Copy of the proposed lease, including the HUD-prescribed Tenancy Addendum – Form HUD 52641-A

Both the owner and the family head of household must sign the RFTA and HADC will not permit the family to submit more than one RFTA at a time.

HADC will review the proposed lease and the RFTA documents for approval. Prior to approving the assisted tenancy, HADC must ensure that all required actions and determinations have been completed which include the following:

1. The unit is an eligible type of housing
2. The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan)
3. The rent is reasonable
4. The lease offered by the owner is approvable and includes the required Tenancy Addendum
5. The proposed lease complies with HUD and HADC requirements
6. The owner is approved, and there are no conflicts of interest

In addition to the above, if the gross rent for the unit exceeds the applicable payment standard for the family (applies to new HAP contract and moves), the family share of rent may not exceed 40 percent (40 percent) of the family's monthly adjusted income.

## **11.2 OWNER PARTICIPATION**

HADC does not formally approve an owner to participate in the HCV program. However, there are criteria where HADC may deny approval of an owner based on the owner's past behavior, conflict of interest, or other owner-related issues. No owner has a right to participate in HADC's HCV program. See Chapter on "Owners" for additional information.

## **11.3 DISAPPROVAL OF RFTA**

If HADC determines that RFTA cannot be approved, the landlord and the family will be notified in writing. HADC will instruct the owner and family of the steps necessary to approve the request or HADC will furnish another RFTA to the family so that the family can continue to search for eligible housing.

## **11.4 ELIGIBLE TYPES OF HOUSING**

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

- All structure types can be utilized.
- Manufactured homes where the participant leases the mobile home and the pad.
- Manufactured homes where the participant owns the mobile home and lease the pad for vouchers.
- Group homes
- Congregate facilities (only the shelter rent is assisted)
- Single room occupancy
- Units owned (but not subsidized) by the PHA (following HUD-prescribed requirements)
- Shared housing

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the participant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development. See chapter on Special Housing Types for more information on use of the voucher for special housing.

## **11.5 INELIGIBLE HOUSING TYPES**

HADC may not permit a voucher holder to lease a unit, which is a public housing or Indian Housing unit, a unit receiving project-based Section 8 assistance, nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services; college or other school dormitories; units on the grounds of penal, reformatory, medical mental and similar public or private institutions; or a unit occupied by its owner or by a person with an interest in the unit.

### **11.6 ELIGIBILITY OF THE UNIT**

In order to be eligible the dwelling unit must meet certain standards, which includes, but is not limited to the following:

1. Must be in decent, safe and sanitary condition meeting HADC's HQS standards
2. Must be the appropriate size for the number of persons in the household
3. Have a reasonable rent
4. The dwelling unit rent must be at a level where the family's share of the rent does not exceed 40 percent of the family's monthly adjusted income

### **11.7 PARTICIPANT SCREENING**

HADC has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy. The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before HADC approval of the tenancy, HADC 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 rental histories, including such factors as:

- Payment of rent and utility bills
- Caring for a unit and premises
- Respecting the rights of other residents to the peaceful enjoyment of their housing
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others
- Compliance with other essential conditions of tenancy

HADC will give the owner:

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

HADC will not provide the owner with other information in HADC's possession concerning the family, including:

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

### **11.8 LEASE AND TENANCY ADDENDUM**

The family and the owner must execute and enter into a lease, including the HUD prescribed Tenancy Addendum, for the assisted unit. The initial term of the lease must be for at least one year and the lease term must also be stated in the HAP contract. The lease is a contract between the assisted family and the owner/landlord; HADC is not a party to this contract. However, HADC may review the lease to determine if the lease complies with HUD regulations and state and local law and the eligibility of the unit must be approved by HADC before the owner/landlord and the participant can execute the contract. The participant 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 of lease used in the locality by the owner and that is generally used for other unassisted participants in the premises. The participant and the owner must enter into a written lease for the assisted unit. The owner and the participant must execute the lease. 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 participant
- The address of the unit rented (including apartment number, if any)
- The term of the lease
- The amount of the monthly rent to owner
- The utilities and appliances to be supplied by the owner
- The utilities and appliances to be supplied by the family

The HUD prescribed Tenancy Addendum must be included in the standard lease word-for-word before the lease is executed. The Tenancy Addendum includes the tenancy requirements for the program and the composition of the household as approved by HADC. As part of the lease, the participant shall have the right to enforce the Tenancy Addendum against the owner and the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

Effective September 15, 2000, the owner's lease must include the Lead Warning Statement and disclosure information required by 24 CFR 35.92. House Rules of the owner may be attached to the lease as an addendum, provided they are approved by HADC to ensure they do not violate any fair housing provisions and do not conflict with the Tenancy Addendum.

### **11.9 SEPARATE NON-LEASE AGREEMENTS**

Separate agreements are not necessarily illegal side agreements. However, families and owners are 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 HADC. 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 HADC. If agreements are entered into at a later date, they must be approved by HADC and attached to the lease.

HADC 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.

#### **11.10 INITIAL INSPECTIONS**

See "Housing Quality Standards and Inspections" chapter for HADC's policies on initial inspections.

#### **11.11 RENT LIMITATIONS**

HADC will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises. By accepting each monthly housing assistance payment from HADC, 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 HADC with information requested on rents charged by the owner on the premises or elsewhere. At all times during the tenancy, the rent to owner may not be more than the most current reasonable rent as determined by HADC.

#### **11.12 DISAPPROVAL OF PROPOSED RENT**

If the proposed gross rent is not reasonable, at the family's request, HADC will negotiate with the owner to reduce the rent to a reasonable rent. If the rent can be approved after negotiations with the owner, HADC will continue processing the RFTA and lease. If the revised rent involves a change in the provision of utilities, the owner must submit a new RFTA. If the owner does not agree on the rent to owner after HADC has tried and failed to negotiate a revised rent, HADC will inform the family and owner that the lease is disapproved.

#### **11.13 HAP CONTRACT EXECUTION**

HADC prepares the Housing Assistance Payment (HAP) contract and approves the owners' lease for execution. The family and the owner will execute the lease agreement, and the owner and HADC will execute the HAP contract. Copies of the documents will be furnished to the parties who signed the respective documents. HADC will retain a copy of all signed documents.

HADC makes every effort to execute the HAP contract prior to the commencement of the lease term. The HAP contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed.

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 a management agent manages the property. The owner must provide a home telephone number and business number if applicable. Unless their lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. HADC will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

#### **11.14 CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE**

When the family reports changes in factors that will affect the total family share prior to the effective date of the HAP contract, the information will be verified and the total family share will be recalculated. If the family does not report any change, HADC need not obtain new verifications before signing the HAP contract, even if verifications are more than 60 days old.

#### **11.15 SECURITY DEPOSIT REQUIREMENTS**

HADC does not pay for security deposits or any other additional costs outside of rent and utilities. The owner may collect a security deposit from the participant. HADC may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

When the participant moves out of the dwelling unit, the owner, subject to State and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the participant, damages to the unit or for other amounts the participant owes under the lease.

The owner must provide the participant with written documentation of all items charged against the security deposit, including the amount of each item. The owner must refund promptly to the participant any unused balance of the security deposit. If the security deposit is not sufficient to cover amounts owed by the participant, the owner may seek to collect the balance from the participant.

#### **11.16 MAKING PAYMENTS TO OWNERS**

After execution of the HAP contract the owner will receive the HAP from HADC on behalf of the participant family no later than the 15<sup>th</sup> of each month. Checks that are not received will not be replaced until a written request has been received from the payee and a stop payment has been put on the check.

#### **11.17 LATE PAYMENTS TO OWNERS**

HADC must pay the HAP promptly when due to the owner in accordance with the HAP contract. The HAP contract shall provide for penalties against HADC for late payment of housing assistance payments due to the owner if all the following circumstances apply and the owner requests the late payment(s) from HADC:

- 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 participant;
- It is the owner's practice to charge such penalties for assisted and unassisted participants; and

- The owner also charges such penalties against the participant for late payment of family rent to owner.

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

#### **11.18 EXCESS PAYMENTS**

The total of rent paid by the participant plus the HAP to the owner may not be more than the rent to owner. The owner must immediately return any excess payment to HADC. Owners who do not return excess payments will be subject to penalties as outlined in the Program Integrity chapter of this Administrative Plan.

#### **11.19 CONTRACT TERMINATION**

The term of the HAP contract is the same as the term of the lease. This contract between the owner and HADC may be terminated by HADC or by the owner or participant terminating the lease.

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

If the unit is still occupied after the contract is terminated, with or without the consent of the owner, the family occupying the unit will be held 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 another unit. The contract for the new unit may begin during the month in which the family moved from the old unit.

#### **11.20 TERMINATION OF THE CONTRACT BY HADC**

HADC can terminate the HAP contract when the lease terminates, when HADC terminates program assistance for the family, or when the owner has breached the HAP Contract.

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

- A. The owner has violated any obligation under the HAP Contract for the dwelling unit, including the owner's obligation to maintain the unit to HQS standards, including any standards HADC have adopted in this policy
- B. The owner has violated any obligation under any other Housing Assistance Payments Contract under Section 8 of the 1937 Act

- C. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with this or any Federal housing program
- D. 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
- E. The owner has engaged in drug trafficking

HADC may also terminate the contract if the family is required to move from a unit that is overcrowded or if funding is no longer available or insufficient under the ACC. Also, the contract will terminate automatically if 180 days has passed since the last housing assistance payment to the owner.

#### **11.21 NOTICE OF TERMINATION**

HADC will provide the owner and family with at least thirty (30) days written notice of termination of the contract.

#### **11.22 TERMINATION BY THE FAMILY/ MOVES**

Under the lease agreement the family cannot move from the unit until after the first twelve (12) months of the lease. The notice period to the landlord is determined by the Lease, but may not exceed ninety (90) days. If the family terminates the lease on notice to the owner, the family must give HADC a copy of the notice at the same time.

## 12.0

# CHAPTER 12 HOUSING QUALITY STANDARDS AND INSPECTIONS

*(24 CFR Part 5 Subpart G; 24 CFR Part 982 Subpart I)*

Housing Quality Standards (HQS) are the minimum health and safety requirements for HCV assisted units that apply to the dwellings' interior, exterior and grounds. HQS are based on HUD regulations and requirements established by HADC to address local codes. This chapter describes policies HADC has adopted to ensure that assisted housing comply with HQS during initial occupancy and throughout the term of the lease. The landlord and participant responsibilities during the inspection process and the consequences of noncompliance with HQS are also covered.

### 12.1 PHYSICAL STANDARDS

Acceptable standards for assisted housing are provided in the HUD regulations cited above and cover the following areas: sanitary facilities, food preparation and refuse disposal, space and security, thermal environment, illumination and electricity, structure and materials, interior air quality, water supply, lead-based paint, access, site and neighborhood, sanitary conditions and smoke detectors.

HADC has additional requirements that elaborate on HUD standards and/or further ensures that health and safety standards for the locality are met. This information is provided to owners/landlords during the landlord briefing and inspection process.

### 12.2 MODIFICATIONS TO PROVIDE ACCESSIBILITY

Under the Fair Housing Act of 1988 an owner must not refuse the request of a family that has a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense and the owner may require the family to restore the unit back to its original condition if the modifications would interfere with the owner's or next occupant's full enjoyment of the premises. The owner may not increase any required security deposit for such modification, but may negotiate a restoration agreement to restore the unit, and if necessary, require the participant to pay a reasonable amount over a period of time to ensure the restoration of the unit.

Modifications to units to provide accessibility must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the Uniform Federal Accessibility Standards (UFAS) and American Disability Act (ADA) Accessibility Guidelines.

### 12.3 TYPES OF HQS INSPECTIONS

To ensure both HUD and local HQS are met, HADC performs the following types of inspections:

1. **Initial/Move-in:** An initial inspection will be conducted on all units entering HADC's HCV program when copies of the security deposit and RFTA have been forwarded to the Inspection Division.

A unit must pass HQS before the effective date of the lease and HAP contract. HADC will inspect the unit, determine whether the unit satisfies HQS and notify the owner within a reasonable time after the family submits an RFTA.

2. **Annual:** HADC conducts an inspection prior to all annual recertification effective dates to ensure that assisted units continue to be maintained in accordance with HQS requirements.
3. **Special/Complaint:** Conducted at the request of the owner, the family, or a third party with appropriate justification of apparent HQS deficiencies or violations in the unit.
4. **Quality Control:** HUD requires that a sample of units be re-inspected by a qualified person to ensure that HQS are being enforced correctly and uniformly by all inspectors.

### 12.4 FAILED INITIAL INSPECTIONS AND REINSPECTIONS

If the unit fails the initial HQS inspection, the owner will be notified of the deficiency and be given a timeframe to correct. If requested by the owner, the timeframe for correcting the deficiencies may be extended by HADC for good cause. HADC will re-inspect the unit following notification by the owner of completed repairs or immediately following the end of the corrective period or any HADC approved extensions. If the time period for correcting the deficiency has elapsed (including any HADC approved extensions), or the unit fails at the time of re-inspection, HADC will notify the owner and the family that the unit has been rejected and that the family must search for another unit. Following a failed re-inspection, the family may submit a new RFTA for the unit if the family has not found another unit by the time the owner completes the repairs (and the unit passes inspection) and the family desires to stay in the unit.

### 12.5 FAILED ANNUAL INSPECTIONS AND REINSPECTIONS

If the unit does not pass inspection, the owner and participant will be notified in writing of the defects and the 30-day requirement to make the repairs, or 24 hours if emergency failures are involved. The notice will inform the owner that HAP will be suspended the first of the next month if the defect has not been corrected within 30 days or, for emergency failures only, within 24 hours. It is the owner's responsibility to notify HADC that the HQS failure has been corrected.

A participant will not be allowed more than one opportunity to reschedule an inspection without documentation of good cause. Two missed inspection appointments by the family will be considered an HQS failure and violation of family obligations under the program, and will result in termination of assistance.

### **Life Threatening Conditions**

When life threatening conditions are identified, HADC will immediately notify both the owner and the family and will indicate who is responsible for correcting the violation or deficiency. The corrective actions must be taken within 24 hours of notification. If the life threatening conditions are not corrected within the specified time frame, and the owner is responsible, the owner's HAP will be abated in accordance with policy in this Plan. In the case of family-caused deficiencies, if corrections are not made within the specified time frame the family's assistance will be terminated in accordance with policy in this Plan.

### **Extensions**

For conditions that are life threatening, hazardous or unhealthy, HADC cannot grant an extension of the 24-hour corrective action period. Also, extensions are not permitted for any reason on initial inspections. For conditions that are not life-threatening, HADC may grant an exception to the required timeframe for correcting the violation if HADC determines that an extension is appropriate. The length of the extension will be determined on a case by case basis.

## **12.6 OWNER AND FAMILY RESPONSIBILITIES**

The following outlines owner and family responsibilities in correcting HQS violations or deficiencies:

### **Owner Responsibilities**

The owner is responsible for all HQS violations not listed as a family responsibility, even if the violation is caused by the family's living habits (e.g. vermin infestation). However, if the family's actions constitute a serious or repeated lease violation, the owner may take legal action to evict the family.

### **Family Responsibilities**

The family is responsible for correcting the following HQS deficiencies:

- Participant-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damages to the unit or premises caused by a household member or guest beyond normal wear and tear. "Normal wear and tear" is defined as items which cannot be charged against the participant's security deposit under state law or court practice.

The inspector will notify the owner or family that is responsible for correcting identified HQS deficiencies during inspections.

### **12.7 ENFORCING OWNER COMPLIANCE WITH HQS**

If the owner fails to maintain the dwelling unit in accordance with HQS, HADC will take action to enforce the owner's obligations to include the following:

#### **HAP Abatement**

When an owner fails to correct an HQS failure within the allotted timeframe, HADC will provide the owner with written notice that the HAP payment will be abated effective the first of the month following the correction period. A copy of the notice will also be sent to the participant. The notice of abatement states that the participant is not responsible for HADC's portion of any abated rent.

No retroactive payments will be made to the owner for the period of time the rent is abated. Owner rents are not abated as a result of HQS deficiencies that are the family's responsibility.

Upon the owner's and participant's certification that deficiencies have been corrected, HADC will resume the HAP effective the day of the certification.

During the abatement period the family continues to be responsible for their share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

#### **HAP Contract Termination**

The abatement will continue until all HQS deficiencies have been corrected and verified via receipt of self-certification of HQS corrections or by re-inspection. It is the owner's responsibility to notify HADC that deficiencies have been corrected. If repairs are not made within 60 days (or less, as determined by HADC in more severe cases), HADC reserves the right to terminate the HAP contract. HADC will provide the participant with at least 30 days' notice before the contract termination occurs.

### **12.8 ENFORCING FAMILY COMPLIANCE WITH HQS**

Families are responsible for correcting any HQS violations which they are responsible for as described in this Plan. If the family fails to correct a violation or deficiency within the timeframe allowed by HADC (and any approved extensions), HADC will terminate the family's assistance.

If the owner carries out a repair for which the family is responsible, the owner may bill the family for the cost of the repair.

## **12.9 RENT INCREASES**

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

## **12.10 HOME INSPECTIONS FOR NEW HOME BUYERS**

The inspections department will conduct HQS home inspections for new HCV home buyers.

## **12.11 SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL**

If HADC 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 six years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood lead level, HADC must complete a risk assessment of the dwelling unit. 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 HADC, 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 HADC will take action in accordance with policies set forth in this Plan.

## 13.0

# CHAPTER 13 RECERTIFICATIONS

*(24 CFR Part 982 Subpart K)*

In accordance with HUD requirements, HADC will re-examine the income and household composition of all families at least annually. This Chapter defines HADC's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

It is a HUD requirement that families report all changes in income and household composition. Families reporting changes during interim and annual reexaminations will be subject to other policies in this Administrative Plan that may be applicable as a result of the changes. Families will also be provided accurate annual and interim rent adjustments and will be given reasonable notice of any resulting rent increases.

### 13.1 ANNUAL ACTIVITIES

There are three activities HADC must conduct on an annual basis:

1. **Annual Recertification of Income and Family Composition**  
This includes gathering and verifying current information about family composition, income and expenses to adjust the family's level of assistance, as needed
2. **HQS Inspection**  
This ensures that assisted units continue to be maintained in accordance with HQS requirements. (See Housing Quality Standards and Inspections chapter)
3. **Rent to Owner Adjustment**  
This includes reviewing rent reasonableness and payment standard information to determine any necessary adjustments in the HAP to owners (see Rent Reasonableness and Payment Standards chapter)

HADC produces a monthly listing of units under contract to ensure that timely reviews of rent to owner, housing quality, and factors related to Total Tenant Payment/family share can be made.

### 13.2 ANNUAL RECERTIFICATION/REEXAMINATION

HADC conducts annual recertifications of income and family composition by mail and/or in person. At least 90 – 120 days in advance of the scheduled annual recertification date, HADC will send a recertification package to the head of household. The package contains documents that the participant and associated third parties must complete for verification purposes. In general, verification documents should be dated no more than 60 days prior to the date the application is returned. In cases where income and asset information is reported quarterly or semi-annually by a third party, the most recent statement will be acceptable.

The entire package, including all required third party verifications, must be returned to HADC on or before the return date printed on the package, or within 21 calendar days of receipt by the participant. If HADC has not received the package within this timeframe, HADC will send the participant a Proposed Termination Notice along with a Request for Informal Hearing form. Participants will be given 10 days from the date of the notice to request an informal hearing. If the family fails to respond to the Proposed Termination Notice, a termination notice will be sent to the participant and landlord. Terminations will become effective the first day of the following month after the termination notice has been sent.

HADC will accept partially completed packages if the participant is in the process of obtaining income documentation. If third party verifications have not been completed and returned to the agency, HADC will attempt to verify information through various means.

HADC will analyze and verify all information included in the recertification package, recalculate the family share of the rent and notify both the participant and the owner of the new rent amount to be paid by the participant and new housing assistance payment to be made to the owner (if applicable). This notice will include effective dates of the new HAP amount, family share and new rent to owner.

Persons with disabilities who are unable to meet the above requirement will be granted a reasonable accommodation upon verification that the accommodation requested meets the need presented by the disability.

### **13.3 ONGOING ELIGIBILITY OF CERTAIN STUDENTS**

If a student enrolled in an institution of higher education is receiving HCV assistance (as of November 30, 2005) and is under the age of 24, not a veteran, not married, does not have a dependent child, and is not a person with disabilities, the student's eligibility must be reexamined along with the income eligibility of the student's parents on an annual basis. Students who reside with parents in an HCV assisted unit are not subject to this provision.

During the annual reexamination, HADC will determine the eligibility of a student (both full and part-time) who is subject to the eligibility restrictions in 24 CFR 5.612, by reviewing the student's individual income as well as the income of the student's parents. If the student is considered "independent" (as defined in this Administrative Plan) from his/her parents, the parent's income will not be reviewed. If the student is no longer income eligible based on his/her own income or the income of his/her parents, the student's assistance will be terminated.

### **13.4 MOVES BETWEEN REEXAMINATIONS**

When families move to another dwelling unit, an annual recertification will be conducted, unless a recertification has occurred within 60 days of the move. The anniversary date will change to coincide with the move-in date of the new unit.

### **13.5 PARTICIPANT RENT INCREASES**

If a participant's portion of the rent increases, no less than a 30-day written notice will be given to the participant with a copy to the landlord. 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.

### **13.6 PARTICIPANT RENT DECREASES**

If a participant's portion of the rent decreases, the decrease will be effective on the family's anniversary date. A copy will be mailed to the landlord and the participant.

HADC will adjust the rent accordingly for families who lose their TANF benefits as a result of the expiration of the lifetime time limit. Such expiration shall not be considered failure to comply with program regulations. HADC will not lower the family's rent if the family's TANF benefits are reduced because of fraud.

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

### **13.7 REPORTING INTERIM CHANGES**

Interim reexaminations between annual reexaminations are performed to allow participants to comply with the lease requirements and to report changes in income and family circumstances. An interim reexamination does not affect the date of the annual recertification.

HADC requires that families report interim changes to HADC within a reasonable time when the change occurs. Any information, document or signature needed from the family which is needed to verify the change must be provided within a reasonable time, but not to exceed 30 days.

#### **A. Changes in Family Composition**

Program participants must report all changes in household composition to HADC between annual reexaminations. This includes additions due to birth, marriage, adoption and court-awarded custody. The family must obtain HADC approval prior to any additions to the household to include a live-in aide, foster child or foster adult. Approval is not required for children who joined the family as a result of birth, adoption, or court-awarded custody. Additions to the family will be subject to the policies as described in this Administrative Plan, to include HADC's eligibility and verification requirements and HQS standards.

When any new family member is added, HADC must conduct an interim reexamination to determine any new income or deductions associated with the additional family member and to make appropriate adjustments in the family share of the rent and the HAP payment.

If a household member ceases to reside in the unit, to include a live-in aide, foster child or foster adult, the family must inform HADC within 10 days. This also applies to a family member who has been considered temporarily absent at the point the family concludes the individual is permanently absent.

## **B. Changes in Family Income**

HADC will conduct interim reexaminations in each of the following instances as it relates to changes in family income:

1. **Earned Income Disallowance** – An interim reexamination will be conducted at the start and conclusion of the second 12-month exclusion period.
2. **Zero Income** – An interim reexamination may be conducted monthly as long as the family reports no income.
3. **Seasonal or Cyclic Income** – When it is not feasible to anticipate income for the next 12 months, HADC will conduct an interim reexamination to coincide with the end of the period for which it is feasible to project income.
4. **Provisional Information** – If participant-provided documents were used on a provisional basis due to lack of third-party verification, and third-party verification becomes available, HADC will conduct an interim reexamination
5. **Errors or Fraud** – An interim reexamination may be conducted by HADC at any time in order to correct an error or to investigate a participant fraud complaint.

Changes in family income resulting from increases in wages in the same job position or periodic increase in government benefits not related to other changes in income to family composition do not have to be reported to HADC until annual reexamination. This includes cost of living adjustments for SS, SSI, and VA Pensions.

- **Increases in Income**

If participant rent increases due to an increase in income, a 30 day notice will be mailed to the family prior to the scheduled effective date of the annual recertification. If less than 30 days are remaining before the scheduled effective date of the annual recertification, the participant rent increase will be effective on the first of the month following the 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.

- **Decreases in Income**

When income decreases, rent will be made effective the first day of the month following the month in which the change was reported by the resident, in writing, provided, however, that no decrease shall be made until written documentation (i.e. proof) of the change(s) has been furnished by the resident and deemed sufficient and verified by HADC in accordance with its procedures.

### **C. Welfare Assistance Reduction**

HADC will not reduce the family share of rent for families whose welfare assistance is reduced by the welfare agency as a result of fraud in connection with the welfare program; or noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

The family's annual income will include imputed welfare income, as determined at the family's annual or interim reexamination, during the term of welfare benefits reduction. HADC will rely on the welfare agency's written notice regarding the amount of specified benefit reduction.

HADC will reduce the rent if the welfare assistance reduction is a result of:

1. The expiration of a lifetime time limit on receiving benefits; or
2. A situation where the family has complied with welfare program requirements but cannot or has not obtained employment, or
3. A family member has not complied with other welfare agency requirements.

## **13.8 CORRECTING ERRORS**

If HADC makes a calculation error at admissions to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error. If the correction causes an increase in the family share, the family will not be charged retroactively. If the correction causes a decrease in the family share it will be retroactive to when the decrease for the change would have been effective if calculated correctly.

## **13.9 NOTIFICATION OF RESULTS OF RECERTIFICATIONS**

The Notice of Rent Change is mailed to the owner and the participant. If the family disagrees with the rent adjustment, they may request an informal hearing in accordance with the policies in the Chapter on Complaints, Hearings and Appeals.

### **13.10 MISREPRESENTATION OF FAMILY CIRCUMSTANCES**

If any participant deliberately misrepresents the information on which eligibility or participant rent is established, HADC may terminate assistance and may refer the family file/record to the proper authorities for appropriate disposition.

## 14.0 CHAPTER 14 MOVES WITH CONTINUED ASSISTANCE AND PORTABILITY

*(24 CFR Part 982 Subparts G and H)*

A family is not permitted to move during the initial lease term. Thereafter, families may request to move only once every 12 months as funding allows. Portability is a term used to describe a family's ability to rent a dwelling unit outside HADC's jurisdiction and continue receiving HCV tenant-based assistance.

This chapter defines the policies for moves, both within and outside of HADC's jurisdiction, and HADC's policies on restriction and limitations on moves.

### 14.1 ALLOWABLE MOVES

Subject to the restrictions on moves set forth in this chapter, a family may be allowed to move to a new unit if:

- The assisted lease for the old unit has terminated because HADC has terminated the HAP contract for owner breach
- The Landlord and family mutually agree to terminate the lease
- The owner has given the family a notice to vacate
- The family has given the Landlord proper notice to terminate the lease
- HADC determines that the family's current unit does not meet HQS space standards due to a change in family composition
- The move is in accordance with The Violence Against Women Reauthorization Act of 2005, which provides that "a family may receive a voucher from a public housing agency and move to another jurisdiction under the participant-based assistance program if the family has complied with all other obligations of the HCV 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 a victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit."
- Reasonable Accommodation

## 14.2 MOVE PROCEDURES

Families that wish to move must follow the procedures presented below:

- The family must submit to HADC a request to move in writing;
- The family must provide proof that they are in good standing with their lease. Proof can come in the form of a general release letter from the landlord, or proof of rent payments (e.g., cancelled checks). HADC may, at its discretion, waive the requirement for the participant to document good standing with lease requirements when there is a compelling and urgent health and safety-related need that requires the participant to move immediately;
- If a participant who has requested a move and processed the necessary paperwork to change units subsequently decides not to move, or if their move is delayed, they must notify HADC immediately so that current and future landlord accounts can be properly credited. Participants who fail to notify HADC after such change of plans may be denied future move requests. Per federal regulations, it is a violation of family obligations to legally occupy two units and HADC will consider this act as grounds for termination.
- HADC will process all move requests in the order that they are received, but reserves the right to prioritize requests depending upon special circumstances or emergency situations.

### A. Notification

The family must give the owner the required number of days written notice of intent to vacate specified in the lease and must give a copy to HADC simultaneously.

### B. Issuance of Voucher

If the family has not been recertified within the last 120 days, HADC will issue the voucher to move after conducting a recertification and briefing the family. If the family does not locate a new unit, they may remain in the current unit so long as the owner permits. The annual recertification date will be changed to coincide with the new lease-up date.

**C. Time of Contract Change**

In a move, assistance stops at the old unit at the end of the month in which the participant moved out, unless proper notice was given to end the lease otherwise. Assistance will start on the new unit on the effective date of the lease and HAP contract. Assistance payments may overlap for the month in which the family moves. Failure to complete the move process once the HAP contract is signed is a violation of family obligations under the Tenancy Addendum, and may result in termination of subsidy.

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.

**14.3 RESTRICTIONS ON MOVES**

Families will not be permitted to move within HADC's jurisdiction during the initial year of the assisted lease. Also, families will not be permitted to move more than once in a 12-month period. HADC will deny permission to move if:

- A. The family has violated a family obligation under the program
- B. The family owes HADC money
- C. The family has moved or been issued a voucher within the last 12 months
- D. There is insufficient funding for continued assistance

**14.4 EXCEPTIONS TO MOVE POLICY**

HADC may grant an exception to these restrictions in an emergency situation, or if the family meets special circumstances associated with certain local preference categories or VAWA. HADC may also grant an exception if the family becomes overcrowded, as defined by HUD's HQS standards, or if the apartment has two consecutive HQS failures caused by the landlord.

Moves within a building or a managed group of buildings, also referred to as transfers, may be scheduled at different intervals than every 12 months, at the discretion of HADC, if the family and owner are both in agreement and provide the required documentation to HADC for approval prior to transfer.

### **14.5 PROTECTING PARTICIPANTS AT FORECLOSURE**

HUD regulations provide protection for families receiving HCV assistance who reside in units that foreclose. Under the regulations, the immediate successor in interest, which is the party purchasing the property through a foreclosure sale, becomes subject to the HAP contract if the property is purchased during the term of the lease. The new owner or immediate successor in interest, can terminate the tenancy on the effective date of the transfer of the unit only if the new owner will occupy the unit as a primary residence; and has given the family a notice to vacate at least 90 days before the effective date of said notice.

If the new owner uses the unit as a primary residence, the lease can be terminated effective on the date of the foreclosure sale. The family is still entitled to a minimum of 90 days' notice to vacate.

In the event of foreclosure on any federally-related mortgage loan or on any residential real property occupied by a HCV assisted family, the new owner or immediate successor in interest shall assume such interest subject to the lease between the prior owner and the participant and to the HAP contract between the prior owner and HADC. If state or local law provides longer time periods or additional protections for participants, the state or local law will take precedence. HADC will discuss the law protecting HCV program families at foreclosure to landlords, participants and applicants at their respective briefings.

HADC will comply with all applicable regulations if the unit will be or has been assisted under the Neighborhood Stabilization Program (NSP).

HADC is aware that this provision does not preempt state or local laws that provide additional protections or a longer time frame. The federal protections apply when state or local laws provide less protection.

### **14.6 PORTABILITY**

Applicant families that have been issued vouchers as well as participant families may qualify to lease a unit outside of HADC's jurisdiction under portability. Portability applies to families moving out of or into HADC's jurisdiction within the U.S. and its territories. Portability does not apply to families that are assisted through PBRA.

## 14.7 RESTRICTIONS ON PORTABILITY

### A. Applicants

- HADC may deny portability for applicant families if there is insufficient funding or there are grounds for denying assistance to the family.
- A family must have legal residence and proof of the same within HADC's jurisdiction for twelve consecutive months in order to move under portability requirements. If neither the head nor spouse had a domicile (i.e. legal residence) in HADC'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 otherwise approved by HADC.
- HADC must determine whether the family is eligible for admission under the receiving PHA's program, to include determining whether the family is income eligible in the area to which the family wishes to move.

### B. Participants

HADC will not permit participant families to exercise portability:

1. If the family is in violation of a family obligation
2. HADC may deny portability for participant families if there is insufficient funding or there are grounds for denying assistance to the family
3. If the family owes money to HADC
4. If the family has moved out of its assisted unit in violation of the lease

Additionally, after an applicant has leased-up in HADC's jurisdiction, they cannot exercise portability during the first year of assisted occupancy, except in the following circumstances:

- HADC and the receiving PHA agree to allow the move
- The family's move relates to an opportunity for education, job training or employment
- A sound medical reason with proper documentation provided by the families' physician
- The family must move at no fault of their own from their current residence

Under VAWA, HADC will make exceptions to restrictions on portability for families who are otherwise in compliance with program obligations but have to move due to imminent threat or harm or to protect the health and safety of an individual who is or has been a victim of domestic violence, dating violence or stalking.

Determination of outgoing ports is based upon recertification within the last sixty days. A participant is not required to attend a briefing prior to moving outside of HADC's jurisdiction. Income eligibility is not re-determined when a participant family exercises portability. However, HADC must provide family and income information to the receiving PHA in so that the information is easily available for use by the receiving PHA.

A notice to vacate in accordance with the lease must be submitted to the family's landlord. Should the family decide to remain in the unit, the family and landlord must complete and sign "A Change in a Notice to Vacate" and provide to HADC.

#### **14.8 OUTGOING PORTABILITY**

If the family wishes to move to a unit outside of HADC's jurisdiction under portability, the notice to HADC must specify the area where the family wishes to move. A family may move to an area where there is at least one PHA in the area. If there is more than one PHA in the area in which the family has selected a unit, HADC will choose the receiving PHA. HADC will contact the receiving PHA on the family's behalf. HADC will also advise the family on how to contact and request assistance from the receiving PHA.

#### **14.9 INCOMING PORTABILITY**

When the family has a right to lease a unit in the receiving PHA jurisdiction (i.e. HADC's jurisdiction) under portability procedures in accordance with CFR 982.353(b), HADC must provide assistance for the family. HADC's procedures and preferences for selection among eligible applicants do not apply and HADC's waiting list is not used. However, HADC may deny portability or terminate assistance for family action or inaction in accordance with CFR 982.552 and CFR 982.553. If for any reason, HADC refuses to process or provide assistance to a porting family, the family will be given an opportunity for an informal review or hearing. (See chapter on Complaints, Hearings and Appeals).

When a family moves into HADC's jurisdiction under portability, the family is responsible for contacting HADC and complying with HADC's policies and procedures for incoming porting families. HADC must also inform the initial PHA within 10 business days whether HADC will bill the initial PHA for assistance on behalf of the portable family or will absorb the family into its own program.

##### **A. Income Eligibility and Reexamination**

For any family moving into its jurisdiction under portability, the PHA will conduct a new reexamination of family income and composition. However, the PHA will not delay issuing the family a voucher for this reason. Nor will the PHA delay approving a unit for the family until the reexamination process is complete unless the

family is an applicant and the PHA cannot otherwise confirm that the family is income eligible for admission to the program in the area where the unit is located.

In conducting its own reexamination, HADC may rely on verifications provided by the initial PHA, to the extent they accurately reflect the family's current circumstances and they were obtained within the last 120 days. Any new information may be verified by documents provided by the family and adjusted, if necessary, when third party verification is received.

## **B. Voucher Issuance**

In order to have sufficient time to process the portability packet, HADC will promptly issue a voucher to the family to search in HADC's jurisdiction, the term of which may not expire before the expiration date of the initial PHA voucher. The family should have a minimum of 60 days on their initial voucher in order to port to HADC. Additionally, the family must have at least 45 days remaining on their voucher.

When the family submits a RFTA, it will be processed using HADC's policies. HADC will promptly notify the initial PHA if the family does not submit a RFTA or does not execute the lease for an eligible unit by the voucher expiration date. HADC does not afford families an opportunity for a hearing for expired vouchers.

HADC may provide additional search time to the family beyond the expiration date of the initial PHA voucher, if it is approved in writing by the initial PHA. HADC will not process the family if the voucher has less than 45 days remaining when it receives the paperwork from the initial PHA. The family will be referred back to the initial PHA who will have to decide to extend the term of the voucher before HADC will process the portability.

## **C. Notifying the Initial PHA**

HADC will notify the initial PHA if the family has leased an eligible unit or if the family fails to submit a RFTA for an eligible unit within the term of HADC's voucher. If the family leases up successfully, HADC will notify the initial PHA within 10 business days. If HADC denies assistance to the family, except for an expired voucher, HADC will notify the initial PHA within 10 business days and the family will be offered a review or hearing.

If an incoming portable family ultimately decides not to lease in HADC's jurisdiction, but instead wishes to return to the initial PHA or wishes to search in another jurisdiction, HADC will notify the family of its responsibility to contact the initial PHA and HADC will return the paperwork to the initial PHA. In such a case the voucher of record for the family is once again the voucher originally issued by the initial PHA. Any extension of search time provided by HADC is only valid for the family's search in HADC's jurisdiction.

#### **14.10 ADMINISTERING A PORTABLE FAMILY'S VOUCHER**

HADC will accept a family with a valid voucher from another jurisdiction and administer the voucher. The family will be issued a portable voucher by HADC and the term of the voucher will not expire before the expiration date of the initial PHA voucher. The family must submit a RFTA for an eligible unit to HADC before the expiration term of HADC issued voucher. HADC will issue a portable voucher according to its own Subsidy Standards.

HADC may grant extensions in accordance with this Administrative Plan. However, if the family decides not to lease-up in HADC's jurisdiction or if the family is unable to find a unit and requests that their paperwork be sent to another Housing authority, they must contact the initial PHA to request an extension. In the event that HADC does not provide paperwork to the initial PHA in a timely manner, resulting in the loss of time or the expiration of the family's voucher, HADC will restore the number of days lost due to its failure to forward portability paperwork in a timely manner.

#### **14.11 ABSORBING A PORTABLE FAMILY**

Based on funding availability and other factors, HADC may absorb an incoming portable family into its own program. This may occur at the point of admission, or after providing assistance for the family under a billing arrangement with the initial PHA.

If HADC is absorbing a family for which it has been billing or if the HAP is terminated for any reason, HADC will provide adequate notice of the effective date of the absorption or termination. HADC will notify the initial PHA within 10 business days following the effective date of the termination of the billing arrangement.

#### **14.12 REGULAR PROGRAM FUNCTIONS**

For families assisted under portability, HADC will perform all program functions applicable to the participant-based assistance program, such as:

1. Annual reexaminations of family income and composition;
2. Annual inspection of the unit; and
3. Interim examinations when requested or deemed necessary by HADC

#### **14.13 TERMINATIONS**

In instances where HADC is administering the voucher, HADC will notify the initial PHA in writing of any termination of assistance. If an informal hearing is required and requested by the family, the hearing will be conducted by HADC, using the regular hearing procedures included in this Plan.

At any time, either the initial PHA or the receiving PHA (HADC), may make a determination to deny or terminate assistance to the portability family, if said family is in violation of 24 CFR 982.552 and 982.553.

## 15.0

# CHAPTER 15 OWNERS

*(24 CFR Part 982 Subparts G, I and J)*

Owners play a vital role in HADC's HCV program by supplying quality, affordable housing choices to assisted households. Of particular interest to HADC is the participation of owners and landlords who provide housing opportunities to families in neighborhoods of low poverty, low minority concentration. This chapter provides information on HADC's policies related to the owner's participation in the HCV program and their responsibilities under the program, including screening and leasing to families, maintaining the dwelling unit, enforcing the lease and complying with various contractual obligations.

### 15.1 DEFINITION OF OWNER

An owner is defined as any person or entity legally authorized to lease or sub-lease the participating dwelling unit. A principal or interested party in a partnership or corporation will be considered an owner, if authorization to act on behalf of the partnership or corporation is provided.

### 15.2 LEGAL OWNERSHIP OF UNIT

HADC will only enter into a contractual relationship with the legal owner of a qualified unit. No tenancy will be approved without acceptable documentation of legal ownership. Proof of ownership must be submitted in the following form:

- If the property is managed by an agent and payments are to be made to a management company, a copy of the management agreement; and
- A copy of the deed or title registered with DeKalb County or a copy of the tax receipt verifying payment of local property taxes for the assisted property.

### 15.3 OWNER OUTREACH AND RETENTION

HADC encourages owners of decent, safe and sanitary housing units to lease to HCV-assisted families. HADC conducts owner outreach to ensure that owners are familiar with the program and its advantages. Efforts HADC makes to engage and retain quality owners include the following:

- Conducting regularly scheduled briefings/meetings with owners to improve owner relations and to recruit new owners
- Making personal contact with private property owners and landlords by conducting formal and informal discussions and meetings
- Providing printed material and maintaining information on HADC's website to acquaint owners and landlords with opportunities available under the program

- Keeping owners informed of legislative changes to the program which are designed to make the program more attractive to owners
- Actively recruit property owners with property located outside areas of minority and poverty concentration and apply for exception payment standards if HADC determines it is necessary to attract these property owners in HADC's jurisdiction

HADC will maintain a link via HADC's website of available housing submitted by owners in all neighborhoods within HADC's jurisdiction to ensure greater mobility and housing choice to program participants with active vouchers.

Also, as part of its efforts to retain high quality owners and landlords HADC will (1) expeditiously process HADC activities in an effort to minimize vacancy losses for owners; (2) provide owners with a handbook that explains the program and designate a HADC contact person; (3) provide other resource materials (e.g. inspection booklet and HUD housing quality standards) to help owners succeed in participating in HADC's HCV program.

#### 15.4 OWNER QUALIFICATIONS

The following are a number of criteria that may affect HADC's decision to allow an owner to participate in the program based on owner behavior, conflict of interest or other owner-related issued. No owner has a right to participate in HADC's HCV program.

- **Owners Barred from Participation**

HADC will not approve an owner that has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24. HUD may direct HADC not to approve a tenancy request if a court or administrative agency has determined that the owner violated the Fair Housing Act or other federally equal opportunity requirements, or if such an action is pending.

- **Leasing to Relatives**

HADC will not approve a request for tenancy if the owner is the parent, child, grandparent, grandchild, sister or brother of any member of the family and the owner is required to certify that no such relationship exists. HADC may make an exception as a reasonable accommodation for a family member with a disability. This restriction applies at the time the family receives assistance under the HCV program for occupancy. Current contracts on behalf of owners and families that are related may continue, but any new leases or contracts for these families may not be approved.

- **Conflict of Interest**

HADC must not approve a tenancy in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

1. Any present or former member or officer of HADC (except a participant commissioner)
2. Any employee of HADC, or any contractor, subcontractor or agent of HADC who formulates policy or who influences decisions with respect to the programs
3. Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs
4. Any member of the Congress of the United States

HUD may waive the conflict of interest requirements, except for members of Congress, for good cause. HADC must submit a waiver request to the HUD Field Office for determination. HADC cannot execute the HAP contract with the owner until HUD has made a decision on the waiver request.

### **15.5 FAMILY INFORMATION TO OWNERS**

HADC will inform owners that it is the responsibility of the owner to determine the suitability of the family and deciding whether to lease to the family, just as the owner would with any potential participant. HADC has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy. See Chapter on Request for Tenancy Approval and HAP Contract for more information on family screening policies. A statement of HADC's policy on release of information to prospective landlords will be included in the briefing packet, which is provided to the family.

### **15.6 OWNER RESPONSIBILITIES**

The following outlines the basic owner responsibilities in the HCV program:

- Performing all of the owner's obligations under the HAP contract and the lease
- Performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit, and deciding if the family is suitable for tenancy of the unit
- Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance
- Complying with equal opportunity requirements
- Preparing and furnishing to HADC information required under the HAP contract
- Collecting from the family any security deposit, the participant's contribution to rent (that part of rent to owner not covered by the HAP from HADC) and any charges for unit damage by the family

- Enforcing rent obligations under the dwelling lease
- Paying for utilities and services (unless paid by the family under the lease)
- Making modifications to a dwelling unit occupied or to be occupied by a person with a disability
- Comply with VAWA when screening and terminating participants

HADC will take prompt action to enforce the owner obligations to include termination of the HAP contract or suspension or reduction of housing assistance payments as regulated by 24 CFR 982.404.

### **15.7 OWNERS ACTIONS THAT MAY RESULT IN DISAPPROVAL**

HADC will refuse to approve a request for tenancy if HADC becomes aware of any of the following acts by the owner:

- Violated obligations under a HAP contract under Section 8 of the 1937 Act
- Committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- Engaged in any drug-related criminal activity or any violent criminal activity
- History or practice of non-compliance with the HQS for units leased under the participant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program
- History or practice of failing to terminate tenancy of participants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the participant, any member of the household that: (i) threatens the right to peaceful enjoyment of the premises by other residents; (ii) threatens the health or safety of other residents, of employees of HADC, or of owner employees or other persons engaged in management of the housing; (iii) threatens the health or safety of, or the right peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or (iv) is drug-related criminal activity or violent criminal activity
- History or practice of renting units that fail to meet state or local housing codes
- Has not paid state or local real estate taxes, fines or assessment

If HADC disapproves a request for tenancy because an owner is not qualified, HADC will determine whether to terminate the HAP contract for any assisted families that are already living in the owner's properties.

In considering whether to disapprove owners for any of the reasons listed above, HADC will consider any mitigating factors, which include but are not limited to, the seriousness of the violation in relation to program requirements, the health and safety of the participating families and the impact on the ability of the families to lease units. HADC will decide, on a case-by-case basis, whether to approve an owner.

## 16.0

# CHAPTER 16 COMPLAINTS, HEARINGS AND APPEALS

*(24 CFR 982 Subpart L)*

It is the policy of HADC to ensure that all families have the benefit of all protections due to them under the law. Families will be afforded the opportunity to file a complaint or request an informal hearing when they disagree with an action, decision, or inaction of HADC as it relates to the operation of HADC's HCV program. This chapter describes policies and standards that will be used when families disagree with HADC's decision.

### 16.1 COMPLAINTS TO HADC

All complaints, other than HQS violations, shall be put in writing and addressed to the Assistant Director of Housing Choice. All HQS complaints may be reported by telephone to the Landlord Services Manager. For discrimination complaints against HADC, persons should contact HADC's Director of Administration. All complaints will be documented and responded to in writing within ten (10) business days.

### 16.2 INFORMAL REVIEW FOR APPLICANTS

An informal review will be provided to applicant families who are denied assistance before the effective date of the HAP Contract. The exception is when an applicant family is denied assistance due to their citizenship or eligible immigrant status. In these instances, the applicant family is entitled to an informal hearing.

Generally, HADC must provide applicants with the opportunity for an informal review of decisions denying:

- Listing on HADC's waiting list
- Issuance of a voucher
- Participation in the program
- Assistance under portability procedures

Generally, informal reviews are not required for the following reasons for denial of assistance:

- Discretionary administrative determinations by HADC
- General policy issues or class grievances
- A determination of the family unit size under HADC's subsidy standards
- HADC's determination not to approve an extension or suspension of a voucher term
- Disapproval of the owner's lease form #
- A HADC determination not to grant approval of the tenancy
- A HADC determination that a unit selected by the applicant is not in compliance with HQS
- A HADC determination that the unit is not in compliance with HQS because of the family size or composition
- When an applicant is denied assistance due to determination of income eligibility, the determination period for income eligibility ends on the date Denial Notice is printed. Therefore, applicants must prove that they

were income eligible at the time the denial notice was issued.

- When an applicant is denied assistance for citizenship or eligible immigration status, the applicant is entitled to the same informal hearing process that is offered to participants.

A written request for an informal review must be received by HADC no later than ten (10) days from the date HADC notifies the applicant family of their denial of assistance. Failure by the applicant to respond to the written notice within the ten day period will make HADC's decision final. The informal review will be scheduled within a reasonable period of time from the date the request is received.

A Notice of the Review decision will be provided in writing to the applicant family within a reasonable time after the date the informal review was concluded. It shall include the decision of the Review Officer, and an explanation of the reasons for the decision.

### **16.3 INFORMAL HEARING FOR PARTICIPANTS**

HADC will provide an opportunity for an informal hearing for the following decisions:

- A determination of the family's annual or adjusted income and the use of such income to compute the housing assistance payment;
- A determination of the appropriate utility allowance (if any) for participant-paid utilities;
- A determination of the voucher size under HADC's subsidy standards;
- A determination that a voucher program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under HADC's subsidy standards (i.e., the family is "over-housed"), or HADC's determination to deny the family's request for an exception from the standards;
- A determination to terminate assistance for a participant family because of the family's action or failure to act; and
- A determination to terminate assistance because the family has been absent from the assisted unit for longer than the maximum period permitted under HADC's policy and HUD rules.
- Informal hearings regarding termination of assistance will be conducted prior to terminating assistance if such informal hearing was properly requested within 21 days from the date printed on the notice.

HADC is not required to provide an opportunity for an informal hearing in any of the following circumstances:

- Discretionary administrative decisions by HADC
- General policy issues or class grievances
- Establishment of the schedule of utility allowances for families in the program
- HADC's determination not to approve an extension or suspension of a voucher term
- HADC's determination not to approve a unit or tenancy
- HADC's determination that a unit is not in compliance with HQS. However, HADC must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused

by the family

- HADC's determination that the unit is not in accordance with HQS because of the family size; and
- HADC's determination to exercise or not to exercise any right or remedy against the owner under a HAP contract

Informal hearings must be requested within ten days of notification by HADC to terminate assistance. If the participant fails to request an informal hearing within the ten day period, then the decision of HADC will be final. If a participant is entitled to an informal hearing, housing assistance will not be terminated until a decision has been made from the informal hearing.

The informal hearing shall be conducted by a Hearing Officer appointed by HADC who is neither the person who made or approved the decision, nor a subordinate of that person. The Hearing Officer will determine whether the action, inaction or decision of HADC 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 decision will be provided in writing to HADC and the participating family within a reasonable amount of time.

HADC shall notify the participating family, in writing, if it determines that HADC is not bound by the Hearing Officer's determination within ten business days from receipt of the Hearing Officer's decision. The letter shall include HADC's reasons for the decision.

#### **16.4 HEARING AND APPEAL PROVISIONS FOR NON-CITIZENS**

Assistance to a participating family that includes a non-citizen may not be terminated or denied while HADC's hearing is pending, but assistance to an applicant family may be delayed pending HADC's hearing decision.

If an applicant/participating family member claims to be an eligible immigrant and the INS system and manual search do not verify the claim, HADC will notify the applicant/participating family within ten days of their right to appeal to the INS within thirty (30) days or to request an informal hearing with HADC either in lieu of, or subsequent to the INS appeal. The request for a HADC informal hearing must be made within ten working days of receipt of the notice offering the informal hearing or, if an appeal was made to the INS, within ten working days of receipt of that notice.

If the applicant/participating family appeals to the INS, they must give HADC a copy of the appeal and proof of mailing or HADC may proceed to deny or terminate assistance. The time period to request an appeal may be extended by HADC for good cause. Assistance to a participating family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of decision on an INS appeal.

Informal hearings for non-citizens are conducted consistent with the policies for informal hearings described in this chapter. If the Hearing Officer decides that the individual is not eligible, and there are no other eligible family members, HADC will do one of the following:

- Deny the applicant family
- Terminate the participating family if they do not qualify for deferral

If there are eligible members in the participating family, HADC will offer to prorate the assistance or give the participating family the option to remove the ineligible members. Participating families whose assistance is prorated (either based on their statement that some Family members are ineligible or due to a failure to verify eligible immigration status for some family members after exercising their appeal and hearing rights described above) are entitled to an informal hearing based on the right to a hearing regarding determinations of participant rent and TTP. Participating families denied or terminated for fraud in connection with the Non-Citizens Rule are entitled to an informal review or informal hearing in the same way as terminations for any other type of fraud.

## 17.0

# CHAPTER 17 DENIAL OR TERMINATION OF ASSISTANCE

*(24 CFR Part 982 Subpart L; 24 CFR Part 5 Subpart B and I)*

HADC may deny or terminate assistance in the HCV program for an applicant or participant family for certain offenses, failure to provide information necessary to determine eligibility and continued assistance and when the family no longer requires assistance. HADC will provide each family with a list of family obligations, which enumerates their responsibilities as a participant under the HCV Program, the basis by which HADC may deny or terminate assistance, and the rules governing HADC's informal hearing procedures. This chapter covers HADC's policies governing the denial of an applicant family and the grounds for terminating assistance of a participant family.

### 17.1 DENIAL OF ASSISTANCE

HADC may deny assistance due to action or inaction of the family. Denial of Assistance may include the following:

- Denial of listing on HADC's waiting list;
- Denial or withdrawal of a voucher;
- Refusal to enter into a HAP contract or approve a unit; and
- Refusal to process or provide assistance through portability.

### 17.2 MANDATORY DENIAL OF ASSISTANCE

HADC must deny HCV assistance to an applicant under any of the following circumstances:

- If any family member has ever been convicted of manufacturing or producing methamphetamine on the premises of federally-assisted housing
- If any member of a household is subject to a lifetime registration requirement under a State sex offender registration program
- If a family was evicted from housing under the HCV program for serious violation of the lease
- If any member of the family on the HCV application has been evicted from federally-assisted housing in the last three years
- If any member of the family fails to sign and submit consent forms for obtaining information in accordance with 24 CFR Part 5
- If no family member can establish either citizenship or eligible immigration status (i.e., at least one member of the family must establish either citizenship or eligible immigration status)

### 17.3 MANDATORY TERMINATION OF ASSISTANCE

HADC must terminate program assistance for a participant under any of the following circumstances:

- If the family is under a HAP contract and 180 days have elapsed since HADC's last housing assistance payment was made because the participant's portion of rent equals the contract rent. These situations are commonly referred to as "zero subsidy" or "no rent hardship" cases. HADC reserves the right to terminate tenants prior to this timeframe, provided tenants are given 30 calendar days notice of termination
- If any family member has ever been convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing
- If any member of the family fails to sign and submit consent forms for obtaining information in accordance with 24 CFR Part 5

### 17.4 OTHER AUTHORIZED REASONS FOR DENIAL AND/OR TERMINATION OF ASSISTANCE

HADC will also deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

1. The family does not meet the program eligibility criteria
2. The family violates any family obligation under the program as listed in 24 CFR 982.551
3. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
4. The family currently owes rent or other amounts to HADC or to another PHA in connection with HCV, Moderate Rehabilitation or public housing assistance under the 1937 Act
5. The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease
6. The family breaches the terms of a repayment agreement. HADC at its discretion may offer the family the opportunity to enter into a repayment agreement. HADC will prescribe the terms of the agreement
7. The family participating in an FSS program fails to comply, without good cause, with the family's FSS contract of participation
8. The family or any member in the family household or guest has threatened or engaged in abusive or violent behavior toward HADC personnel. The following describes abusive, threatening or violent behavior:
  - "Abusive or violent behavior towards HADC 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 also be cause for termination or denial.
  - "Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

- Actual physical abuse or violence by the family toward HADC staff will always be cause for termination.
9. Any family in which a family member is subject to a lifetime sex offender registration requirement. This provision will not be waived. HADC shall perform necessary criminal history background checks in the State where the housing is located and in any other States where household members are known to have resided.
  10. HADC has previously terminated HCV assistance for any member of the family
  11. The family has failed to provide information requested by HADC or the family has failed to attend their scheduled briefing with HADC
  12. Family absence from the unit for more than 180 consecutive calendar days
  13. HADC funding under the consolidated ACC is insufficient to support continued assistance to families in the program

### 17.5 METHOD OF TERMINATION

HADC may use the following methods to terminate assistance to a family:

- Terminate housing assistance payments under a current HAP contract
- Refusing to approve a RFTA or enter into a new HAP contract
- Refusing to process a request for or provide assistance under portability

### 17.6 CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE

HADC will use the concept of the preponderance of the evidence as the standard for making termination decisions.

**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.

HADC will also consider all relevant circumstances when determining whether a family's assistance should be terminated. This includes, but is not limited to, the seriousness of the case; the effects that terminating assistance may have on other members of the family; the extent of participation or culpability of individual family members, including minors or persons with disabilities or a victim of domestic violence, dating violence or stalking; and the length of time since the violation occurred, the family's recent history and the likelihood of a favorable conduct in the future.

HADC may also rely on credible evidence 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. HADC will pursue fact-finding efforts as needed to obtain credible evidence.

HADC may also terminate assistance for criminal activity by a household member under this section if HADC has determined that the household member has engaged in criminal activity, regardless of whether the household member has been arrested or convicted for such activity.

If the family includes a person with disabilities, HADC's decision to terminate the family's assistance is subject to consideration of reasonable accommodation.

### **17.7 TERMINATING THE ASSISTANCE OF DOMESTIC VIOLENCE, DATING VIOLENCE, OR STALKING VICTIMS AND PERPETRATORS**

HADC will terminate assistance to an individual who is a participant or lawful occupant and 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 also a participant or lawful occupant.

In determining whether a participant who is a victim of domestic violence, dating violence, or stalking is an actual and imminent threat to other participants or those employed at or providing service to a property, HADC will consider the following, as well as other relevant factors in determining whether to propose termination:

- Whether the threat is toward an employee or participant other than the victim of domestic violence, dating violence or stalking
- Whether the threat is a physical danger beyond a speculative threat
- Whether the threat is likely to happen within a short period of time
- Whether the threat to other participants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, HADC will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

### **17.8 NOTICE OF TERMINATION OF ASSISTANCE**

In any case where HADC decides to terminate assistance to the family, HADC will give the family written notice which states:

- The reason(s) for the proposed termination,
- The effective date of the proposed termination,
- The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.
- The date by which a request for an informal hearing must be received by HADC.

HADC will simultaneously provide written notice of the contract termination to the owner to coincide with the termination of assistance. The notice to the owner will not include any details regarding the reason for termination of assistance.

## 17.9 ALTERNATIVES TO TERMINATION OF ASSISTANCE

In deciding whether to deny program admission or terminate assistance because of action or failure to act by members of the family, HADC has discretion to consider all of the circumstances in each case including the seriousness of the case.

HADC 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. HADC may also review the family's more recent history and record of compliance and the effects that denial of program admission or termination of assistance may have on other family members who were not involved in the action or failure to act.

HADC 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. HADC may permit the other members of a family to continue in the program.

## 17.10 MISREPRESENTATION IN COLLUSION WITH OWNER

The willful and knowledgeable commission of fraud by the family with the owner/landlord, or the involvement in any other illegal scheme by the family with the owner/landlord will result in the termination and/or denial of assistance by HADC.

Cases that involve fraud, where monies are involved, may be referred to the Inspector General's Office for prosecution, restitution, or both. In making this determination, HADC will carefully consider the possibility of overt or implied intimidation of the family by the owner/landlord and the family's understanding of the events.

## 17.11 TERMINATION OF TENANCY BY THE OWNER

### A. Termination of Tenancy

Termination of an assisted tenancy is a matter between the owner and the family; HADC is not directly involved. However, during the term of the lease, the owner is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law, or other good cause. "Other good cause" for termination of tenancy by the owner includes:

- Failure by the family to accept the offer of a new lease or revision
- The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent).

During the initial lease term, the owner may not terminate the tenancy for “other good cause” unless it is because of something the family did or failed to do. During the initial term of the lease, other good cause includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

If the owner does not wish to renew the lease at the end of the lease term, the owner must provide the participant with at least 60 days written notice or within a timeframe as specified in the lease. A copy of this notice must be forwarded to HADC. The owner is not required to state a reason or cause for not renewing the lease at the end of the lease period.

**B. Eviction Notice**

The owner may give the family an eviction notice at any time, in accordance with the terms of the lease. The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action. The owner must also follow all eviction procedures, using the notice procedures in the HUD regulations and State/local law.

The owner must give the participant a written notice that specifies the grounds for termination of tenancy during the term of the lease at or before the commencement of the eviction action and must also provide HADC a copy at the same time the owner notifies the family. The family is also required to provide HADC a copy of the eviction notice. HADC requires that the owner identifies in their notice to evict the section(s) of the Lease that has been violated and cite some or all of the ways in which the participant has violated the section(s) as documentation for HADC’s termination of assistance.

If the eviction action is finalized in court, the owner must provide HADC with documentation related to the eviction, including the notice of the eviction or lockout date, dispossessory warrant, judgment and writ of possession as soon as possible, but no later than five business days following the court-ordered eviction.

**C. Fair Housing and VAWA**

The owner’s termination of tenancy must be consistent with fair housing and equal opportunity provisions in 24CFR 5.105. Also, an owner’s decision to terminate tenancy for incidents relating to domestic violence, dating violence or stalking is limited by VAWA.

**D. Deciding Whether to Terminate Tenancy**

An owner who has grounds to terminate a tenancy is not required to do so. They may consider all of the circumstance relevant to a particular case before making a decision as provided in 24 CFR 982.310.

**E. Housing Assistance Payments to Owners**

Under the terms of the HAP Contract, housing assistance payments are made to the owner. If the owner has begun eviction procedures and the family continues to reside in the unit, HADC will be obligated to continue to make the HAP to the owner until the family moves or is evicted from the unit or the owner has obtained a court judgment or other process allowing the owner to evict the participant and as long as the owner has not violated the HAP contract. By accepting the payment from HADC, the owner certifies that the participant is still in the unit, the rent is reasonable and the owner is in compliance with the HAP contract.

**17.12 EFFECT OF TENANCY TERMINATION ON THE FAMILY'S ASSISTANCE**

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

**17.13 MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES**

When applicants are denied placement on the waiting list, or HADC 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.

## 18.0

# CHAPTER 18 PROGRAM INTEGRITY *(24 CFR Part 982 Subpart D)*

HADC is committed to ensuring that subsidy for its housing assistance programs are spent in accordance with HUD requirements. This chapter covers policies designed to detect, investigate, resolve and prevent instances of program abuse and fraud and describes actions that will be taken in the case of unintentional errors and omissions.

### 18.1 PREVENTING ERRORS AND PROGRAM ABUSE

To ensure that HADC's HCV program is administered effectively, HADC will employ a number of techniques, to include carrying out quality control measures and analysis of data, use results of independent audits and HUD monitoring and encourage staff, participants and others to report errors or program abuse.

### 18.2 INVESTIGATING ERRORS AND PROGRAM ABUSE

HADC will review all referrals, specific allegations, complaints, and tips from any source including other agencies, companies and individuals to determine if they warrant investigation. Allegations must contain at least one independently-verifiable item of information.

HADC may investigate possible instances of error or abuse using all available HADC and public records. This may require HCV families to give consent to the release of additional information.

HADC will base its evaluation on a preponderance of the evidence collected during its investigation. "Preponderance of the 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 that as a whole shows that the fact sought to be proved is more probable than not. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

For each investigation, HADC will determine (1) whether an error or program abuse has occurred; (2) whether any amount of money is owed HADC; (3) what corrective measures or penalties will be assessed.

HADC will inform the relevant party in writing of its findings and remedies upon conclusion of the investigation. The notice will include:

1. Description of the error or program abuse
2. Basis on which HADC determined the error or program abuse
3. Remedies to be employed
4. Family's right to appeal the results through an informal review or hearing process

### 18.3 CORRECTIVE MEASURES AND EVIDENCE OF PROGRAM ABUSE

#### A. Subsidy Under or Overpayments

A subsidy under/overpayment includes (1) an incorrect HAP to the owner; (2) an incorrect family share established for the family and (3) an incorrect utility reimbursement to a family. Whether an under/overpayment, these three things must be corrected.

Increases in the family share will be implemented only after the family has received 30 days notice. Any decrease in family share will become effective the first of the month following discovery of the error.

#### B. Family Caused Errors or Program Abuse – Reimbursement to HADC

In the case of family-caused errors or program abuse, the family will be required to repay any excess subsidy received. HADC may offer the family a repayment agreement. If the family fails to repay the excess subsidy, HADC will terminate the family's assistance (see chapter on Denial or Termination of Assistance). HADC will not reimburse the family for any underpayment of assistance when the underpayment is caused by the family.

A family must not knowingly make a false statement to HADC or commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program. Any of the following is considered evidence of family program abuse:

- Payment to the owner in excess of amounts authorized by HADC for rent, security deposit and additional services
- Offering bribes or illegal gratuities to HADC Board members, employees, contractors or other HADC representatives
- Offering payments or other incentives to the owner or a third party as an inducement for the third party to make false or misleading statements to HADC on the family's behalf
- Use of false name or the use of falsified, forged or altered documents
- Intentional misreporting of family information or circumstances
- Omitted facts that were obviously known by a family member
- Admission of program abuse by an adult family member

HADC may determine other actions to be program abuse based upon the preponderance of evidence as defined in this chapter.

#### C. Owner Caused Errors or Program Abuse – Owner Reimbursement to HADC

In cases where the owner has received excess subsidy, HADC will require the owner to repay the amount owed in accordance with HADC policies. The owner participating in the program must not make any false

statements to HADC or commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

Any of the following will be considered evidence of owner program abuse:

- Charging the family rent above or below the amount specified by HADC
- Charging a security deposit other than that specified in the family's lease
- Charging the family for services that are provided to unassisted participants at no extra charge
- Knowingly accepting housing assistance payments for any month(s) after the family has vacated the unit
- Knowingly accepting incorrect or excess housing assistance payments
- Offering bribes or illegal gratuities to HADC Board members, employees, contractors or other HADC representatives
- Offering payments or other incentives to a participant family as an inducement for the family to make false or misleading statements to HADC
- Residing in the unit with an assisted family

**D. HADC Caused Errors or Program Abuse – HADC Reimbursement to Family or Owner**

It is the responsibility of HADC to ensure program administration is carried out in accordance with the policies in this Administrative Plan and HCV Program procedures. An owner or participant may not be required to repay an overpayment of subsidy if the error or program abuse is caused by HADC. Additionally, HADC must reimburse a family for any underpayment of subsidy, regardless of whether the underpayment was the result of staff-caused error or staff or owner program abuse.

Any of the following will be considered evidence of program abuse by HADC staff:

- Failing to comply with any HCV program requirements for personal gain
- Failing to comply with any HCV program requirements as a result of a conflict of interest relationship with any applicant, participant or owner
- Seeking or accepting anything of material value from applicants, participating families, vendors, owners, contractors or other persons who provide services or materials to HADC
- Disclosing confidential or proprietary information to outside parties
- Gaining profit as a result of insider knowledge of HADC activities, policies or practices
- Misappropriating or misusing HCV funds
- Destroying, concealing, removing or inappropriately using any records related to the HCV program
- Committing any other corrupt or criminal act in connection with any federal housing program

## 18.4 PENALTIES FOR PROGRAM ABUSE

### A. Family Penalties

In cases of program abuse by a family, HADC may impose any of the following penalties:

- Repayment of excess subsidy payments paid by HADC
- Require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit
- Deny or terminate the family's assistance
- Refer the family for state or federal criminal prosecution

### B. Owner Penalties

In cases where HADC determines the owner has committed program abuse, HADC may take any of the following actions:

- Require the owner to repay excess housing assistance payments
- Terminate the HAP contract
- Bar the owner from future participation in any HADC program
- Refer the case to state or federal officials for criminal prosecution

## 18.5 CRIMINAL PROSECUTION

When HADC determines that program abuse by an owner, family or HADC staff has occurred and the amount of overpaid subsidy meets or exceeds the threshold for prosecution under local or state law, HADC will refer the matter to the appropriate entity for prosecution. When the amount of overpaid assistance meets or exceeds the federal threshold, the case will be referred to the HUD Office of Inspector General (OIG).

Other criminal violations related to the HCV program will be referred to the appropriate local, state or federal entity.

## 18.6 FRAUD AND PROGRAM ABUSE RECOVERIES

HADC may retain a portion of program fraud losses that HADC recovers from a family or owner through litigation, court order, or a repayment agreement, if HADC is the principal party initiating or sustaining the action to recover the amounts due as a result of fraud or abuse.

Families who owe money to HADC due to program fraud will be required to repay the amount in full within 12 to 18 months. If the full amount is paid within this time period, and the family is still eligible, HADC may continue assistance to the family. Families who commit program fraud may be required to pre-pay 25 percent of the amount owed prior to or upon execution of a repayment agreement.

If a family owes an amount that HADC determines to be excessive as a result of program fraud the case will be referred to the U.S. Inspector General.

## 18.7 REPAYMENT AGREEMENTS

When an action or inaction of an owner or participant results in the overpayment of housing assistance, HADC holds the owner or participant liable to return any overpayments to HADC. At its discretion, HADC may execute repayment agreements with owners and participants.

A repayment agreement is a document entered into between HADC and the person who owes the debt. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of repayment, any special provisions of the agreement, and the remedies available to HADC upon default of the agreement.

### **Payment Schedule For Monies Owed**

HADC will normally require payment of all money owed within 12 to 18 months of the date of the signed agreement, but will consider extending beyond this timeframe on a case by case basis. HADC may choose not to accept a repayment agreement under the following circumstance:

- If the family already has a repayment agreement in place

### **Guidelines For Family Repayments**

1. Repayment agreements will be executed between HADC, the Head of Household and Spouse only.
2. Monthly payments may be decreased by HADC in cases of hardship with a written request from the family and verification of the hardship.
3. A family may move with a repayment agreement in place if:
  - a) Family size exceeds the HQS maximum occupancy standards
  - b) The HAP contract is terminated due to owner non-compliance or opt-out
  - c) A natural disaster
  - d) Unit is condemned by local, State or Federal Agencies.

If the family requests a move to another unit and has a repayment agreement in place for the payment of an owner claim, and the repayment agreement is not in arrears the family may be permitted to move if HADC determines that the family has made a good faith effort to repay current amounts owed HADC. However, families will not be allowed to port while under an executed repayment agreement.

If the family has a repayment agreement in place and incurs an additional debt to HADC:

1. Additional amounts owed by the family will be added to the existing agreement
2. If a repayment agreement is in arrears more than sixty (60) days, new debts must be paid in full.

### **Late Payments**

If the family's repayment agreement is in arrears, HADC may:

1. Require the family to pay the balance in full
2. Pursue civil collection of the balance due
3. Terminate the housing assistance
4. Grant an extension based on each case or circumstance
5. Deny any future housing assistance and notify any agencies who inquire that there is an unpaid balance due.

### **18.8 OWNER DEBTS TO HADC**

If HADC have found that the owner has retained housing assistance or claim payments which the owner was not entitled, HADC will 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 determined to be insufficient to reclaim the amounts owed, HADC may:

1. Deduct the amount of payments owed to the owner, including amounts due under any other Section 8 assistance contract
2. Require the owner to pay the amount in full within (30) days
3. Pursue collections through the local court system
4. Report debt to Credit Bureaus
5. Restrict the owner from future participation

### **18.9 REMOVING DEBTS**

Debts will be removed if the debtor is deceased.

## 19.0

# CHAPTER 19 PROGRAM ADMINISTRATION

*(24 CFR Part 982 Subpart D)*

This chapter discusses policies and practices that are relevant to the administration of HADC's HCV Program.

### 19.1 ADMINISTRATIVE FEE RESERVES

HADC must maintain an administrative fee reserve for the program to pay program administrative expenses in excess of administrative fees paid by HUD for HADC's fiscal year. If funds in the administrative fee reserve are not needed to cover HADC administrative expenses, HADC may use these funds for other housing purposes permitted by Federal, State and local law.

HUD may prohibit use of funds in the administrative fee reserve, and may direct HADC to use funds in the reserve to improve administration of the program or to reimburse ineligible expenses, if HADC has not adequately administered the HCV program. HUD also may prohibit use of the funds for certain purposes. HUD requires HADC's Board of Commissioners to establish the maximum amount that may be charged against the administrative fee reserve without specific approval.

The expenditure of funds from the administrative fee reserve will be made in accordance with all applicable federal requirements and the policies of the HADC's Board of Commissioners.

### 19.2 INSUFFICIENT FUNDING

The HCV regulations allow PHAs to deny families permission to move and to terminate HAP contracts if funding under the consolidated ACC is insufficient to support continued assistance 24 CFR 982.314(e)(1) and 982.454. Insufficient funding may also impact HADC's ability to issue vouchers to families on the waiting list. If HADC determines it has insufficient funding, actions will be taken to reduce the number of units under lease and/or HAP expenditures. Such actions may include termination of HAP contracts, lowering the payment standards, denying families' requests to port to jurisdictions with high payment standards, suspending the acceptance of project based housing applications, and amending project based contracts to reduce the number of families assisted.

The following actions will take place when terminating families due to insufficient funding:

1. HADC will notify the affected families in writing and afford them an opportunity to schedule an appointment to discuss HADC's actions due to lack of funding.
2. Since the termination is based on a funding issue and not an enforcement issue families will not receive a hearing. The family can raise any issues or concerns at their appointment if they request.
3. For terminated families, HADC will keep their files open for six continuous months and the family will be able to be reinstated if HADC is awarded additional funding or funding become available due to program attrition.

4. Families will have to meet the same program requirements for initial eligibility and families will have to be placed on a reinstatement waiting list pending available funding during the that six month period. If family is on the waiting list for longer than six months they will not be eligible for reinstatement, will have to reapply once the waiting list is reopened.

### **19.3 MANAGEMENT ASSESSMENT OBJECTIVES**

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

- 1) Selection from the Waiting List
- 2) Reasonable Rent
- 3) Determination of Adjusted Income
- 4) Utility Allowance Schedule
- 5) HQS Quality Control Inspections
- 6) HQS Enforcement
- 7) Expanding Housing Opportunities
- 8) Payment Standards
- 9) Annual Re-examinations
- 10) Correct Participant 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 Deconcentration

### **19.4 RECORDS FOR MONITORING PROGRAM PERFORMANCE**

In order to demonstrate compliance with HUD and other pertinent regulations, HADC 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 HADC's operational procedures objectively and with accuracy and in accordance with SEMAP requirements with internal supervisory audits.

SEMAP supporting documentation, records and reports will be maintained for the purposes of:

- Demonstrating that families were selected from the waiting list in accordance with the Administrative Plan policies and met the correct selection criteria.
- Determining that participant files indicate that HADC approved reasonable rents to owners at the time of initial lease-up and before any increase in rent.

- Monitoring HADC practices for obtaining income information, proper calculation of allowances and deductions, and utility allowances used to determine adjusted income for families.
- Demonstrating that HADC have analyzed utility rates locally to determine if there has been a change of 10 percent or more since the last time the utility schedule was revised.
- Determining that during the fiscal year HADC perform supervisory HQS quality control inspections for at least 5 percent of all units under contract.
- Determining that a review of selected files indicate that for at least 98 percent of failed inspections, HADC ensure timely correction of HQS deficiencies or abates Housing Assistance Payments HAPs or takes vigorous action to enforce family obligations.
- Demonstrating that HADC provide families and owners information, which actively promotes the deconcentration of assisted families in low-income neighborhoods.
- Demonstrating that the Voucher payment standards are not less than 90 percent of the current FMR/exception rent limit unless otherwise approved by HUD.
- Demonstrating that all annual re-exams are processed on time.
- Demonstrating that less than 2 percent of all participant files have rent calculation discrepancies.
- Demonstrating that (100 percent) of newly leased units passed HQS inspections before HAP contract date.
- Demonstrating that HADC lease (95-100 percent) of budgeted units during the fiscal year.
- Determining that HADC has filled its FSS slots, if applicable.

## 20.0

# CHAPTER 20 SPECIAL HOUSING TYPES

*(24 CFR Part 982 Subpart M)*

HADC may permit the use of any special housing types in its program; however, it may limit the number of families who receive HCV assistance in these housing types. HADC will not set aside any program funding for special housing types, but will consider the use of special housing types for persons with disabilities as a reasonable accommodation. Special housing types include single room occupancy (SRO), congregate housing, group homes, shared housing, cooperative housing, manufactured homes and homeownership. This chapter describes the various housing types and HADC's policies or special requirements associated with them.

### 20.1 SINGLE ROOM OCCUPANCY

A SRO unit provides living and sleeping space for the exclusive use by the occupant but requires the occupant to share sanitary and/or food preparation facilities with others. No more than one person can occupy an SRO unit. HADC and the general local government will certify to HUD that the property meets applicable local health and safety standards for SRO housing before approving any SRO unit. HADC will use a separate lease and HAP contract for each assisted person residing in a SRO in accordance with 24 CFR 982.603.

#### A. Payment Standards

In accordance with 24 CFR 982.604, HADC's SRO payment standard is 75 percent of the zero bedroom payment standard schedule. For a person residing in an exception area the payment standard is 75 percent of the HUD-approved zero bedroom exception payment standard amount.

#### B. Lease, HAP and Utility Allowance

When providing HCV assistance in an SRO unit, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used. The HAP for an assisted occupant in an SRO facility is the lower of the SRO payment standard amount minus the TTP or the gross rent for the unit minus the TTP. The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

#### C. Housing Quality Standards

HADC will ensure that all SRO units approved for the program are in compliance with all HQS for SROs as regulated in 24 CFR 982.605.

## 20.2 CONGREGATE HOUSING

Congregate housing is intended for use by elderly persons or persons with disabilities. In a congregate housing facility food service for residents is provided and has private living areas for individuals to include at least a living area, bedroom and bathroom. A family member or live-in aide may reside in the unit with the elderly person or person with disabilities, if approved by HADC. HADC 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.

### A. Lease, HAP and Utility Allowance

When providing HCV assistance in congregate housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used. The HAP for an assisted occupant in a congregate housing facility is the lower of the applicable payment standard minus the TTP or the gross rent for the unit minus the TTP. The gross rent for the unit for the purpose of calculating HCV assistance is the shelter portion (including utilities) of the resident's monthly housing expense only. The resident's costs for food service should not be included in the rent for a congregate housing unit.

### B. Payment Standard

The payment standard for an individual unit in a congregate housing unit facility is based on the number of rooms in the private living area. If there is only one room in the unit (not including sanitary facilities or a kitchen, if provided) HADC will use the zero-bedroom payment standard on its payment standard schedule. However, if there are two or more rooms in the unit (not including sanitary facilities or a kitchen, if provided), the payment standard is the one bedroom payment standard amount.

### C. Housing Quality Standards

HADC 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.

## 20.3 GROUP HOMES

A group home is a state-licensed facility intended for occupancy by elderly persons and/or persons with disabilities. Persons residing in a group home must not require continuous medical or nursing care. If approved by HADC, a live-in aide may reside with a person with disabilities so that the program is readily accessible to and usable by persons with disabilities. HADC 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.

**A. Lease, HAP and Utility Allowance**

There will be a separate lease and HAP contract executed for each assisted person living in a group home and the standard form of the HAP contract is used. Unless there is a live-in aide, the family unit size is zero/one bedroom. If there is a live-in aide, the live-in aide will be counted in determining the family unit size. The HAP for an assisted unit in a group home is the lower of the payment standard minus the TTP or the gross rent minus the TTP. The utility allowance for an assisted occupant in a group home is the pro-rata share of the utility allowance for the group home.

**B. Payment Standard**

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard amount on HADC payment standard schedule for the group home size. The prorata share is calculated by dividing the number of persons in the assisted household by the number of persons (assisted and unassisted) living in the group home.

**C. Housing Quality Standards**

HADC 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.

**20.4 SHARED HOUSING**

Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family.

If approved by HADC, an assisted family may share a unit with other persons assisted under the HCV program or with other unassisted persons. The owner of a shared housing unit may reside in the unit, but housing assistance may not be paid on behalf of the owner. The resident owner may not be related by blood or marriage to the assisted family.

HADC may approve a live-in aide to reside with a family in order to care for a person with a disability. HADC 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.

**A. Lease, HAP and Utility Allowance**

When providing HCV assistance in shared housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used. The HAP for a family in shared housing is

the lower of the payment standard minus the TTP or the gross rent minus the TTP. The utility allowance for an assisted family living in shared housing is the prorated share of the utility allowance for the shared housing unit. If HADC approves a live-in aide, the live-in aide will be counted in determining the family unit size.

**B. Payment Standard and Rent Reasonableness**

The payment standard for a family in shared housing is the lower of the payment standard for the family unit size or the prorated share of the payment standard for the shared housing unit size. The prorated share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit.

The rent paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. The rent paid to the owner for the assisted family must not exceed the pro-rata portion of the reasonable rent for the shared unit. In determining reasonable rent, HADC will consider whether sanitary and food preparation areas are private or shared.

**C. Housing Quality Standards**

HADC will ensure that all shared housing units approved for the program are in compliance with all of the Housing Quality Standards for shared housing as regulated in 24 CFR 982.618.

**20.5 COOPERATIVE HOUSING**

A cooperative is a form of ownership (nonprofit corporation or association) in which the residents purchase memberships in the ownership entity. Rather than being charged rent a cooperative member is charged a carrying charge.

HADC may 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. HADC will not approve assistance for a family in cooperative housing until HADC 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).

**A. Lease, HAP and Utility Allowance**

When providing HCV assistance in cooperative housing, the standard form of the HAP contract is used. The HAP for a cooperative housing unit is the lower of the payment standard minus the TTP or the monthly carrying charge for the unit, plus any utility allowance, minus the TTP. The monthly carrying charge includes the member's share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. The carrying charge does not include down payments or other payments to purchase the

cooperative unit or to amortize a loan made to the family for this purpose. For a cooperative, the HAP and rent adjustments are applied to the carrying charge as determined in Rent Reasonableness, and Payment Standards chapter. The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to HCV limitations on rent to owner.

HADC may approve a live-in aide to reside with the family to care for a person with disabilities. HADC may 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 HADC approves a live-in aide, the live-in aide will be counted when determining the family unit size.

**B. Payment Standard and Rent Reasonableness**

The payment standard and utility allowance are determined according to regular HCV program requirements. The reasonable rent in cooperative housing is determined in accordance with 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.

**C. Housing Quality Standards**

All standard HQS requirements apply to cooperative housing units as regulated by 24 CFR 982.401. See chapter on Housing Quality Standards and Inspections.

## **20.6 MANUFACTURED HOMES**

A manufactured home is a manufactured structure, transportable in one or more parts that is built on a permanent chassis, and designed for use as a principal place of residence. If approved by HADC, a family can choose to rent a manufactured home already installed on a space or HADC will provide assistance for a family that owns the manufactured home and leases only the space. As it pertains to manufactured home owners who lease a space, in determining the annual income of families leasing manufactured home spaces, the value of the family's equity in the manufactured home in which the family resides is not counted as a family asset.

HADC may approve a live-in aide to reside with a family to care for a person with disabilities. HADC may approve a live-in aide if needed as a reasonable accommodation so that the program is accessible to and usable by persons with disabilities. If HADC approves a live-in aide, the live-in aide must be counted when determining the family unit size.

The FMR for a manufactured home space will be determined by HUD. Exception rents do not apply. The FMR for rental of a manufactured home space is generally 40 percent of the published FMR for a two-bedroom unit.

**A. Lease, HAP and Utility Allowance**

There is a separate Tenancy Addendum (Form 52642-A) and separate HAP contract (Form 52642) for this special housing type. The HAP for a manufactured home space under the HCV program is the lower of the payment standard minus the TTP or the (gross) manufactured home space rent minus the TTP.

HADC will establish utility allowances, as needed, for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move.

**B. Payment Standard and Rent Reasonableness**

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent and HADC will not approve a lease for a manufactured home space until HADC has determined that the initial rent to owner for the space is reasonable. At least annually during the assisted tenancy HADC will re-determine that the rent is reasonable.

HADC 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. HADC 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 HADC, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. If requested by HADC, the owner must provide HADC information on rents for other manufactured home space.

**C. Housing Quality Standards**

A manufactured home must meet all the HQS requirements as regulated by 24 CFR 982.401 and 982.601. 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.

## **20.7 HOMEOWNERSHIP PROGRAM**

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. HADC will offer the Homeownership Program option only to participating families who meet the program requirements as set forth in this Administrative Plan. HADC will limit the number of families assisted with homeownership to no more than 10 percent of its HCV allocation. This limitation is subject to later adjustments by the Chief Executive Officer. Implementation of the homeownership component will be authorized by the Chief Executive Officer when such implementation is determined appropriate. HADC 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.

## **20.8 GENERAL PROVISIONS**

Participation in the HCV Homeownership Program is voluntary. Each HCV homeownership participant must meet the general requirements for admission to the HCV program as set forth in HADC's Administrative Plan. Such HCV family also must be "eligible" to participate in the Homeownership Program.

HCV homeownership assistance may be used to purchase the following type of homes within HADC's jurisdiction: new or existing single-family, condominium, planned use developments, cooperatives, lofts, or manufactured homes. HADC will not permit portability of HCV homeownership assistance to another jurisdiction. However, HADC will permit portability of a regular rental assistance voucher.

## **20.9 FAMILY ELIGIBILITY REQUIREMENTS**

Eligible families for the HCV Homeownership Program must have completed an initial HCV lease term of at least one year, may not owe HADC or any other housing authority an outstanding debt, meet the eligibility criteria set forth herein, and if applicable, be a participant in the Family Self-Sufficiency (FSS) program for at least one year. The family must also be in good standing with HADC and the landlord/owner. Examples of good standing include, but are not limited to, no lease violations or damages to the unit, current on all rent and outstanding charges and no HQS violations on participant items.

Additional eligibility requirements for participation in HADC's HCV Homeownership Program include that the family must:

- A. be a first-time homeowner (or have not had an ownership interest in a home within the last three years); or have a member who is a person with disabilities (as documented from a professional with the capacity to make such determination); or elderly
- B. meet a minimum income requirement without counting income from "welfare assistance" sources, with the exception of elderly and disabled households;
- C. meet the requisite employment criteria, with the exception of elderly and disabled households;
- D. have completed an initial lease term of at least one year in the HCV program;

- E. have fully repaid any outstanding debt owed to HADC or any other housing authority;
- F. have not defaulted on a mortgage securing debt to purchase a home under the homeownership option;
- G. have not had any member who has a present ownership interest in a residence at the commencement of homeownership assistance;

## **20.10 EXPLANATION OF ELIGIBILITY REQUIREMENTS**

### **A. First-Time Homeowner**

Each HCV family, except families with a disabled member, must be a first-time homeowner. A "first-time homeowner" means that no member of the household has had an ownership interest in any residence during the three years preceding commencement of homeownership assistance. However, a single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by a spouse) is considered a "first-time homeowner" for purposes of the HCV homeownership option; and the right to purchase title to a residence under a lease-purchase agreement is not considered an "ownership interest." A member of a cooperative also qualifies as a "first time homeowner".

### **B. Minimum Income Requirement**

At the time the family begins receiving homeownership assistance, the head of household, spouse, and/or other adult household members who will own the home, must have a gross annual income at least equal to the federal minimum hourly wage multiplied by 2000 hours.

The minimum annual income for families participating in the HCV Homeownership Program shall be \$25,000. For families participating in the FSS Program, the minimum annual income shall be \$18,500.

HADC will disregard any "welfare assistance" income in determining whether the family meets the minimum income requirement. Welfare assistance includes assistance from Temporary Assistance for Needy Families (TANF); Supplemental Security Income (SSI) that is subject to an income eligibility test; food stamps; general assistance; or other welfare assistance specified by HUD.

In the case of an elderly or disabled family, HADC will consider income from all sources, including welfare assistance in evaluating whether the household meets the minimum income required to purchase a home through the HCV Homeownership Program.

**C. Employment History**

Each family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance is employed full-time (an average of 30 hours per week) and has been continuously employed for two years (one year with mitigating circumstances) before homeownership assistance begins. Elderly and disabled families are exempt from the employment requirements.

In order to reasonably accommodate a family's participation in the program, HADC will exempt families that include a person with disabilities from this requirement. HADC may also consider whether and to what extent an employment interruption is considered permissible in satisfying the employment requirement and successive employment during the one-year period and self-employment in a business.

**D. Completion of Initial Lease Term**

Current HCV participants and new participants in the HCV program shall be ineligible for participation in the HCV Homeownership Program until completion of an initial HCV lease term of at least one year and completion of the participant's first annual recertification in the HCV program. Termination of lease will be permissible before the end of the initial lease term if the participant and landlord/owner mutually agree in writing to terminate the lease before the lease expiration date.

**E. Repayment of any Housing Authority Debts**

Participants in the HCV program shall be ineligible for participation in the HCV Homeownership Program if any debt or portion of a debt remains owed to HADC or any other housing authority. Nothing in this provision will preclude HCV participants that have fully repaid such debt(s) from participating in the HCV Homeownership Program.

**F. Prior Mortgage Defaults**

If a head of household, spouse or other adult household member who will execute the contract of sale, mortgage and loan documents has previously defaulted on a mortgage obtained through the HCV Homeownership Program, the family will be ineligible to participate.

**G. Ownership Interest**

The family must be in full compliance with his/her present lease agreement and have not owned a home or had an ownership interest in a home within the past three years.

**H. Additional Eligibility Requirements**

- (1) The family has not been in the “termination of assistance” process more than once in the last three years.
- (2) The family has a statement not more than 60 days old of certification from a HUD-approved pre-counseling program.
- (3) The family must demonstrate a stable family composition of at least two years for family members that are not children, spouse, foster children or any person of whom an adult family member has legal custody or guardianship.
- (4) The family must meet the required HADC credit score and be able to secure financing within the allocated time period.

**20.11 FAMILY PARTICIPATION REQUIREMENTS**

Once a family is determined to be eligible to participate in the program, it must comply with the following additional requirements:

1. Complete a HUD-approved homeownership counseling program prior to commencement of homeownership assistance;
2. Within a specified time, locate the home it proposes to purchase;
3. Submit a sales agreement containing specific components to HADC for approval;
4. Allow HADC to inspect the proposed homeownership dwelling to assure that the dwelling meets appropriate housing quality standards;
5. Obtain an independent inspection covering major building systems;
6. Obtain HADC approval of the proposed mortgage (which must comply with generally accepted mortgage underwriting requirements); and
7. Enter into a written agreement with HADC to comply with all of its obligations under the HCV program.

## 20.12 LOCATING AND PURCHASING A HOME

### A. Locating a Home

Upon approval for the HCV Homeownership Program, a family will begin their home search after pre-approval of a loan. At such time, the homeownership voucher will be issued for a time period to correspond with the applicable timeframe from loan approval to closing, not to exceed 120 days. A home shall be considered located if the family submits a proposed sales agreement with the requisite components to HADC. For good cause, HADC may extend a HCV family's time to locate the home for additional 30-day increments. During a HCV participant's search for a home to purchase, their HCV rental assistance shall continue pursuant to the Administrative Plan. If a participant family is unable to locate a home within the time approved by HADC, their rental assistance through the HCV program shall continue.

### B. Type of Home

A family approved for HCV homeownership assistance may purchase the following type of homes within HADC's jurisdiction: a new or existing home, a single-family home, a condominium, a home in a planned use development, a cooperative, a loft or a manufactured home to be situated on a privately owned lot or on a leased pad in a mobile home park.

The home must be an existing dwelling or under construction at the time HADC determines the family eligible for homeownership assistance. The family may not purchase a home outside HADC's homeownership jurisdiction. However, HADC will permit portability of a regular rental assistance voucher.

### C. Purchasing a Home

Once a home is located and a sales agreement approved by HADC is signed by the family, the homeownership voucher will be issued for a time period to correspond with the applicable timeframe from loan approval to closing, not to exceed 120 days, or such other time as is approved by HADC or set forth in the HADC-approved sales agreement to purchase the home.

### D. Failure to Complete Purchase

If a HCV participant is unable to purchase the home within the maximum time period permitted, HADC shall continue the family's participation in the HCV program. The family may not re-apply for the HCV Homeownership Program until they have completed an additional year of participation in the HCV program following the initial determination of their eligibility for the homeownership option.

**E. Lease-Purchase**

HADC will not allow a lease-purchase agreement.

**F. Financing Requirements**

The proposed financing terms must be submitted to and approved by HADC prior to close of escrow. HADC shall determine the affordability of the family's proposed financing. In making such determination, HADC may take into account other family expenses, including but not limited to child care, unreimbursed medical expenses, education and training expenses and the like.

Certain types of financing, including but not limited to, balloon payment mortgages, unless convertible to a variable rate mortgage, are prohibited and will not be approved by HADC. Seller-financing mortgages shall be considered by HADC on a case by case basis. If a mortgage is not Federal Housing Administration (FHA) insured, HADC will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/ FHA, Ginnie Mae, Fannie Mae, Freddie Mac, United States Department of Agriculture (USDA) Rural Housing Services, the Federal Home Loan Bank, or other private lending institution.

**G. Compliance with Family Obligations**

A family must agree, in writing, to comply with all family obligations under the HCV program and HADC's homeownership policies. These obligations include:

- (1) Attending ongoing homeownership counseling, if required by HADC;
- (2) Complying with the mortgage terms;
- (3) Not selling or transferring the home to anyone other than a member of the assisted family who resides in the home while receiving homeownership assistance;
- (4) Not refinancing or adding debt secured by the home without prior approval by HADC;
- (5) Not obtaining a present ownership interest in another residence while receiving homeownership assistance;
- (6) Supplying all required information to HADC, including but not limited to annual verification of household income, notice of change in homeownership expenses, notice of move-out, and notice of mortgage default; and
- (7) Non-elderly/nondisabled family members to remain continuously eligible for the Homeownership Program, to include maintaining full-time employment.

## 20.13 AMOUNT OF ASSISTANCE

The amount of the monthly assistance payment will be based on three factors: the voucher payment standard for which the family is eligible; the monthly homeownership expense; and the family's household income. HADC will pay the lower of either the payment standard minus the Total Family Contribution ("TFC") or the family's monthly homeownership expenses minus the TFC. The HCV family will pay the difference.

### **Determining the Payment Standard**

The voucher payment standard is the fixed amount the HADC annually establishes as the "fair market" rent for a unit of a particular size located within HADC's jurisdiction. In the Homeownership Program, the initial payment standard will be the lower of either:

- the payment standard for which the family is eligible based on family size; or
- the payment standard which is applicable to the size of the home the family decides to purchase.

The payment standard for subsequent years will be based on the higher of:

- the payment standard in effect at the start of the homeownership assistance; or
- the payment standard in effect at the most recent regular reexamination of the family's income and size. The initial payment standard, for purposes of this comparison, shall not be adjusted even if there is a subsequent decrease in family size. HADC will request HUD approval of a higher payment standard, up to 120 percent of the published Fair Market Rent limit, where warranted as a reasonable accommodation for a family that includes a person with disabilities.

### **Determining the Total Family Contribution**

The TFC is that portion of the homeownership expense that the family must pay. It is generally 30 percent of the family's adjusted income, plus any gap between the payment standard and the actual housing cost. All family income (including public assistance, if applicable) will be counted to determine the family's adjusted monthly income for purposes of determining the amount of assistance.

### **Payment to Family or Lender**

HADC will provide the lender with notice of the amount of the housing assistance payment prior to close of escrow and will pay HADC's contribution towards the family's homeowner expense directly to the lender, unless otherwise required by the lender. The family will be responsible to submit their share of the mortgage payment to the lender unless the lender requires direct payment of HADC's contribution.

### **Occupancy of Home**

Homeownership assistance will only be provided while the family resides in the home. If the family moves out of the home, HADC will not continue homeownership assistance commencing with the month after the family moves out. Neither the family nor the lender is obligated to reimburse the HADC for homeownership assistance paid for the month the family moves out.

### **Changes in Income Eligibility**

A family's homeownership assistance may be changed in the month following annual recertification of the household income, but participation in the HCV Homeownership Program shall continue until such time as the assistance payment amounts to \$0 for a period of six (6) consecutive months.

#### **20.14 DEFAULT ON FHA-INSURED MORTGAGE**

If the family defaults on an FHA-insured mortgage, HADC may permit the family to move with continued HCV housing choice rental assistance if the family demonstrates that it has (a) conveyed title to the home to HUD or its designee, as required by HUD; and (b) moved from the home within the period established or approved by HUD.

#### **20.15 DEFAULT ON NON-FHA-INSURED MORTGAGE**

If the family defaults on a mortgage that is not FHA-insured, HADC may permit the family to move with continued HCV rental assistance if the family demonstrates that it has (a) conveyed title to the home to the lender, to HADC or to its designee, as may be permitted or required by the lender; and (b) moved from the home within the period established or approved by the lender and/or HADC.

#### **20.16 HADC ADMINISTRATIVE FEE**

For each month that homeownership assistance is paid by HADC on behalf of the family, HADC shall be paid the ongoing administrative fee described in 24 CFR 982.152.

#### **20.17 WAIVER OR MODIFICATION OF HOMEOWNERSHIP POLICIES**

HADC shall have the discretion to waive or modify any provision of the HCV Homeownership Program or policies not governed by statute or regulation for good cause or to comply with changes in HUD regulations or directives.

#### **20.18 HOMEOWNERSHIP COUNSELING**

Before the commencement of homeownership assistance for a family, the family must attend and satisfactorily complete a HUD-approved pre-assistance homeownership and housing counseling program required by HADC (pre-assistance counseling). If possible, the counseling will be conducted by a HUD-approved counseling agency. If this

is not available, the housing authority shall make other arrangements for the pre-assistance counseling. Among the topics to be covered in the HADC-required pre-assistance counseling program are including, but not limited to:

- A. Home maintenance (including care of the grounds);
- B. Budgeting and money management;
- C. Credit counseling;
- D. How to negotiate the purchase price of a home;
- E. How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;
- F. How to find a home, including information about homeownership opportunities, schools, and transportation in HADC jurisdiction;
- G. Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;
- H. Information on fair housing, including fair housing lending and local fair housing enforcement agencies;
- I. Information about the Real Estate Settlement Procedures Act (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions;
- K. Types of home-related insurance (including Homeowner's Insurance, Mortgage Insurance, Disability Insurance, etc.); and
- L. Foreclosure Prevention Options (including repayment plans, loss mitigation, reinstatements, loan modifications, etc.)

HADC will also offer additional counseling after commencement of homeownership assistance to include post-homeownership one-on-one counseling and ongoing group counseling. One-on-one post-homeownership counseling will be mandatory for all homeownership assistance recipients in their first year of mortgage assistance. Counseling will also be mandatory on the 9<sup>th</sup> year for participants who receive ten years of assistance or on the 14<sup>th</sup> year for participants who receive 15 years of assistance. The reason for this mandatory counseling is to make sure that families are either off to a good start or preparing for the termination of their assistance. Ongoing group counseling will be voluntary for all homeownership assistance recipients.

Among the topics to be covered in the HADC-required post-assistance and ongoing counseling sessions are including but not limited to:

- Local code enforcement regulations
- Homestead Exemption
- Neighborhood Associations
- Restrictive Covenants and Codes
- Financial Fitness (including credit, money management and budgeting, investing, etc.)
- Home maintenance and repair
- Foreclosure prevention (including repayment plans, loss mitigation, reinstatements, loan modifications, etc.)

The counseling agency providing the counseling program shall either be HUD-approved or the program shall be consistent with the homeownership counseling provided under HUD's Housing Counseling program.

### **20.19 HOME INSPECTIONS**

HADC will not commence homeownership assistance for a family until it has inspected the unit and has determined that the unit passes HQS. An independent professional inspector selected by and paid by the family must also inspect the unit. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components.

HADC may not require the family to use an independent inspector selected by the housing authority. The independent inspector may not be a housing authority employee or contractor, or other person under control of the housing authority. An active member of The American Society of Home Inspectors (ASHI), Council of American Building Officials (CABO), Georgia Association of Home Inspectors (GAHI), a State of Georgia certified Inspector or one whose inspections are accepted by four local lenders are considered eligible to conduct the independent home inspection. Proof of current membership and/or certification shall be required. It shall be the responsibility of the inspection division to verify that the inspector meets this certification qualification.

The independent inspector must provide a copy of the inspection report both to the family and to HADC. The housing authority will not commence homeownership assistance for the family until it has reviewed the inspection report of the independent inspector. Even if the unit otherwise complies with the HQS (and may qualify for assistance under HADC's participant-based rental voucher program), the housing authority shall have discretion to disapprove the unit for assistance under the homeownership option because of information in the inspection report.

## **20.20 CONTRACT OF SALE**

Before commencement of homeownership assistance, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give HADC a copy of the contract of sale. The contract of sale must:

1. Specify the price and other terms of sale by the seller to the purchaser.
2. Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent Inspector selected by the purchaser.
3. Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser.
4. Provide that the purchaser is not obligated to pay for any necessary repairs.
5. Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation by HUD headquarters or a local HUD field office.

## **20.21 FINANCING THE PURCHASE OF THE HOME**

1. A purchasing family must invest at least three percent of the purchase price of the home they are buying in the property. This can take the form of either a down payment, closing costs, or a combination of the two. Of this sum, at least one percent of the purchase price must come from the family's personal resources.
2. The family must qualify for the mortgage loan under a lender's normal lending criteria taking into account the fact that this is by definition a low-income family.
3. If the home is purchased using FHA mortgage insurance, it is subject to FHA mortgage insurance requirements.
4. If the loan is financed either by the seller or a non-traditional mortgage lending institution or individual, the loan shall be subject to the review of HADC. The housing authority may verify that there are no unusual or onerous requirements in the loan documents and that the mortgage is affordable to the purchasing family. Also, the lender must require that an appraisal of the property is conducted and the appraiser must determine that the property is worth at least as much as the purchaser is paying.
5. Unless the purchaser can demonstrate complete understanding of the type of loan to the satisfaction of HADC, no balloon payment, graduated, negative amortizing or variable rate mortgages shall be allowed in the program.
6. All mortgage loans must close within the period of time to correspond with the applicable timeframe from loan approval to closing, not to exceed 120 days.

## **20.22 REQUIREMENTS FOR CONTINUING ASSISTANCE**

Homeownership assistance will only be paid while the family is residing in the home. If the family moves out of the home, HADC may not continue homeownership assistance after the month when the family moves out. The family

or lender is not required to refund to HADC the homeownership assistance for the month when the family moves out. The family must comply with the following obligations:

- A. The family must attend and complete ongoing homeownership and housing counseling before the end of the first, thirteenth and fourteenth years of assistance in order for assistance to continue.
- B. The family must comply with the terms of any mortgage securing debt incurred to purchase the home (or any refinancing of such debt).
- C. As long as the family is receiving homeownership assistance, use and occupancy of the home is subject to the following requirements:
  1. The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
  2. The composition of the assisted family residing in the unit must be approved by HADC. The family must promptly inform the housing 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. No other person (i.e., nobody but members of the assisted family) may reside in the unit (except for a foster child or live-in aide).
  3. The family must promptly notify HADC if any family member no longer resides in the unit.
  4. If HADC has given approval, a foster child or a live- in-aide may reside in the unit.
  5. 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.
  6. The family must not sublease or let the unit.
  7. The family must not assign the lease or transfer the unit.
  8. The family must supply any information or certification requested by HADC to verify that the family is living in the unit, or relating to family absence from the unit, including any housing authority requested information or certification on the purposes of family absences. The family must cooperate with the housing authority for these purposes. The family must promptly notify HADC of their absence from the unit.
- D. The family may grant a mortgage on the home for debt incurred to finance purchase of the home or any refinancing of such debt.
- E. Upon death of a family member who holds, in whole or in part, title to the home or ownership of cooperative membership shares for the home, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members in accordance with Paragraph C above. In the case of a divorce or family separation, the assistance shall be based on the court decree settlements.
- F. The family shall supply HADC with any required information requested by the housing authority. In particular this shall include information relating, but not limited, to the following:
  1. Citizenship or related immigration matters.
  2. Family income and composition.
  3. Social security numbers.

4. Any mortgage or other debt placed on the property.
5. Any sale or other transfer of any interest in the home.
6. The family's homeownership expenses.
7. The family must notify the housing authority before the family moves out of the home.
8. The family must notify HADC if the family defaults on a mortgage securing any debt incurred to purchase the home.
9. During the time the family receives homeownership assistance under this program, no family member may have any ownership interest in any other residential property.
10. Before commencement of homeownership assistance, the family must execute a statement of family obligations in the form prescribed by HUD. In the statement, the family agrees to comply with all family obligations under the homeownership option.
11. The family must secure the written permission of HADC before it refinances any debt secured by the home or places any additional secured debt on the property.
12. The family must assure HADC that all real estate taxes are paid on a timely basis. If taxes are not paid, assistance shall be terminated.

#### **20.23 MAXIMUM TERM OF HOMEOWNERSHIP ASSISTANCE**

- A. Except in the case of a family that qualifies as an elderly or disabled family, family members shall not receive homeownership assistance for more than fifteen years if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or ten years, in all other cases.
- B. The maximum term described in the preceding paragraph applies to any member of the family who has an ownership interest in the unit during the time the homeownership payments are made or is the spouse of any member of the household who has an ownership interest during the time the homeownership payments are made.
- C. As noted in Paragraph A above, the maximum homeownership assistance term does not apply to elderly and disabled families. In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family. If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least six months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance in accordance with this program).
- D. If the family has received such assistance for different homes, or from different housing authority, the total of such assistance terms is subject to the maximum term described in Paragraph A above.

## 20.24 AMOUNT AND DISTRIBUTION OF HOMEOWNERSHIP ASSISTANCE

While the family is residing in the home, HADC shall pay a monthly homeownership assistance payment on behalf of the family that is equal to the lower of:

- The payment standard minus the Total Tenant Payment; or
- The family's monthly homeownership expenses minus the Total Tenant Payment.

The payment standard for a family is the lower of:

- The payment standard for the family unit size; or
- The payment standard for the size of the home.

If the home is located in an exception payment standard area, HADC will use the appropriate payment standard for the exception payment standard area. The payment standard for a family is the greater of:

- The payment standard at the commencement of homeownership assistance for occupancy of the home; or
- The payment standard at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

HADC will use the same payment standard schedule, payment standard amounts, and subsidy standards for the homeownership option as for the rental voucher program.

A family's monthly homeownership expenses shall include the following items:

1. Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
2. Real estate taxes and public assessments on the home;
3. Homeowner's insurance;
4. Homeowner association dues, fees or regular charges assessed, if any.
5. Maintenance expenses and allowance for costs of major repairs and replacement per month will be determined by using the VA standards which is as follows:

0-1199 sq. ft.	\$42.00
1199 –1599 sq. ft.	\$48.00
1600-1999 sq. ft.	\$53.00
2000-2499 sq. ft.	\$58.00
2500-up sq. ft.	\$64.00

6. HADC's utility allowance for the home; and
7. Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may

include debt incurred by the family to finance costs needed to make the home accessible for such person, if the housing authority determined that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.

Homeownership expenses for a cooperative member may only include amounts to cover:

1. The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
2. Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;
3. Home insurance;
4. HADC allowance for maintenance expenses;
5. HADC allowance for costs of major repairs and replacements;
6. HADC utility allowance for the home; and
7. Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the housing authority determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.

If the home is a cooperative or condominium unit, homeownership expenses may also include cooperative or condominium operating charges or maintenance fees assessed by the condominium or cooperative homeowner association.

HADC will pay homeownership assistance payments directly to the lender on behalf of the family unless the lender does not want the payment to be made directly to them. If there is any excess assistance, it will be paid to the family.

Homeownership assistance for a family terminates automatically 180 calendar days after the last housing assistance payment on behalf of the family. However, HADC retains the discretion to grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

## **20.25 HOMEOWNERSHIP PORTABILITY**

A family may not move outside HADC's jurisdiction with continued homeownership assistance under the homeownership voucher program. However, HADC will permit portability of a regular rental assistance voucher. Families determined eligible for homeownership assistance will be permitted a homeownership voucher after a purchase and sales agreement is executed on a unit located inside HADC's jurisdiction.

## **20.26 MOVING WITH CONTIUNUED PARTICIPANT-BASED ASSISTANCE**

A family receiving homeownership assistance may move to a new unit with continued participant-based assistance. The family may move either with voucher rental assistance (in accordance with rental assistance program requirements) or with voucher homeownership assistance (in accordance with homeownership option program requirements). HADC will not commence continued participant-based assistance for occupancy of the new unit so long as any family member owns any title or other interest in the prior home. No more than one move per year may occur in the program.

HADC must be able to determine that all initial requirements have been satisfied if a family that has received homeownership assistance wants to move to a new unit with continued homeownership assistance. However, the following requirements do not apply:

1. The requirement for pre-assistance counseling is not applicable.
2. The requirement that a family must be a first-time homeowner is not applicable.

HADC may deny permission to move with continued assistance in the following circumstances:

1. HADC may deny permission to move with continued rental or homeownership assistance if the housing authority determines that it does not have sufficient funding to provide continued assistance.
2. At any time, HADC may deny permission to move with continued rental or homeownership assistance in accordance with the next section.

## **20.27 DENIAL OR TERMINATION OF ASSISTANCE FOR FAMILIES**

At any time, HADC may deny or terminate homeownership assistance in accordance with the same policies it utilizes for the HCV participant-based program as described in this Plan. This includes, but is not limited to, the same restrictions on admission or continued assistance related to criminal or drug related activity or for violation of participant obligations.

HADC shall terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA- insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

HADC, in its discretion, may permit the family to move to a new unit with continued voucher rental assistance if the family can show that the default was for reasons beyond its control. However, HADC will deny such permission, if the family defaulted on an FHA-insured mortgage and the family fails to demonstrate that:

- The family has conveyed title to the home, as required by HUD, to HUD or HUD's designee; and
- The family has moved from the home within the period established or approved by HUD.

## 21.0

# CHAPTER 21 PROJECT BASED RENTAL ASSISTANCE PROGRAM *(24 CFR Part 983 and 24 CFR Part 5 Subpart F)*

HADC's Section 8 Project-Based Rental Assistance (PBRA) program is designed to accomplish three major objectives: (1) expand affordable housing choices for low-income individuals, families the elderly and persons with disabilities; (2) increase the supply of affordable housing within HADC's jurisdiction; and (3) deconcentrate poverty by engaging quality owners and landlords offering affordable housing in areas of low poverty and minority concentration.

Much of the participant-based voucher program regulations, as described in this Administrative Plan, also apply to the PBRA program and its participants. This chapter provides HADC's policies in areas unique to the PBRA program which correspond to HUD regulations cited above.

### 21.1 PROGRAM DESCRIPTION

In the PBRA program, the rental assistance is tied to the structure whereby rental assistance is paid for families who live in specified housing developments or units. This differs from the tenant-based program in which the family can take the Section 8 voucher and rent a unit anywhere in the in the United States in the jurisdiction of a PHA that operates a voucher program.

### 21.2 PROGRAM SET-ASIDE

The number of units that will be made available for the PBRA program will be equal to 20 percent of the total funding available under HADC's ACC for participant based HCV assistance. Up to 20 percent of any new funding increments may also be designated for PBRA assistance provided that the funding is not designated for any other special purpose under the HCV Program.

### 21.3 RELOCATION REQUIREMENTS

HADC will provide relocation assistance to any person displaced as a result of implementation of the PBRA program in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and implementing regulations at 49 CFR part 24.

### 21.4 ELIGIBLE HOUSING UNITS

HADC will provide PBRA assistance for existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a HAP contract that was executed prior to the start of construction.

A housing unit is considered an existing unit for purposes of the PBRA program, if, at the time of notice of HADC selection, the units substantially comply with HQS. Units for which new construction or rehabilitation was started in accordance with PBRA program requirements do not qualify as existing housing.

### **HADC Owned Units**

HADC-owned units may be assisted under HADC's PBRA program, contingent on HUD field office (or HUD-approved independent entity) review that the selection process of HADC-owned units was based on HADC's PBRA selection procedures and policies specified in this Plan. HADC must identify the entity that will review the proposal selection process and perform specific functions with respect to rent determinations and inspections.

### **21.5 INELIGIBLE HOUSING TYPES**

HADC may not attach or pay PBRA assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designed for occupancy by students; manufactured homes; and transitional housing. Additionally, HADC will not attach or pay PBRA assistance for a unit occupied by an owner and will not select or enter into a HAP contract for a unit occupied by a family ineligible for participation in HADC's HCV program.

Additionally, HADC will not attach or pay PBRA assistance to units in any of the following types of subsidized housing:

- A public housing unit
- A unit subsidized with any form of Section 8 assistance
- A unit subsidized with any governmental rent subsidy
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing
- A unit subsidized with Section 236 rental assistance payments (except a unit subsidized with Section 236 interest reduction payments)
- A Section 202 project for non-elderly with disabilities
- Section 811 project-based supportive housing for persons with disabilities
- Section 202 supportive housing for the elderly
- Section 101 rent supplement project
- A unit subsidized with any form of tenant-based rental assistance
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or HADC, in accordance with HUD requirements

## 21.6 CAP ON NUMBER OF UNITS

A maximum of 25 percent of the total units in a multi-family development may receive project-based assistance. Exceptions are allowed and PBRA units are not counted against the 25 percent per building cap if:

- The units are in a single-family building (one to four units);
- The units are excepted units in a multifamily building because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as qualifying families).
  - Examples of supportive services shall include but not be limited to: participation in the Family Self Sufficiency (FSS) program, Financial Literacy classes, Homebuyer Education workshops/ orientation, literacy classes, computer classes, job training, nutrition, time management, conflict management/resolution, home maintenance, academic performance, and English proficiency classes. HADC will consider other supportive services presented by the development for approval.

### **Supportive Services Requirement**

- To qualify, a family must have at least one member receiving at least one qualifying supportive service.
- Supportive services shall be offered regularly based upon the length of each service. The family must successfully complete its participation of the supportive service requirement. Failure of the family to fulfill its service obligation without good cause will require HADC to terminate the family's assistance. If a family successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.
- The unit may remain an excepted unit if the unit is made available to another family eligible for supportive services.
- A family (or remaining members of a family) residing in an excepted unit that no longer meets the criteria for a "qualifying family" (e.g., the family does not successfully complete supportive services requirements, or due to a change in family composition the family is no longer elderly or disabled), must vacate the unit within 30 days and HADC must cease paying housing assistance payments on behalf of the non-qualifying family.

## 21.7 SUBSIDY LAYERING REQUIREMENTS

As set forth in 24 CFR 983.55, HADC will provide PBRA assistance in accordance with HUD subsidy layering regulations (24 CFR 4.13) and other requirements. The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBRA program with other governmental housing assistance from federal state, or local agencies, including assistance such as tax concessions or tax credits.

## 21.8 NOTIFICATION OF REQUEST FOR PROPOSALS

HADC will select PBRA proposals using a Request for Proposals (RFP) process which will be advertised in a newspaper of general circulation. The following items will be included in the newspaper advertisement:

- The deadline for submission of applications
- The total estimated number of units to be selected for assistance.
- The proposal evaluation criteria and timelines for selection of units.

## 21.9 PROPOSAL SUBMISSION REQUIREMENTS

Property owners responding to the notification of PBRA program funding must submit an application in the form prescribed by HADC. While the RFP will contain specific submission requirements, the following lists minimum submissions that will be required by the proposer:

- a. Cover letter summarizing owner's intent in the project
- b. Number of assisted units requested (by bedroom count, square footage, etc.)
- c. Provision of accessible units and any arrangement for supportive services
- d. Statement of owner's experience and qualifications to the required scope of services
- e. Occupancy rate, on-site staffing and service delivery at the proposed complex
- f. Description of the housing to be constructed or rehabilitated
- g. Evidence of site control (new construction) and description of the site and neighborhood
- h. Current zoning permitted (for new construction or rehabilitation) or required rezoning
- i. The proposed contract rent (including utilities, services, and equipment included)
- j. The identity of project owner(s), principals, and others having a substantial interest
- k. Disclosure of any possible conflict of interest by any party having a substantial interest
- l. The owner's plan for managing and maintaining the units
- m. Evidence of financing or lender interest and the proposed terms of financing
- n. References to include at least three past and three current references
- o. Description of any resident or social services offered or proposed
- p. Security features at the proposed complex
- q. Compliance with all lead-based paint regulations, including disclosure and hazardous paint in housing information

## 21.10 PROPOSAL SELECTION CRITERIA

In addition to the proposal submission requirements described above, the following criteria must be met for a proposal to be considered for selection for the PBRA program:

- The proposed project must not permanently displace any current participants. Participants may be temporarily relocated if necessary during rehabilitation of the unit at the expense of the owner.

- Rental levels must not exceed 110 percent of the Fair Market Rent or any approved exception payment standard and must be reasonable in relation to rents charged in the private market for unassisted comparable units.
- If a unit has been allocated a low income housing tax credit (IRS Code 42) but is not located in a qualified census tract, as defined in the law, the rent levels may be set at any level that is comparable with unassisted market rate units.
- **Site and Neighborhood Standards**

HADC will select units or sites for PBRA assistance only where HADC has determined that housing on the site: a) is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities consistent with regulations and HADC's PHA Plan and Administrative Plan; b) will facilitate and further comply with the applicable provisions of Title VI of the Civil Rights Act and other relevant provisions as cited at 24 CFR 983.57; c) meets the site selection requirements described in 24 CFR 8.4(b)(5); and, d) meets the HQS site standards at 24 CFR 982.401(l). HADC will limit approval of sites for PBRA assistance to census tracts that have poverty concentrations of 20 percent or less except where HADC determines that the PBRA assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent.

#### **A. Existing and Rehabilitated Housing**

HADC will not provide PBRA assistance for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed
- Have adequate utilities and streets available to service the site
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive

## **B. New Construction Housing**

In order to be selected for PBRA assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed
- The site must have adequate utilities and streets available to service the site
- The site must not be located in an area of minority concentration unless HADC determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area
- The site 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
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low- income persons
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate
- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive

Prior to selecting the units for project based assistance, HADC will make a determination that the proposal is responsive and in compliance with all selection criteria and is otherwise in compliance with HUD program regulations and requirements.

### **21.11 NOTIFICATION OF OWNER SELECTION**

HADC will notify selected owners of its final decision to select the owner's proposal or HADC's nomination for PBRA funding. All proposals are the property of HADC and shall be retained by HADC and will not be returned to the proposer.

HADC reserves the right to cancel an RFP, to reject, in whole or in part, any and all proposals received in response to an RFP, upon its determination such cancellation or rejection is in the best interests of HADC. HADC further

reserves the right to waive any informality in any proposals received. The decision as to who shall review a contract award, in whole or in part of the services requested, or whether or not an award shall be making as a result of an RFP shall be the absolute sole discretion of HADC.

### **21.12 ENVIRONMENTAL REVIEW**

HADC activities under the PBRA program will be conducted in conformance with HUD environmental regulations at 24 CFR parts 50 and 58 and at 24 CFR 983.58. The responsible entity is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (NEPA). HADC will not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

### **21.13 DWELLING UNIT STANDARDS**

Except as otherwise provided in 24 CFR 983.101, the HQS for HADC's tenant-based program, including those for special housing types, generally apply to the PBRA program. However, HQS requirements for shared housing, cooperative housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBRA program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBRA program. The lead based paint requirements for the tenant-based voucher program do not apply to the PBRA program. Instead, the Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBRA program.

In addition to mandatory HQS standards, HADC may also identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBRA project. HADC will specify any special design standards or additional requirements in the agreement to enter into a HAP contract, and the HAP contract.

## A. Accessibility

As provided in 24 CFR 983.401, housing provided with PBRA assistance must comply with the program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8. HADC will ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973, as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, will comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable.

## B. Inspections

**Pre-Selection** - HADC will examine the proposed site before the proposal is selected. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, HADC will not execute the HAP contract until the units fully comply with HQS.

**Pre-HAP Contract** - HADC will inspect each contract unit before execution of the HAP contract. HADC will not enter into a HAP contract covering a unit until the unit fully complies with HQS.

**Turnover** - Before providing assistance to a new family in a contract unit, HADC will inspect the unit. HADC will not provide assistance on behalf of the family until the unit fully complies with HQS.

**Annual** - At least annually during the term of the HAP contract, HADC will inspect a random sample, consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this annual inspection requirement. If more than 20 percent of the annual sample of inspected contract units in a building fails the initial inspection, HADC will re-inspect 100 percent of the contract units in the building.

**Other**- In addition to pre-selection, turnover and annual inspections, HADC will inspect contract units as needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract.

Inspection follow up and supervisory quality control inspection will be the same as those described in the HCV participant-based program.

For any HADC-owned units, HADC will contract with an independent inspector to conduct the applicable inspections.

## 21.14 SPECIAL REQUIREMENTS FOR NEWLY CONSTRUCTED OR REHABILITATED HOUSING

The following describes specific requirements that apply to PBRA assistance for newly constructed or rehabilitated housing that do not apply to PBRA assistance in existing housing.

### A. Agreement to Enter into HAP (AHAP)

HADC will enter into an agreement to enter into a HAP with the owner after receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started. The agreement will be in the form required by HUD. At a minimum, the agreement will describe the following features of the housing to be developed and assisted under the PBRA program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the participant;
- An indication of whether or not the design and construction requirements of the Fair Housing Act and implementing regulations at 24 CFR 100.205 and the accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.22 and 8.23 apply to units under the agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the agreement;
- Estimated initial rents to owner for the contract units;
- Description of the work to be performed under the agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by HADC, specifications and plans. For new construction units, the description must include the working drawings and specifications.
- Any additional requirements for quality, architecture, or design over and above HQS.
- Any additional requirements established by HADC and specified in the agreement.

### B. Labor Standards

If an agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates. The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety

Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. HADC will monitor compliance with labor standards.

**C. Section 3 Requirements**

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

**D. Owner Disclosure**

The Agreement and the HAP contract will include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs. The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

**E. Evidence of Completion**

Upon completion of construction, the owner must submit certifications to HADC in a form specified by HADC stating that:

- The work has been completed in accordance with HQS and all requirements of the Agreement; and
- The owner has complied with labor standards and equal opportunity requirements in development of the housing.

HADC may require owners to submit additional documentation as evidence of completion as needed on a case-by-case basis.

**F. HADC Acceptance of Completed Units**

Upon notification by the owner that the PBRA housing is completed, HADC will inspect to determine if the housing has been completed in accordance with the AHAP, including compliance with HQS and any additional requirements imposed under the agreement. HADC will also determine if the owner has submitted all required evidence of completion. If the work has not been completed in accordance with the agreement, HADC will not enter into the HAP contract. If HADC determines the work has been completed in accordance with the agreement and that the owner has submitted all required evidence of completion, HADC will execute a HAP agreement with the owner.

The owner will be required to prepare work write ups, construction specifications and plans upon request as determined appropriate by HADC for rehabilitation and new construction projects. In addition, new construction

projects require certification by a design architect that the proposed new construction reflected in the working drawings and specifications complies with housing quality standards, local codes and ordinances and zoning requirements.

The owner is responsible for selecting a responsible contractor for rehabilitation and new construction and said contractor must provide HADC with a non-debarment certification.

### **21.15 HAP CONTRACT**

HADC will enter into a HAP contract for each PBRA project. The HAP contract will specify the following information:

- The total number of contract units by number of bedrooms;
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building(s);
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the participant;
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term, which must be no less than one year and no more than ten years, to be negotiated by HADC with the owner on a case by case basis;
- The number of units in any building that will exceed the 25 percent per building cap, which will be set-aside for occupancy by qualifying families; and
- The initial rent to owner for the first 12 months of the HAP contract term.

Within one year before expiration of the HAP contract, HADC may extend the term of the contract for an additional term of up to five years if HADC determines an extension is appropriate to continue providing affordable housing for low-income families. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

The HAP contract must provide that the contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by HADC in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, HADC may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to HADC. In this case, families living in the contract units will be offered participant-based assistance.

HADC will abate and terminate PBRA HAP contracts for non-compliance with HQS in accordance with the policies as outlined in this Administrative Plan.

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term. The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

#### **21.16 HAP CONTRACT CHANGES TO SUBSTITUTE, ADD OR SUBTRACT UNITS**

At HADC's discretion and subject to all PBRA requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Before any such substitution can take place, HADC must inspect the proposed unit and determine the reasonable rent for the unit.

At HADC's discretion and subject to the restrictions on the number of dwelling units that can receive PBRA assistance per building and on the overall size of HADC's PBRA program, a HAP contract may be amended during the three-year period following the execution date of the HAP contract to add additional PBRA units in the same building. This type of amendment is subject to all PBRA program requirements except that a new PBRA proposal is not required.

If any PBRA units have been vacant for 120 days, HADC may give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. The amendment to the HAP contract will be effective the first day of the month following the date of HADC's notice.

### **21.17 VACANCY PAYMENTS**

HADC may, on a case-by-case basis, determine if the owner will be provided with vacancy payments. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments. The HAP contract may provide for vacancy payments to the owner for an HADC-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month subject to the limitations and requirements detailed below. The amount of the vacancy payment will be determined by HADC and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the participant's security deposit).

HADC will only make vacancy payments if:

- The owner notifies HADC in writing within five calendar days certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);
- The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by HADC to verify that the owner is entitled to the vacancy payment.

The owner must submit a request for vacancy payments in the form and manner required by HADC and must provide any information or substantiation required by HADC to determine the amount of any vacancy payment.

If HADC determines that the owner is responsible for a vacancy and, as a result, is not entitled to either a vacancy payment or the right to keep the housing assistance payment for the month in which the family vacated the unit, HADC will notify the landlord of the amount of housing assistance payment that the owner must repay.

### **21.18 WAITING LIST AND OCCUPANCY**

Applicants for PBRA assistance must meet the same eligibility requirements as applicants for HADC's participant-based voucher program. For new projects entered into after the adoption of this Administrative Plan

revision, and for turnover units in projects entered into previously, HADC will utilize separate project-based waiting lists for each development receiving project-based vouchers. Selection preferences and criteria may vary among projects or unit types, and will be determined by HADC prior to entering into a HAP with the owner. In certain instances applicants may be referred by a referring agency for placement on the appropriate project-based waiting list. Eligible applicants who have previously indicated in writing their interest in receiving information on project-based voucher availability will also be referred to the sponsor for screening.

In addition, the following specific provisions apply solely to the PBRA program:

**A. In Place Family**

An eligible family residing in a proposed PBRA contract unit on the date the proposal is selected by HADC is considered an “in-place family.” These families are afforded protection from displacement under the PBRA rule; however, they may be determined ineligible based on HADC’s eligibility and suitability assessment. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on HADC’s waiting list. Once the family’s continued eligibility is determined, the family will be given an absolute selection preference and referred to the project owner for an appropriately sized PBRA unit in the project. Admission of eligible in-place families is not subject to income targeting requirements. This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

**B. Accessible Units**

When selecting families to occupy PBRA units that have special accessibility features for persons with disabilities, HADC will refer families who require such features to the owner.

**C. Offers of PBRA Units**

HADC will not take any of the following actions against a family who has applied for, received, or refused an offer of PBRA assistance:

- Refuse to list the applicant on the waiting list for participant-based voucher assistance if they are eligible;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant’s place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the HADC’s selection policy;
- Remove the applicant from the participant-based voucher waiting list.

If a PBRA owner rejects a family for admission to the owner’s units, such rejection may not affect the family’s position on the participant-based voucher waiting list.

### 21.19 LEASING OF UNIT

HADC will make housing assistance payments to the owner in accordance with the HAP contract for contract units leased and occupied by eligible project-based voucher families during the HAP contract term. Per HUD regulations, payments will not begin on behalf of a PBRA participant until after the following events:

- Participant has attended a briefing
- Unit has a passed HQS inspection
- Participant submitted all necessary documents to confirm income and program eligibility
- Landlord has submitted a lease with the rent breakdown and effective date determined by HADC

The landlord will have 10 days to submit an executed lease agreement to HADC. If the landlord fails to do so by the deadline given, HADC will void the lease effective date and will set a new future effective date.

### 21.20 TERMINATION OF TENANCY

With two exceptions, the owner of a PBRA unit may terminate tenancy for the same reasons an owner may in the participant-based voucher program. In the PBRA program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non- residential purpose.

***Non-Compliance with Supportive Services Requirement:*** If a family is living in a project-based unit that is excepted from the 25 percent per building cap on project-basing because of participation in a supportive services program, and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

***Participant Absence from the Unit:*** The owner may specify in the lease a maximum period of participant absence from the unit that is shorter than the maximum period permitted by HADC policy. According to program requirements, the family’s assistance must be terminated if they are absent from the unit for any reason for more than 180 consecutive days.

### 21.21 SECURITY DEPOSITS

The owner may collect a security deposit from the participant; however, HADC prohibits security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted participants. When the participant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid participant rent, damages to the unit, or other amounts owed by the participant under the lease.

The owner must give the participant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full

amount of the balance to the participant.

If the security deposit does not cover the amount owed by the participant under the lease, the owner may seek to collect the balance from the participant. HADC has no liability or responsibility for payment of any amount owed by the family to the owner.

### **21.22 OVERCROWDED, UNDER-OCCUPIED AND ACCESSIBLE UNITS**

If HADC determines that a family is occupying a wrong size unit, based on HADC's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, HADC will promptly notify the family and the owner of this determination, and offer the family the opportunity to receive continued housing assistance in another unit. HADC will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

- PBRA assistance in the same building or project;
- PBRA assistance in another project; and
- Participant-based voucher assistance.

When HADC offers a family another form of assistance that is not a participant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBRA unit. If the family does not move out within this 30-day time frame, HADC will terminate the housing assistance payments at the expiration of the 30-day period. HADC may make exceptions to the 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

### **21.23 FAMILY RIGHT TO MOVE**

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to HADC. If the family wishes to move with continued participant-based assistance, the family must contact HADC to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, HADC is required to offer the family the opportunity for continued participant-based assistance, in the form of a voucher or other comparable participant-based rental assistance, if funding is available. If voucher or other comparable participant-based assistance is not immediately available upon termination of the family's lease in the PBRA unit, HADC will give the family priority to receive the next available opportunity for continued participant-based assistance. If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued participant-based assistance.

## 21.24 RENT TO OWNER

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by HADC, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

For certain tax credit units, the rent limits are determined differently than for other PBRA units. These different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract. A qualified census tract is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD
- There are comparable tax credit units of the same bedroom size as the contract unit in the same building, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds the HADC-determined amount (not to exceed 110 percent of the fair market rent or any approved exception payment standard). Tax credit rent is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., participant-based voucher assistance).

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

When determining the initial rent to owner, HADC will use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When re-determining the rent to

owner, HADC will use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion and upon the owner's request, HADC may, for initial rent use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for redeterminations of rent, the 30-day period immediately before the redetermination date.

Any HUD-approved exception payment standard amount under the participant-based voucher program also applies to the project-based voucher program. The same utility allowance schedule applies to both the participant-based and project-based voucher programs.

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

### **21.25 RENT CONTROL**

In addition to the rent limits set by PBRA program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state or federal law.

### **21.26 RENT REASONABLENESS**

The reasonable rent of a unit receiving PBRA assistance will be determined by comparison to rent for other comparable unassisted units. When making this determination, HADC will consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

For each unit, the comparability analysis will use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance. The analysis will show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and will be retained by HUD. The comparability analysis may be performed by HADC staff or by another qualified person or entity, provide that they do not have any direct or indirect interest in the property.

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, HADC may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

HADC will redetermine rent reasonableness whenever:

- There is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary for the unit sizes specified in the HAP contract as compared with the FMR in effect one year before the contract anniversary.
- HADC approves a change in the allocation of responsibility for utilities between the owner and the participant.

- The HAP contract is amended to substitute a different contract unit in the same building.
- There is any other change that may substantially affect the reasonable rent.

For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program. For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action
- A Section 221(d)(3) below market interest rate (BMIR) project
- A Section 515 project of the Rural Housing Service
- A project receiving low-income housing tax credits
- Any other type of federally subsidized project specified by HUD

## 22.0

# APPENDIX I GLOSSARY OF TERMS

**ABSORPTION.** In portability, the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family.

**ACTUAL AND IMMINENT THREAT.** HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm [24 CFR 5.2005(d)(2) and (e)]. 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
- The length of time before the potential harm would occur [24 CFR 5.2005(e)]

**ADMINISTRATIVE FEE RESERVE.** Account established by a PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

**ADMINISTRATIVE PLAN.** The plan that describes PHA policies for administration of the tenant-based program.

**ADJUSTED INCOME.** Adjusted Income is a family's annual income minus any HUD allowable deductions.

**ADULT.** An adult is a person who is 18 years or older.

**CASH REFUND.** HADC's definition of a cash refund is a check made out to the family.

**CONTINUOUSLY ASSISTED.** An applicant is "continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Act program when the family is admitted to the voucher program. HADC will also consider a family to be continuously assisted if an interruption in assistance under any 1937 Housing Act program does not exceed 60 days.

**DISABILITY.** See Person with a Disability.

**DISABLED FAMILY.** A disabled family is one in which the head, spouse, or sole member is a person with disabilities.

**DRUG.** Drug means a controlled substance as defined in section 102 of the Controlled Substance Act (21 U.S.C. 802).

**DRUG- RELATED CRIMINAL ACTIVITY.** This is defined as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell distribute or use the drug.

**ECONOMIC SELF-SUFFICIENCY PROGRAM.** This 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).

**ELDERLY.** A person 62 years or older.

**ENGAGED IN OR ENGAGING IN VIOLENT CRIMINAL ACTIVITY.** This means any act within the past (5) years by applicants or participants, household members, or guests which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person of another, which resulted in the arrest and/or conviction of the applicant or participant, household members, or guests.

**ERROR.** Refers to an unintentional error or omission.

**EVICITION NOTICE.** The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

**EXTREMELY LOW-INCOME FAMILY.** A family whose annual income does not exceed 30 percent of the median income for the area, adjusted for family size.

**FAIR MARKET RENT.** The rent, including the cost of utilities (except telephone) as established by HUD for units of varying sizes (the number of bedrooms) that must be paid in the housing market area, to rent privately owned, existing, decent, safe and sanitary rental housing of modest nature with suitable amenities.

**FAMILY.** A single person or a group of two or more persons with or without children who maintain an interdependent relationship (see definition of interdependent relationship) and whose income and resources are available to meet the family's needs. Families must show evidence of a stable family relationship or have a history as a family unit.

**FAMILY MEMBERS.** A husband, wife, son, daughter, stepson, stepdaughter, father, mother, stepfather, stepmother, brother, sister, nephew, niece, uncle, aunt, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, or any other family member or person for whom the head of household can prove legal guardianship or a relationship based on dependency, blood, marriage or domestic partnership.

**FAMILY SELF-SUFFICIENCY (FSS Program).** The program established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services.

**FAMILY SHARE.** The portion of rent and utilities paid by the family.

**FRAUD.** Refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead. This definition is also used to define program abuse.

**FULL-TIME STUDENT (FTS).** A full-time student is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to be full-time is defined by the educational institution.

**GROUP HOME.** A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

**GUEST.** A guest is a person temporarily staying in the unit with the consent of a member of the household who has express or implied authority to so consent.

**HOUSEHOLD.** Household is a broader term, from that of family, which includes additional people who, with the HADC's permission, live in the assisted unit, such as live-in aides, foster children, and foster adults.

**HOUSING CHOICE VOUCHER PROGRAM.** The Housing Choice Voucher Program refers to the merged program effective as of 10/1/99.

**HOUSING QUALITY STANDARDS (HQS).** This is the HUD minimum quality standards for housing assisted under the tenant-based programs.

**IMPUTED WELFARE INCOME.** The amount of annual income not actually received by a family, as a result of a "specified welfare benefit reduction" (see definition), that is nonetheless included in the family's annual income for purposes of determining rent.

**INDEPENDENT STUDENTS.** In terms of determining a student's eligibility for HCV assistance, a student is considered "independent" from his/her parents and the parent's income will not be considered if the following four criteria are all met: (1) the individual is of legal contract age under state law; (2) the individual has established a household separate from his/her parents for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education's definition of independent student; (3) the individual was not claimed as a dependent by his/her parents pursuant to IRS regulations, as demonstrated on the parents' most recent tax forms; (4) the individual provides certification of the amount of financial assistance that will be provided by his/her parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.

**INTERDEPENDENT RELATIONSHIP.** HADC will consider the following in determining whether such emotional, financial and other commitments exist between persons in determining interdependence:

- Longevity of the relationship
- Sharing or relying upon each other for payment of household or family expenses, and/or other common necessities of life

- Intermingling of finances as evidenced by, among other things, joint ownership of bank accounts, personal and real property, credit cards, loan obligations, sharing a household budget for purposes of receiving government benefits
- Engaging in family type activities by jointly attending family functions, holidays and celebrations, social and recreational activities, etc.
- Formalizing of legal obligations, intentions and responsibilities to each other
- Regularly performing family functions, such as caring for each other or each other's extended family members, and/or relying upon each other for daily family services
- Engaging in other patterns of behavior or other action, which evidences the intention of creating a long-term emotionally committed relationship

**JURISDICTION.** The area in which the PHA has authority under State and local law to administer the program.

**LANDLORD.** Landlord and "owner" are used interchangeably. See definition of owner.

**LEASE.** A lease is a written agreement between an owner and 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 PHA.

**LIMITED ENGLISH PROFICIENCY (LEP).** Limited English Proficiency is defined as persons who do not speak English as their primary language and who have limited ability to read, write, speak or understand English. LEP persons are HCV applicants and participants, and parents and family members of applicants and participants.

**LOW-INCOME FAMILY.** A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.

**NORMAL WEAR AND TEAR.** This is defined as items which cannot be charged against the participant's security deposit under state law or court practice.

**OWNER.** An owner is defined as any person or entity legally authorized to lease or sub-lease a unit to a participant.

**PARTICIPANT.** Participant refers to person(s) that has been admitted to the PHA program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term). This term carries the same meaning as "Family", "Participant Families" or "Assisted Families" in this Administrative Plan.

**PAYMENT STANDARD.** The payment standard is the maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

**PERSON WITH A DISABILITY.** A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment

The phrase “physical or mental impairment” includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities.

The term “physical or mental impairment” includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

“Has a record of such impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

“Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

**PHA PLAN.** This is the annual plan and the five-year plan as adopted by the PHA and approved by HUD in accordance with 24 CFR Part 903.

**PORTABILITY.** Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial PHA.

**PREPONDERANCE OF THE EVIDENCE.** This 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 that as a whole shows that the fact sought to be proved is more probable than not. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

**PROGRAM ABUSE.** Refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead. This definition is also used to define fraud.

**QUALIFIED CENSUS TRACT.** This refers to any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

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

**REASONABLE ACCOMMODATION.** Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the PHA, or result in a "fundamental alteration" in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider's operations.

**REPAYMENT AGREEMENT.** A repayment agreement is a document entered into between HADC and the person who owes the debt. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of repayment, any special provisions of the agreement, and the remedies available to HADC upon default of the agreement.

**RESIDENTIAL REAL PROPERTY.** According to 12 USCS § 1464 (A), the terms residential real property or residential real estate means: "leaseholds, homes (including condominiums and cooperatives, except that in connection with loans on individual cooperative units, such loans shall be adequately secured as defined by the Director) and, combinations of homes or dwelling units and business property, involving only minor or incidental business use, or property to be improved by construction of such structures."

**RESPONSIBLE ENTITY.** For the public housing program, the Section 8 tenant-based assistance program (part 982 of this title), the Section 8 project-based certificate or project-based voucher program (part 983 of this title), and the Section 8 moderate rehabilitation program (part 882 of this title), responsible entity means the PHA administering the program under an Annual Contributions Contract with HUD. For all other Section 8 programs, responsible entity means the Section 8 owner.

**SHARED HOUSING.** This is a unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family.

**SINGLE ROOM OCCUPANCY HOUSING (SRO).** This is a unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities.

**SPECIAL ADMISSION.** This is the admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

**SPECIFIED WELFARE BENEFIT REDUCTION.** A Specified Welfare Benefit Reduction is when:

(1) A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

(2) A "specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

- (i) at expiration of a lifetime or other time limit on the payment of welfare benefits;
- (ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or
- (iii) because a family member has not complied with other welfare agency requirements.

**STANDARD, PERMANENT REPLACEMENT HOUSING.** This is defined as housing that is decent, safe and sanitary according to HADC's Housing Quality Standards and local housing code. Standard permanent housing must also be adequate for the family size according to Housing Quality Standards and local code that the family is occupying pursuant to a written or oral lease or occupancy agreement.

**SUBSIDY STANDARDS.** These are standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

**SUSPENSION.** Stopping the clock on the term of a family's voucher, for such period as determined by the PHA, from the time when the family submits a request for PHA approval of the tenancy, until the time when the PHA approves or denies the request.

**TAX CREDIT RENT** is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., participant-based voucher assistance).

**TENANT.** The person or persons (other than live-in aide) who executes the lease as lessee of the dwelling unit.

**THIRD-PARTY VERIFICATION OF A DISABILITY.** Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability.

**VERY LOW-INCOME FAMILY.** A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.

**VIOLENT CRIMINAL ACTIVITY.** This refers to 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.

## 23.0

## APPENDIX II ACRONYMS

**ASHI.** The American Society of Home Inspectors  
**ADA.** American Disability Act  
**CABO.** Council of American Building Officials  
**DFCS.** Department of Family and Children Services  
**EIV.** Enterprise Income Verification System  
**FHA.** Federal Housing Administration  
**FMR.** Fair Market Rent  
**FSS.** Family Self Sufficiency  
**FTS.** Full-time Student  
**GAHI.** Georgia Association of Home Inspectors  
**HAP.** Housing Assistance Payment  
**HADC.** Housing Authority of DeKalb County  
**HCV.** Housing Choice Voucher  
**HQS.** Housing Quality Standards  
**HUD.** U.S. Department of Housing and Urban Development  
**INS.** Immigration and Naturalization Service  
**LEP.** Limited English Proficiency  
**NEPA.** National Environmental Policy Act of 1969  
**NSP.** Neighborhood Stabilization Program  
**O/A.** Owners and Management Agents  
**OIG.** HUD Office of Inspector General  
**PBRA.** Project Based Rental Assistance  
**PIC.** Public and Indian Housing Information Center  
**QHWRA.** Quality Housing and Work Responsibility Act of 1998  
**RESPA.** Real Estate Settlement Procedures Act  
**RFP.** Request for Proposal  
**RFTA.** Request for Tenancy Approval  
**SEMAP.** Section 8 Management Assessment Program  
**SSA.** Social Security Administration  
**SSI.** Supplemental Security Income  
**SSN.** Social Security Number  
**SRO.** Single Room Occupancy  
**TANF.** Temporary Assistance for Needy Families  
**TEVS.** Tenant Eligibility Verification System  
**TFC.** Total Family Contribution  
**TTP.** Total Tenant Payment  
**UFAS.** Uniform Federal Accessibility Standards  
**UIV.** Up-front Income Verification

**URA.** Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970

**USCIS,** United States Citizenship and Immigration Services

**USDA.** United States Department of Agriculture

**VA.** Veterans Administration

**VASH.** Veterans Affairs Supportive Housing

**VAWA.** Violence Against Women Act of 2005