Philadelphia Housing Authority

Building Beyond Expectations

Last Effective Date: 10-1-2011
Next Version in Process: 5-17-13

LAST REVISED: 8.12.2013

- Items highlighted in yellow are recommended new additions or changes
- Items highlighted in green are recommended deletions.
- Items highlighted in blue are added language per the consultation with RAB/CLS
- Items highlighted in purple is language that will remain per the consultation with RAB/CLS

Housing Choice Voucher Program
Administrative Plan

PHILADELPHIA HOUSING AUTHORITY
HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN

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CHAPTER 1: OVERVIEW OF THE PROGRAM & PLAN

Moving to Work Demonstration

The Philadelphia Housing Authority (PHA) has been designated a Moving to Work Demonstration site provided under Section 204(a) of the 1996 Appropriations Act. The Moving to Work Demonstration Agreement was effective April 1, 2001 and is expected to continue until the end of PHA's 2018 Fiscal Year (FY), unless such term is otherwise extended by HUD.

PHA's MTW Agreement provides that PHA shall have flexibility to design and test various approaches for providing and administering housing assistance that reduce cost and achieve greater cost effectiveness in Federal expenditures; give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational, or other programs that assist in obtaining employment and becoming economically self-sufficient; and increase housing choices for low income families.

PHA is exempt from certain provisions of the U.S. Housing Act of 1937 and it's implementing regulations. This allows PHA to design and test innovative methods of providing housing and delivering services to low-income families in an efficient and effective manner. PHA may adopt and implement policies for admission and occupancy, eligibility, selection and assignment, hardships, change in income, definition of elderly, recertifications, establishing rents, lease requirements, and other specific criteria. The policies PHA has implemented pursuant to MTW are included in this Administrative Plan, PHA's MTW Agreement, and PHA's Annual Plans.

PHA's Administrative Plan includes policies which have been developed and implemented under the MTW program. The policies adopted by PHA, under the MTW Agreement, will remain in force through the term of the Agreement and will supersede existing and applicable HUD requirements unless and until amended.

Additionally, this Plan includes policies which govern the units not covered under PHA's MTW Agreement. These policies have been developed pursuant to applicable Federal Laws and Regulations. Program policies related to the Housing Choice Voucher (HCV) Program and not addressed in this Plan are governed by PHA's MTW Agreement, Annual Plans and, as applicable, federal statutes and regulations as well as other applicable law.

Mission Statement

PHA's mission is to improve the availability, affordability, and quality of housing for Philadelphia's income eligible families through a variety of development and enforcement strategies. PHA also strives to provide opportunities for participant economic enhancement and workforce development, and to form strategic partnerships with surrounding communities.

Overview and Purpose of the Plan

The Philadelphia Housing Authority (PHA) is a non-profit, quasi-public corporation which administers the HCV program in conformance with all applicable Federal, State and local regulatory requirements.

The Administrative Plan is required by HUD. The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements, PHA's MTW Agreement and local goals and objectives included in PHA's MTW Plans. This Administrative Plan is available for public review.

DRAFT

Updating and Revising the Plan

PHA will review and update the Administrative Plan as needed to reflect changes in regulations, MTW initiatives, PHA operations, or when needed to ensure staff consistency in operation. The original plan and any changes are approved by PHA's Board of Commissioners.

PHA, from time to time, may make non-substantive changes and edits to the Administrative Plan to clarify policy language.

Applicable Regulations and Agreements

This Administrative Plan is governed by the following authorities:

- PHA's Moving to Work Demonstration Agreement between PHA and the U.S. Department of Housing and Urban Development; and
- PHA Annual Plan.

To the extent not superseded by the above authorities, the following regulations apply:

- 24 CFR Part 5: General Program Requirements;
- 24 CFR Part 8: Nondiscrimination; and
- 24 CFR Part 982: Section 8 Tenant Based Assistance: Housing Choice Voucher Program.

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CHAPTER 2: GENERAL POLICIES

Administrative Fee Reserve

PHA conforms to the requirements of the MTW Agreement with respect to maintenance of reserves where applicable.

Program Accounts and Records

PHA will maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits quick and effective auditing. Records will be in the form required by HUD, including requirements governing computerized or electronic forms of record keeping.

To the extent permitted by Federal or State requirements, during the term of each Housing Choice Voucher program tenancy, and for at least three (3) years thereafter, PHA will keep all documents related to a family's eligibility, tenancy, and lease termination.

In addition, PHA will keep the following during the term of each assisted lease and for at least three years thereafter:

- A copy of the executed lease;
- The HAP contract; and
- The application from the family.

PHA will keep the following records for at least three years:

- Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;
- An application from each ineligible family and notice that the applicant is not eligible;
- HUD-required reports;
- Unit inspection reports;
- Lead-based paint records;
- Accounts and other records supporting PHA budget and financial statements for the program;
- Records to document the basis for PHA determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract); and
- Other records specified by HUD.

Records Management

PHA's practices and procedures are designed to safeguard the privacy of applicants and tenants. See the *Privacy* statement found in the Fair Housing and Equal Opportunity chapter of this Plan for additional discussion of PHA's records management practices.

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Privacy Act Requirements

The collection, maintenance, use, and dissemination of social security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, income information of applicants and tenants and other personally identifiable information of applicants and tenants shall be conducted, to the extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of Federal, State, and local law.

Applicants and tenants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information, or other form approved by HUD. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under which conditions HUD or PHA may release the information collected.

Upfront Income Verification (UIV) Records

PHA shall adhere to the security procedures for accessing and protecting EIV data through HUD's Enterprise Income Verification (EIV) system as required by HUD.

PHA shall adhere to the Department of Public Work's (DPW) security procedures for accessing and protecting Public Assistance data obtained through DPW's electronic data base.

PHA shall adhere to the United States Citizenship and Immigration Services (USCIS) security procedures for accessing and protecting citizenship data obtained through the SAVE electronic data base.

Criminal Records

Consistent with the limitations on disclosure of records, PHA will ensure that any criminal record received by PHA from a law enforcement agency and any records received with respect to sex offender registration from a State or local agency is:

- Maintained confidentially;
- Not misused or improperly disseminated; and
- Destroyed once the purpose(s) for which the record was requested has been accomplished, including expiration of the period for filing a challenge to a PHA action without institution of a challenge or final disposition of any such litigation.

PHA will retain a record of the screening, including the type of screening and the date performed until four years after the end of tenancy.

In all cases where criminal record or sex offender registration information would result in lease enforcement or termination, PHA will notify the household in writing of the proposed adverse action and provide an opportunity to dispute the accuracy and relevance of the information before an eviction or lease enforcement action is taken. PHA will provide access to the record, upon request, to the applicant/tenant and the subject of the record.

Disputes must be submitted in writing. The family will be given ten (10) business days from the date of PHA notice, to dispute the accuracy and relevance of the information. If the family does not contact PHA to dispute the information within that ten (10) business day period, PHA will proceed with the eviction or lease enforcement action.

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Should the tenant not exercise the right to dispute prior to any adverse action, the tenant still has the right to dispute through a grievance hearing or court trial.

Medical/Disability Records

If an applicant requests a reasonable accommodation or other assistance related to a disability, PHA may request documentation necessary to verify the need for the accommodation. PHA shall not inquire about the nature or severity of a person's disability or about a person's diagnosis or details of treatment for a disability or medical condition. PHA will destroy or return any medical documentation that states the nature or extent of a person's disability or medical condition.

Special Requirements for Children with Environmental Blood Lead Level

If PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood-lead level, PHA will complete a risk assessment of the dwelling unit. The risk assessment will be completed in accordance with program requirements, and the result of the risk assessment will be 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 will be provided to the owner.

Within 30 days after receiving the risk assessment report from PHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations. If the owner does not complete the "hazard reduction" as required, the dwelling unit is in violation of HQS and PHA will take action in accordance with regulatory requirements.

MTW – Simplification and Streamlining of Processes

PHA may adopt and implement any reasonable policies for setting rents for public housing, or rents or subsidy levels for tenant-based assistance, notwithstanding the U.S. Housing Act of 1937. PHA will submit the proposed policies to HUD annually and upon any material change. Prior to PHA to submission to HUD, PHA will ensure that:

1. PHA's Board approves the policies, including related impact analyses;
2. PHA plans to reevaluate its rent and subsidy level policies annually, including preparing a revised impact analysis;
3. PHA has adopted a policy for addressing hardship cases and has included a transition period for rent increases to existing tenants; and
4. PHA holds a public hearing regarding the policy.

Rent policies, or any material changes to the rent policies will be effective upon submission to HUD of a board resolution as provided above.

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CHAPTER 3: FAIR HOUSING & EQUAL OPPORTUNITY

Introduction

This chapter explains the laws and HUD regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policies and processes. The responsibility to further nondiscrimination pertains to all areas of PHA's HCV operations.

Non-Discrimination

PHA treats all applicants and participants equally, providing the same quality of service, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. PHA will comply with all applicable Federal, State, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964;
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988);
- Executive Order 11063;
- Section 504 of the Rehabilitation Act of 1973;
- The Age Discrimination Act (ADA) of 1975;
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern);
- Violence Against Women Reauthorization Act of 2005 (VAWA);
- When more than one civil rights law applies to a situation, the laws will be read and applied together; and
- Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted.

PHA will not discriminate on the basis of marital status or sexual orientation.

PHA will not use any of the family characteristics and background described above to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the housing choice Voucher program;
- Provide housing that is different from that provided to others;
- Subject anyone to segregation or disparate treatment;
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program;

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- Treat a person differently in determining eligibility or other requirements for admission;
- Steer an applicant or participant toward or away from a particular area based any of these factors;
- Deny anyone access to the same level of services;
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program;
- Discriminate in the provision of residential real estate transactions;
- Discriminate against someone because they are related to or associated with a member of a protected class; or
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class.

Providing Information to Families and Owners

PHA takes steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, PHA provides information to HCV applicant families about civil rights requirements and the opportunity to rent in a broad range of neighborhoods.

The Housing Assistance Payments (HAP) contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

Privacy

Information that is obtained directly from applicants/participants or from those persons authorized by the applicant/participant will be used or disclosed only for purposes relating directly to the administration of the Housing Choice Voucher program. All information considered “private data on individuals” under the Pennsylvania Government Data Practices Act will be handled in compliance with that law.

All applicants/participants are required to complete and sign the HUD Authorization for Release of Information or other approved document, which incorporates the Federal Privacy Act Statement and delineates the terms and conditions for release of family information by HUD and/or PHA. PHA’s policy regarding release of information is in accordance with State and local laws which may restrict the release of family information.

Information documenting the need for a reasonable accommodation will be kept in a separate folder and marked "confidential". The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. Any information received that contains an individual’s specific diagnosis, information regarding the individual’s treatment, and/or regarding the nature or severity of a person’s disability will be destroyed or returned to the family member. It will not be kept in a separate folder. All requests for access and granting of accommodations based on this information will be approved by the General Manager of the HCV program or his/her designee.

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

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

Discrimination Complaints

Applicants or participants who believe that they have been subject to unlawful discrimination may notify PHA in writing. PHA will attempt to remedy discrimination complaints made against PHA.

PHA will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

Policies Related to Persons with Disabilities

PHA strives to ensure that persons with disabilities have full access to PHA's programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area of the HCV program.

PHA will ask all applicants and participants if they require any type of accommodations, in writing, on the intake application, recertification documents, and notices of adverse action by PHA, by including the following language:

"If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the housing authority."

If a person requests an accommodation, PHA may need to verify that the person is a qualified individual with a disability, and must determine whether an accommodation is necessary to provide the individual with an equal opportunity to participate in the HCV program. A person who does not meet the definition of disability is not entitled to a reasonable accommodation.

Definition of Disability

A person with a disability 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

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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 live 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 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.

Person with Disabilities Does Not Include

The definition of a person with disabilities does not include:

- Current illegal drug users;
- People whose alcohol use interferes with the rights of others; or
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the HCV program.

Reasonable Accommodation

A person with a disability may require special accommodations in order to have equal access to the HCV program. The types of reasonable accommodations PHA can provide include changes, exceptions, or adjustments to a rule, policy, practice, or service.

Requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for 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.

Types of Reasonable Accommodations

When requested, PHA will make reasonable accommodations to modify normal procedures to accommodate the needs of a person with disabilities. Examples include but are not limited to:

- Permitting applications and recertifications to be completed by mail;
- Conducting home visits;
- Permitting a higher utility allowance for the unit if a person with disabilities requires the use of specialized equipment related to the disability;
- Using higher payment standards (either within the acceptable range or with HUD approval, if required, of a payment standard outside PHA range) if PHA determines this is necessary to enable a person with disabilities to obtain a suitable housing unit;

- Providing time extensions for locating a unit when necessary because of lack of availability of accessible units or special challenges of the family in seeking a unit;

- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with PHA staff;

- Displaying posters and other housing information in locations throughout PHA's office in such a manner as to be easily readable from a wheelchair.

Request for an Accommodation

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, PHA will treat the information as a request for a reasonable accommodation, even if no formal request is made.

The family must explain what type of accommodation is needed to provide the person with the disability full access to PHA's programs and services.

If the need for the accommodation is not readily apparent or known to PHA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable relationship, or nexus, between the requested accommodation and the individual's disability. PHA may request verification necessary to determine the need for or type of accommodation.

All requests for access and related review of accommodation requests will be received and determined by the General Manager of the HCV program or his/her designee.

Verification of Disability

When verifying a disability, PHA will follow its policies on verification. All information related to a person's disability will be treated in accordance with the privacy policies in this plan. In addition to the general requirements that govern all verification efforts, the additional verification requirements for verifying disability are discussed in the chapter on Verification.

Approval or Denial of a Requested Accommodation

PHA will approve a request for an accommodation if the following three conditions are met:

- The request was made by or on behalf of a person with a disability;

- There is a disability-related need for the accommodation; and

- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on PHA, or fundamentally alter the nature of PHA's Public Housing operations (including the obligation to comply with its MTW Agreement and applicable HUD requirements and regulations).

Requested accommodations will not be approved if one of the following would occur as a result:

1. A violation of State and/or federal law;

2. A fundamental alteration in the nature of PHA housing program;

3. An undue financial and administrative burden on PHA;

4. A structurally infeasible alteration; or

5. An alteration requiring the removal or alteration of a load-bearing structural member.

Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as the cost of the requested accommodation, the financial resources of PHA at the time of the request, the benefits that the accommodation would provide to the family, and the availability of alternative accommodations that would effectively meet the family's disability-related needs to the extent applicable to HCV. (Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act).

Before making a determination whether to approve the request, PHA may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that PHA may verify the need for the requested accommodation.

After a request for an accommodation is presented, PHA will respond, in writing, in a timely fashion.

If PHA denies a request for an accommodation because there is no relationship found between the disability and the requested accommodation, the notice will inform the family of the right to appeal PHA's decision through an informal hearing (if applicable) or the grievance process.

If PHA denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of PHA's operations), PHA may review with the family alternative accommodations which could effectively address the family's disability-related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden.

If PHA believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, PHA will notify the family, in writing, of its determination in a timely fashion. The notice will inform the family of the right to appeal PHA's decision through an informal hearing (if applicable) or the grievance process.

Right to Appeal/Grievance Process

Housing Choice Voucher program applicants or participants may file a complaint in accordance with PHA's Tenant Grievance Policy following a formal determination by PHA's Section 5O4/ADA Coordinator denying a reasonable accommodation. Persons with disabilities may also request reasonable accommodations to participate in the PHA Tenant Grievance Process and PHA will consider such accommodation.

Program Accessibility for Persons with Hearing or Vision Impairments

HUD regulations require PHA to ensure that persons with disabilities related to hearing and vision have reasonable access to PHA's programs and services [24 CFR 8.6]. At the initial point of contact with each applicant, PHA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

Physical Accessibility

PHA complies with the applicable requirements pertaining to physical accessibility, including the following:

- Section 504 of the Rehabilitation Act of 1973;
- The Americans with Disabilities Act of 1990;
- The Architectural Barriers Act of 1968;
- The Fair Housing Act of 1968, amended.

PHA's policies concerning physical accessibility are readily available to applicants and participants. They can be found in the following documents:

- This policy, the Administrative Plan, describes the key policies that govern PHA's responsibilities with regard to physical accessibility; and
- PHA's MTW Plans.

When issuing a Voucher to a family that includes an individual with disabilities, PHA may include a current list of available accessible units known to PHA and may assist the family in locating an available accessible unit, if necessary.

In general, owners must permit the family to make reasonable modifications to the unit. However, the owner is not required to pay for the modification and may require that the unit be restored to its original state at the family's expense when the family moves.

Reasonable modifications are subject to the following:

- The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises.
- The owner may not increase a customarily required security deposit. However, the owner may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest-bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant.
- The owner may require reasonable assurances from the tenant that the quality of the work will be acceptable and that any required building permits will be obtained.
- Modifications to units to provide access for a person with a disability 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 the ADA Accessibility Guidelines (ADAAG)
- Any owner that intends to negotiate a restoration agreement or require an escrow account must submit the agreement(s) to PHA for review.

Denial or Termination of Assistance – Families with Disabled Household Members

PHA's decision to deny or terminate the assistance to a family that includes a person with disabilities is subject to consideration of reasonable accommodation.

When applicants with disabilities are denied assistance, the notice of denial will inform them of PHA's informal review process and their right to request a hearing. In addition, the notice will inform applicants

with disabilities of their right to request reasonable accommodations to participate in the informal hearing process.

When a participant family's assistance is terminated, the notice of termination will inform them of PHA's informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, PHA will consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to PHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, PHA may make the accommodation.

Improving Access to Services for Persons with Limited English Proficiency

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the HCV program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Notice of Guidance to Federal Assistance Recipients Regarding Title VI Prohibition Affecting Limited English Proficient Persons, published December 19, 2003 in the Federal Register.

PHA will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as LEP.

LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this Administrative Plan, LEP persons are HCV applicants and participants, and parents and family members of applicants and participants.

In order to determine the level of access needed by LEP persons, PHA will balance the following four factors:

- The number or proportion of LEP persons eligible to be served or likely to be encountered by the Housing Choice Voucher program;
- The frequency with which LEP persons come into contact with the program;
- The nature and importance of the program, activity, or service provided by the program to people's lives; and
- The resources available to PHA and costs.

Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on PHA.

Oral Interpretation

PHA will analyze the various kinds of contacts it has with the public to assess language needs and decide what reasonable steps should be taken. "Reasonable steps" may not be reasonable where the costs imposed substantially exceed the benefits.

Where feasible, PHA will make bilingual staff available to act as interpreters and translators and will standardize documents.

Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by PHA. This interpreter may be a family member or friend.

Implementation Plan

After completing the four-factor analysis and deciding what language assistance services are appropriate, PHA shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.

If it is determined that PHA serves very few LEP persons, and PHA has very limited resources, PHA will not develop a written LEP plan, but will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access. Entities having significant contact with LEP persons, such as schools, grassroots and faith-based organizations, community groups, and groups working with new immigrants will be contacted for input into the process.

If PHA determines it is appropriate to develop a written LEP plan, the following five steps will be taken:

- Identify LEP individuals who need language assistance;
- Identify language assistance measures;
- Train staff;
- Provide notice to LEP persons; and
- Monitor and update the LEP plan.

Outreach

It is PHA's policy to encourage the participation of owners in the Housing Choice Voucher program and to make the HCV program known and available to serve the needs of income-eligible families. To ensure the availability of qualified applicants on the Waiting List, on an as needed basis, PHA will publicize and disseminate information to make known the availability of housing assistance and related services for income-eligible families. In addition, PHA will make a concerted effort to keep private owners informed of legislative changes in the tenant-based program, which are designed to make the program more attractive to owners.

PHA may undertake the following actions to expand housing choices and reduce concentrations of poverty and assisted units:

- Conduct monthly landlord fairs to recruit new owners to the program, including owners from underrepresented areas with few or no assisted units;
- Provide Voucher holders with information on their right to move to any jurisdiction in the country that operates a Housing Choice Voucher program. This includes detailed information on how portability works, contact names in other jurisdictions and other relevant information;
- During briefing sessions, PHA will provide maps showing housing opportunity areas outside of concentrations of poverty, minorities and/or assisted housing. This will also include, as available, information on transportation, job opportunities, schools and other services in these areas;

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- Provide Voucher holders with a list of owners willing to lease properties (including, as available, owners in non-impacted areas) and a list of fair housing and other organizations that can help find suitable housing in non-impacted areas; and

- Monitor lease-up activity and evaluate as appropriate the feasibility of exception payment standards within the jurisdiction to promote housing choice and deconcentration.

PHA will perform outreach to households that qualify for HCV program assistance. Outreach will include print advertising and coordination with service providers such as community-based organizations, private housing owners and public and private homeless shelter operators. Outreach activities will be performed in English and in other languages as deemed necessary by PHA. PHA will publicize the opening of the Waiting List in a newspaper of general circulation and in minority media and will provide information to applicants/participants concerning the availability of housing and related services. Briefing sessions for new participants will include the following information related to outreach:

- An explanation of the advantages of moving to areas that do not have a high concentration of poor families for families currently living in high poverty census tracts;

- An explanation of portability procedures for families that qualify to rent units either inside or outside PHA's jurisdiction;

- Briefing materials which include portability procedures;

- If the family includes a disabled individual, briefing materials will be available which include a current listing of accessible units which are known to PHA and information related to exception rents for disabled individuals;

- A list of owners or other parties known to PHA who may be willing to lease a units to families, or help families find units; and

- Other information relevant to program requirements.

Owner Outreach: PHA will encourage the owners of housing units in the City to provide safe, decent and sanitary housing to HCV program participants. Special emphasis will be placed on outreach to owners who have units in areas that do not have high poverty concentrations. PHA will provide written materials and conduct outreach activities in an effort to recruit owners outside of areas of low income and minority concentrations.

Violence Against Women Act Protections

Definitions as Used in the Violence Against Women Act

The definitions applicable to the Violence Against Women Act (VAWA) are the following:

Domestic Violence: The term domestic violence includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

Dating Violence: The term dating violence means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship;
- The type of relationship; and
- The frequency of interaction between the persons involved in the relationship.

Stalking:

- To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or
- To place under surveillance with the intent to kill, injure, harass, or intimidate another person; and
- In the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

Immediate family member means, with respect to a person:

- A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or
- Any other person living in the household of that person and related to that person by blood and marriage.

Prohibition Against Denial of Assistance to Victims of Domestic Violence, Dating Violence and Stalking

Applicants who otherwise qualify for assistance or admission will not be denied admission on the basis that the applicant is or has been a victim of domestic violence, dating violence, or stalking. VAWA does not limit PHA's authority to deny assistance to an individual or family that is not otherwise qualified or eligible for assistance.

Prohibition Against Termination of Assistance Related to Victims of Domestic Violence, Dating Violence and Stalking

Criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control will not be the basis for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that domestic violence, dating violence, or stalking.

Incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed either as serious or repeated violations of the lease by the victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence.

Notwithstanding the foregoing, PHA may exercise its authority to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant. Further, PHA retains its authority to terminate the tenancy of any tenant if PHA concludes that there is an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant is not evicted or terminated from assistance. VAWA does not limit PHA's authority to deny or terminate assistance to an individual or family that is not otherwise qualified or eligible for assistance.

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PHA Confidentiality Requirements – VAWA

All information provided to PHA 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 database. PHA will not allow employees, owners, or management agents, or those within their employ (*e.g.,* contractors) to have access to such information unless explicitly authorized by PHA for reasons that specifically call for these employees or those within their employ to have access to this information, except to the extent that the disclosure is:

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

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, PHA will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

Notification to Applicants and Tenants Regarding Protections Under VAWA

PHA will provide applicants and tenants with the notifications described in this section of their protections and rights under VAWA.

PHA will include in all notices of denial a statement explaining the protection against denial provided by VAWA.

PHA will include in all lease termination notices a statement explaining the protection against termination or eviction provided by VAWA.

PHA acknowledges that a victim of domestic violence, dating violence, or stalking may have an unfavorable history (i.e., a poor credit history, non-payment of rent, a record of previous damage to an apartment/Public Housing unit, a prior/current arrest record) that would warrant denial or termination under PHA's policies. Therefore, if PHA makes a determination to deny admission to an applicant family or terminate assistance to a resident family, PHA will include VAWA protection information in its notice of denial/termination:

Victim Documentation – Denials and Terminations

An applicant claiming that the cause of an unfavorable history is that a member of the applicant family is or has been a victim of domestic violence, dating violence, or stalking must provide documentation.

- Demonstrating the connection between the abuse and the unfavorable history; and
- Naming the perpetrator of the abuse.

When a family is facing assistance termination because of the actions of a tenant, household member, guest, or other person under the tenant's control and a participant or immediate family member of the tenant'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, PHA will require the individual to submit documentation affirming that claim.

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PHA will require a completed HUD Form 50066 and one of the following for certification of a claim:

- A Federal, State, tribal or territorial or local police or court record; and/or

- Documentation signed by an employee, agent, or volunteer of a victim service provider, an attorney, or 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 under penalty of perjury under 28 U.S.C. 1746 to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim of domestic violence, dating violence, or stalking has signed or attested to the documentation;

Time Frame for Submitting Documentation—Applicant

The applicant must submit the required documentation within fourteen (14) business days of PHA's notification of denial of admission or must request an extension in writing at that time. If the applicant so requests, PHA may grant an extension of ten (10) business days, and will postpone scheduling the applicant's informal review until after it has received the documentation or the extension period has elapsed. If after reviewing the documentation provided by the applicant PHA determines that the family is eligible for assistance, no informal review will be scheduled and PHA will proceed with admission of the applicant family.

Time Frame for Submitting Documentation—Tenant

The tenant must submit the required certification and supporting documentation to PHA within fourteen (14) business days after PHA issues the Notice of Termination. The 14-day deadline may be extended at PHA's discretion. If the individual does not provide the required certification and supporting documentation within fourteen (14) business days, or within the approved extension period, PHA may proceed with denial or termination of assistance.

If PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the participant's tenancy is not terminated, PHA will bypass the standard process and proceed with the immediate termination of the family's assistance.

Perpetrator Documentation

If the perpetrator of the abuse is a member of the applicant/resident family, the applicant/Head of Household must provide additional documentation consisting of one of the following:

- A signed statement requesting that the perpetrator be removed from the application or household and certifying that the perpetrator will not be permitted to visit or to stay as a guest in the assisted unit; or

- Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

Perpetrator documentation must be submitted to PHA within the same timeframe as victim documentation.

Terminating Tenancy of a Domestic Violence Offender

This section does not provide protection for perpetrators of domestic violence, dating violence or stalking. PHA may terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others without terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant. This authority supersedes any local, State, or other Federal law to the contrary. However, if PHA chooses to exercise this authority, PHA will follow any procedures prescribed by HUD or by applicable local, State, or Federal law regarding termination of assistance.

When the actions of a participant or other family member result in a decision to terminate the family's assistance and another family member claims that the actions involve criminal acts of physical violence against family members or others, PHA will request that the victim submit the required certification and supporting documentation in accordance with the stated timeframe. If the certification and supporting documentation are submitted within the required timeframe, or any approved extension period, PHA will terminate the offender's assistance. If the victim does not provide the certification and supporting documentation, as required, PHA will proceed with termination of the family's assistance.

If PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the participant's tenancy is not terminated, PHA will bypass the standard process and proceed with the immediate termination of the family's assistance.

Transfers and Portability Under VAWA

In its reasonable discretion, PHA may provide a Voucher and allow a family to move in violation of its lease 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.

Response to Conflicting Certification

cases where PHA receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, PHA may determine which is the true victim by requiring third-party documentation as described in this Plan and in accordance with any HUD guidance as to how such determinations will be made. PHA shall honor any court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household.

Remedies Available to VAWA Victims

Notwithstanding any Federal, State, or local law to the contrary, PHA may bifurcate (divide in two) a lease, or remove a household member from a lease without regard to whether the household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal,

State, or local law for termination of assistance or leases under the relevant public housing, Section 8 Housing Choice Voucher, and Section 8 project-based programs.

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CHAPTER 4: ELIGIBILITY

Overview

Every individual and family admitted to the HCV program must meet all program eligibility requirements. This includes any individual approved to join a family after the family has been admitted to the program. Families must provide any information needed by PHA to confirm eligibility and determine the level of the family's assistance.

PHA will consider the following when determining eligibility and suitability for the HCV program:

- The applicant family must:
    - Qualify as a family as defined by PHA;
    - Have income at or below specified income limits;
    - Qualify on the basis of citizenship or the eligible immigrant status of family members;
    - Provide Social Security Number information for all family members as required;
    - Consent to PHA's collection and use of family information as provided for in PHA-provided consent forms; and
    - Provide all required documents.

PHA will determine that the current or past behavior of household members does not include activities that are prohibited by PHA.

If a family is deemed ineligible or unsuitable for admission, the family will be removed from the Waiting List.

Family and Household

- Family - Applicants must qualify as a "Family" as defined in 24 CFR part 5.403:
- *Family* includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:
    - A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or
    - A group of persons residing together, and such group includes, but is not limited to:
        - A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
        - An elderly family;
        - A near-elderly family;
        - A disabled family;
        - A interdependent relationship;
        - A displaced family; and
        - The remaining member of a tenant family.

Each family must identify the individuals to be included in the household at the time of application, and must update this information if the family's composition changes.

- Household

  Household is a broader term that includes additional people who, with PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

Head of Household

Head of household means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a co-head or spouse.

The family may designate any qualified family member as the head of household. The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

Spouse, Co-head and Other Adult

A family may have a spouse or co-head, but not both. Spouse means the marriage partner of the head of household.

- A marriage partner includes the partner in a "common law" marriage as defined in state law. The term "spouse" does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.

- A co-head is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one co-head. Minors who are emancipated under state law may be designated as a co-head.

- Other adult means a family member, other than the head, spouse, or co-head, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults.

Interdependent Relationship

To claim an interdependent relationship, individuals must demonstrate that the individuals have lived together previously, or certify that each individual's income and other resources will be available to meet the needs of the family.

Dependent

A dependent is a family member who is either 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.

Full-time Student

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A full-time student (FTS) is a person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended).

Elderly Person and Elderly Family

- Elderly Persons
  - MTW Vouchers: an elderly person is a person who is at least 55 years of age.
  - Non-MTW Vouchers: an elderly person is a person who is at least 62 years of age.

- Elderly Family
  - MTW Vouchers: An elderly family is one in which the head, spouse, co-head, or sole member is at least 55 years of age.
  - Non MTW Vouchers: An elderly family is one in which the head, spouse, co-head, or sole member is at least 62 years of age

Persons with Disabilities and Disabled Family

- Persons with Disabilities
  Under the HCV program, special accommodations are available to persons with disabilities and to any family whose head, spouse, or co-head is a person with disabilities. A person with disabilities is someone who has a mental or physical impairment that substantially limits one or more major life activities; has a record of such impairment, or is regarded as having such impairment. The term does not include any individual who is an alcohol or drug user whose current use of alcohol or drugs prevents the individual from participating in the HCV program, or whose participation, by reason of the current alcohol or drug abuse, would constitute a threat to property or the safety of others.

- Disabled Family
  A *disabled family* is one in which the head, spouse, or co-head is a person with disabilities.

Multiple Families in the Same Household

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

Foster Children and Foster Adults

- A foster child is a child who is in the legal guardianship or custody of a State, county, or private adoption or foster care agency, yet is cared for by foster parents in their own homes, under some kind of short- or long-term foster care arrangement with the custodial agency.

- A foster adult is usually a person with disabilities, unrelated to the tenant family, who is unable to live alone.

- Foster children and foster adults who are living with an applicant or assisted family are considered household members, but not family members. The income of foster children/adults is not counted in family annual income, and foster children/adults do not qualify for a dependent deduction.

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- A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of HQS space standards.

Live-In Aide

Live-in aide means a person who resides with one or more elderly persons or persons with disabilities, and who:

- Is determined to be essential to the care and well-being of the persons;
- Is not obligated for the support of the persons; and
- Would not be living in the unit except to provide the necessary supportive services.

PHA will approve a live-in aide if needed as a reasonable accommodation, to make the program accessible to and usable by the family member with disabilities.

A live-in aide is a member of the household, not the family, and the income of the aide is not considered in income calculations. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family.

A family's request for a live-in aide must be made in writing. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly or disabled family member.

The family and live-in aide will be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.

PHA will only allow family members of live-in aides to reside in the unit if the addition of the live-in aide's family members does not result in an under housed situation as determined by PHA occupancy standards.

PHA will apply the same screening criteria used for determining initial and continued eligibility/suitability for applicants and tenants when determining approval/disapproval of a particular person as a live-in aide. This criterion includes, but is not limited to disapproval of admission if the person:

- Commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- Is subject to a lifetime registration requirement under a State Sex offender registration program;
- Commits drug-related criminal activity or violent criminal activity; or
- Currently owes rent or other amounts to PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

Veteran

A veteran is a person who served in the active military (Army, Navy, Air Force, Marines or Coast Guard, Reservists and/or National Guard) and who was discharged or released from such service under conditions other than dishonorable.

Joint Custody of Children

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Dependents that are subject to a joint custody arrangement will be considered a member of the family, if the dependent lives with the applicant or participant family 50 percent (at least 183 days/year) or more of the time. When more than one applicant or assisted family (regardless of program) are claiming the same dependents as family members, the family with primary custody at the time of the admission or recertification will be able to claim the dependents. If there is a dispute about which family should claim them, PHA will make the determination based on available documents which may include but are not limited to the following; court orders and school records.

Caretaker of a Child

If neither a parent nor a designated guardian of a child residing in an HCV unit remains in a unit that is receiving assistance, PHA will take the following actions:

- If a responsible agency has determined that another adult is to be brought into the apartment to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.

- If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker must provide documentation of temporary or permanent custody arrangement. If the caretaker will have permanent custody and wishes to be considered a family member, the caretaker will be subject to PHA screening requirements, unless information is provided that would confirm that the caretaker's role is temporary. In such cases PHA may in its reasonable discretion extend the caretaker's status as an eligible visitor.

- At any time that custody or guardianship legally has been awarded to a caretaker, the Voucher will be transferred to the caretaker, as head of household, subject to meeting PHA's eligibility and suitability requirements. The caretaker must provide legal custody papers to verify legal guardianship.

- During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.

Seven Year Term

Effective April 1, 2003 PHA will provide Housing Choice Voucher Program benefits to participating households for a maximum term of up to seven years. The term of assistance is subject to funding availability and continued household eligibility.

PHA may elect to defer enforcement of the 7 year term limit based on economic conditions. If PHA elects to defer enforcement of the 7 year term limit, plans of the deferral will be included in the MTW Annual Plan.

The seven-year benefit limitation is cumulative. This means that if a household exits the Housing Choice Voucher Program in good standing before the end of their seven-year lifetime limit, the household may receive Housing Choice Voucher Program benefits at a later date, provided that the total lifetime benefits received do not exceed the seven-year limit. Households who voluntarily terminate their participation in the Housing Choice Voucher Program in good standing may re-apply for admission with no preference for re-admission to the Program subject to PHA's then-current admissions and Waiting List procedures.

The seven-year lifetime limit on Housing Choice Voucher Program benefits applies to the household including the household head, spouse and co-head of household. The seven-year lifetime limit on program benefits does not apply to the following types of households:

- Households with a head, spouse or co-head over the age of 55. To qualify for an exemption from the seven-year term, the head, spouse or co-head must be over the age of 55 at the time the MTW Family Agreement Addendum described in this chapter is executed;

- Households with a head, spouse or co-head who is a person with a documented disability that prevents them from obtaining employment. If the head, spouse or co-head of a household develops a disability, which can be documented and which prevents the household head from obtaining employment, after the MTW Family Agreement Addendum has been executed, the household will be exempt from the seven-year term;

- Families living in units with project-based assistance;

- Families living in units assisted under the Moderate Rehabilitation Program, including families living in Single Room Occupancy (SRO) that are part of this program;

- Families using Vouchers received as part of any Special Allocation such as the Family Unification Program;

- Families with a home mortgage subsidized through the PHA Homeownership Program;

- Households where the Head of Household (HOH) is the sole caregiver for a dependent with a disability that prevents them from obtaining employment. If after the MTW Family Agreement Addendum is executed, a dependent child develops a disability which requires the HOH to be the sole caregiver for the dependent child, the household will be exempt from the seven-year term;

- If the household is previously exempt from the seven year term due to the disability of the HOH, spouse or co-head and the HOH, spouse or co-head is no longer disabled, the household will NO LONGER be exempt from the seven year term limit. The seven year term limit will begin at the first regular recertification after the disability status is removed; or

- If the household is exempt from the seven year term because the HOH is the sole caregiver for a dependent with a disability that prevents the HOH from obtaining employment, and the disabled dependent is no longer living in the unit or no longer a disabled dependent, the household will NO LONGER be exempt from the seven year term. The seven year term limit will begin at the first regular recertification after the disability status is removed or the disabled dependent is no longer living in the unit.

Income Eligibility

Income limits are used for eligibility only at admission. Eligibility is established by comparing a family's annual income with HUD's published income limits. To be income-eligible, a family must be one of the following:

- An 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.

- A 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.

- A low-income family - a family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size and who has been continuously assisted under the 1937 Housing Act.

- A low-income family that qualifies for Voucher assistance as a non-purchasing household living in HOPE 1 (public housing homeownership), HOPE 2 (multi-family housing homeownership) developments, or other HUD-assisted multi-family homeownership programs covered by 24 C.F.R. 248.173; or

- A low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract on eligible low-income housing as defined in 24 C.F.R. 248.101.

Continuously Assisted

PHA will consider a family to be continuously assisted if the family was leasing a unit under any MTW or 1937 Housing Act program at the time they were issued a Voucher by PHA or if there is a break in assistance under any MTW or 1937 Housing Act program for a period of less than 30 days from the date of the screening appointment with PHA. This policy assumes that the break in assistance is not due to adverse termination and that the applicant has left the prior program in good standing.

Citizenship or 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 non-citizens that have eligible immigration status. At least one family member must be a citizen, national, or non-citizen with eligible immigration status in order for the family to qualify for any level of assistance.

Declaration of Citizenship

HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible non-citizen, 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 non-citizens.

For citizens, nationals and eligible non-citizens 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.

Verification requirements for citizenship and eligible immigration status are discussed in the chapter on Verification.

Ineligible Non-citizens

Ineligible non-citizens are those non-citizens who do not wish to contend their immigration status. PHA requires that non-citizens sign a certification attesting to their ineligible immigration status. PHA will not verify a family member's ineligible status and is not required to report an individual's unlawful presence in the U.S. to the United States Citizenship and Immigration Services (USCIS).

Providing housing assistance to non-citizen students is prohibited. This prohibition extends to the non-citizen spouse of a non-citizen student as well as to minor children who accompany or follow to join the non-citizen student. Such prohibition does not extend to the citizen spouse of a non-citizen student or to

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the children of the citizen spouse and non-citizen student. Such a family is eligible for prorated assistance as a mixed family.

Mixed Families

A family is eligible for assistance as long as at least one member is a citizen, national, or eligible non-citizen. Families that include eligible and ineligible individuals are considered mixed families. Assistance to mixed families shall be prorated. Families will receive notice of determination as a mixed family. The notice will include the fact that assistance will be prorated and that the family may request a hearing if they contest this determination.

PHA will not provide assistance to a family before the verification of at least one family member as a citizen, national or non-citizen with eligible immigration status.

When PHA determines that an applicant family does not include any citizens, nationals, or eligible non-citizens, following the verification process, the family will be sent a written notice of ineligibility.

The notice will explain the reasons for the denial of assistance, that the family may be eligible for proration of assistance, and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal hearing with PHA. The informal hearing with PHA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice will also inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the informal hearing process.

Timeframe for Determination of Citizenship Status

For new occupants joining the assisted family, PHA will verify status at the time of the request to add the household member.

If an individual qualifies for a time extension for the submission of required documents, PHA will grant such an extension for no more than 30 days.

Each family member is required to submit evidence of eligible status only one time during continuous occupancy. PHA will verify the status of applicants at the time other eligibility factors are determined.

Social Security Numbers

Persons Required to Provide Documentation of a Valid SSN

- The applicant and all members of the applicant's household who are eligible to receive a SSN (those who contend eligible immigration status and US Citizens), must provide documentation of a valid Social Security Number (SSN).

- Tenants and all tenant household members who are eligible to receive a SSN (those who contend eligible immigration status and US Citizens), must provide documentation of a valid SSN if the tenant/member has:

    - Not previously disclosed a SSN;
    - Previously disclosed a SSN that HUD or the SSA determined was invalid; or
    - Been issued a new SSN.

- Each tenant and all tenant household members subject to providing valid SSN documentation must do so at their next scheduled or interim recertification and within 90 days of PHA request, unless

- Existing households with children under the age of 6, who contend US Citizenship or eligible immigration status, are required to disclose their SSN and provide valid documentation of the SSN.

- Adults processed to be added to the household are required to provide documentation of a valid SSN before approval for occupancy in an existing HCV household. If the proposed new member is a child under the age of six and has not been assigned a SSN, documentation to verify the SSN must be provided within 90 days of the child being added to the household. PHA, at its own discretion, may give an additional 90 days for children under 6 if PHA determines that the participant's failure to comply was due to circumstances that could not have reasonably been foreseen and were outside the control of the participant. During the period that PHA is awaiting documentation; the child shall be included as part of the tenant household and the child shall be entitled to all the benefits of being a household member. If upon expiration of the provided time period, including any extensions, the tenant fails to produce a SSN for the child, the family will be subject to the penalties for failure to disclose a SSN.

- If a participant is issued a new SSN, they must provide valid documentation at the time of receipt or at the next interim or scheduled recertification

Required Documentation

Applicants and participants will need to submit one of the following documents to confirm their assigned SSN:

- An original SSN card issued by the Social Security Administration (SSA); or

- An original SSA-issued document, which contains the name and SSN of the individual; or

- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual.

Persons NOT Required to Provide Documentation of a Valid SSN

- Individuals who do not contend eligible immigration status will NOT have a SSN to disclose. If otherwise eligible to participate in the program, the family should be admitted into the program or continue receiving assistance if at least one family member is a US Citizen or has eligible immigration status;

- Individuals who have previously disclosed a valid SSN; and

- Tenants who are 62 years old or older as of January 31, 2010 and who have not previously disclosed a SS number. Exemption applies even upon a move within the program.

Time Frame to Submit Documents for SSN

- Applicants will be required to provide a SSN on the pre-application form. PHA will request verification of the SS number during screening for eligibility. Alternate arrangements will be made for applicants who are not US Citizens or have eligible immigration status.

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- PHA will defer the eligibility determination for a period of 60 days from the date of the screening appointment for households with applicants who are eligible to receive a SSN (those who contend eligible immigration status and US Citizens), to produce required SS number documentation. If after 60 days, required SS numbers are not provided, PHA will deny assistance.

- Participants who contend eligible immigration status and who have not previously disclosed a valid SSN must do so at their next scheduled or interim recertification.

Penalties for Failure to Disclose SSN

Applicants:
- Denial of assistance

Participants:
- Termination of assistance and tenancy

Photo ID

To ensure PHA has the ability to identify all persons 18 years of age or older (not just the head of household), all adult household members will be required to provide a current, government issued photo identification at admission, upon addition to a HCV household or upon turning 18.. For example, if a household member turns 18 between regular recertifications, he or she must provide a government issued photo identification at the household's next regular recertification. As an accommodation for individuals with disabilities and elderly individuals, as well as for individuals with religious considerations, with prior PHA approval, PHA may accept other forms of identification to establish identity.

Other Required Documents

The family must supply any information that PHA or HUD determines is necessary to the administration of the program.

Family Consent to Release of Information

HUD requires each adult family member and the head of household, spouse, or co-head, regardless of age, to sign form HUD-9886, Authorization for the Release of Information/Privacy Act Notice or comparable form authorized by HUD, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. PHA will deny admission to the program if any member of the applicant family fails to sign and submit the consent forms which allow PHA to obtain information that PHA has determined is necessary in the administration of the HCV program.

Moving to Work Family Agreement Addendum

Effective April 1, 2003, PHA required all new MTW HCV program participants to sign a Moving to Work Family Agreement Addendum (MTWFAA) as a condition for approval of tenancy. By signing the MTWFAA, participants agreed to comply with all of the rules and regulations of PHA's Housing Choice Voucher Program, including the terms and conditions described in the MTWFAA. Failure to abide by the HCV Program rules and regulations and terms and conditions of the MTWFAA may result in termination

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from the HCV program. Existing MTW HCV program participants were required to sign the MTWFAA upon their next scheduled recertification or at the MTW briefing session, whichever came first.

Family Economic Development Action Plan

The MTW Family Responsibilities Form stipulates that households who receive Temporary Assistance to Needy Families benefits (Public Assistance) or who report zero income meet with PHA staff and develop a Family Economic Development Action Plan (FEDAP). (See chapter on Economic Self Sufficiency for policies related to the FEDAP.)

Public Housing Tenant Responsibility Screening Requirement

In addition to meeting other eligibility requirements, applicants who currently reside in Public Housing must provide documentation of their move-out notice, have a letter of good standing from the site manager and be in compliance with the Public Housing Lease in order to be eligible for admission to the HCV program.

Students Enrolled in Institutions of Higher Education

Determining Student Eligibility

This section applies only to students who are seeking assistance on their own, separately from their parents. It does not apply to students residing with parents who are seeking or receiving HCV assistance.

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

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

Applicant Screening

PHA conducts tenant screening to evaluate the eligibility and suitability of families who apply to the HCV program. PHA may deny program assistance for an applicant based on the screening of applicants for family behavior or suitability for tenancy.

No applicant to the HCV program who has been a victim of domestic violence, dating violence or stalking shall be denied admission into the program if they are otherwise qualified.

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Household Member Turning 18 Between Eligibility and Lease Up

Income & Deductions
When a household member will turn 18 between the date of eligibility and on or before the effective date of initial lease-up, PHA will include the household member's income in the calculation of annual income. For example, PHA completes an eligibility determination on November 1st. One of the household members was 17 at the time of screening and eligibility determination, however the family finds a unit with a lease effective date of December 15th and this individual turned 18 on November 17th. PHA will calculate the income of that household member as if he/she was an adult, since the household member will be 18 by the effective date of the lease. Deductions will also be applied as if the household member was an adult. For example, the household with a member who is 17 at the time of eligibility determination, but 18 on the lease effective date will NOT be given a dependent deduction (non-MTW) unless that household member is a full time student or disabled.

Release Forms
When a household member will turn 18 between the date of eligibility determination, but on or before the effective date of lease-up, PHA will have a parent/legal guardian sign any consent/release forms on behalf of that household member in order to authorize PHA to obtain their income verification and count applicable income.

Criminal Background Check
When a household member will turn 18 between the date of eligibility determination, but on or before the effective date of lease-up, PHA will have a parent/legal guardian sign the consent for criminal background check on behalf of that household member in order to authorize PHA's criminal background check.

Criminal Record Screening

It is PHA's policy to conduct screening for drug abuse and other criminal activity. In an effort to prevent future drug-related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by HUD, PHA will endeavor to screen applicants as thoroughly and fairly as possible for drug-related and violent criminal behavior. Such screening will apply to any member of the household who is 18 years of age or older, including live-in aides.

PHA will conduct criminal record screening upon admission to the program, at regular recertifications and upon transfer for all adult household members. Additionally PHA may conduct additional criminal record screenings if necessary to ensure program integrity. PHA will use the following resources to conduct criminal record screening

1. Local law enforcement database and records;
2. State Pennsylvania Access to Criminal History (PATCH). The PATCH check Includes a review to determine if there is a requirement for lifetime and ten year registration for sex offenses; and
3. National Crime Information Center (NCIC).

Families are provided an opportunity to explain circumstances and/or provide additional information when appropriate. PHA provides applicants an explanation of the basis for any decision made by PHA pertaining to the applicant's eligibility.

If the results of the criminal background check indicate that there may be past criminal activity, but the results are inconclusive, i.e. same name or same date of birth or same social security number, PHA will require the individual to undergo a fingerprint or State ID check with the Philadelphia branch of the State Police. Further information may be obtained from the NCIC.

If PHA proposes to deny assistance based on criminal record information, PHA will notify the household of the proposed action and will make the record available upon request to the applicant. The applicant

will have an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission.

If the criminal record check (CRC) identifies a pending criminal investigation PHA will defer an eligibility determination until the case is decided. Criminal record checks will be considered current for a period of one year. If lease up (for new applicants) is not effective within one year from the date the CRC was run, a new CRC will be required.

Appendix A includes a chart detailing specific drug and criminal offenses and PHA's screening criteria for each such offense.

Sex Offender Screening

PHA will perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in Pennsylvania, as well as in any other state where a household member is known to have resided.

PHA will deny admission if any member of the household is subject to a lifetime registration requirement under a State Sex Offender Registration Program.

Debt Screening

PHA will conduct a debt screening to determine:

- If the applicant owes rent or other amounts to PHA, other Housing Authorities or other assisted housing programs in connection with the HCV program or public housing;
- If the family has not reimbursed PHA, other Housing Authorities or other assisted housing programs 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;
- If the family has breached an agreement with PHA, other Housing Authorities or other assisted housing programs to pay amounts owed to PHA, other Housing Authorities or other assisted housing programs;
- If the family has breached an agreement with PHA, other Housing Authorities, or other assisted housing programs to repay amounts paid to an owner by PHA, other Housing Authorities or other assisted housing programs.

When an applicant currently owes PHA, other Housing Authorities or other assisted housing programs money from previous public or assisted housing residency or HCV program participation, PHA will require that the entire amount be paid in full within 90 days prior to allowing the applicant admission or re-admission to the HCV Program. For purposes of this section, "current" means amounts owed to PHA during the last 6 years or such other period for which the statute of limitations has not tolled in Philadelphia or other applicable jurisdiction. For example, if an applicant's participation in an assisted program was ended in 2007 due to debts owed, and the applicant never repaid such amounts and applies for the HCV program in 2011, then a "current" debt is owed. If the applicant's participation in an assisted program ended in 1985 for the same reason, that debt could not be considered "current" unless applicable law permitted.

PHA will consider debt that is not "current" (as defined above) as part of a history of non-payment and may deny admission to a household if there is other evidence of a history of non-payment and/or other eligibility factors, when taken as whole, that render a household ineligible for admission.

PHA will not conduct debt screening on VASH households.

Screening for Suitability as a Tenant

PHA will not conduct additional screening to determine an applicant family's suitability for tenancy.

It is PHA's policy to encourage owners to review and asses applicant families based on their tenancy histories, including factors such as payment of rent and utility bills, caring for a unit and premises, respecting the rights of other residents to the peaceful enjoyment of their housing, drug related criminal activity or other criminal activity that is a threat to the health, safety or property of others and compliance with other essential conditions of tenancy. At or before PHA's approval to lease a unit, PHA will inform the owner that it has not screened the family's behavior for tenancy and that such screening is the owner's responsibility.

PHA will give applicants/tenants a copy of PHA's policy statement concerning family information to owners. The statement will be included in the information packet that is given to a family selected to participate in the program.

PHA will provide the same type of information for all families. Upon owner request, PHA will provide the owner with a family's current and prior address as shown in PHA records. If known, PHA will provide the name and address of the landlord at the family's current and prior address.

Previous Behavior in Assisted Housing

PHA will not deny assistance to an otherwise eligible family because the family previously failed to meet its obligations under the Family Self-Sufficiency (FSS) program.

PHA will deny assistance to an applicant family if:

- The family does not provide information that PHA or HUD determines is necessary in the administration of the program;
- The family does not provide complete and true information to PHA;
- Any family member has been evicted from federally-assisted housing in the last three years;
- Any PHA has ever adversely terminated assistance under the program for any member of the family.
- Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
- The family owes current rent (as defined on the previous page) or other amounts to any housing authority in connection with the HCV, Certificate, Moderate Rehabilitation or public housing programs, unless the family repays the full amount of the debt prior to being selected from the Waiting List;
- If the family has not reimbursed any housing authority for amounts currently owed to the housing authority because the housing authority paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease, unless the family repays the full amount of the debt prior to being selected from the Waiting List;
- The family has breached the terms of a repayment agreement entered into with PHA, unless the family repays the full amount of the debt covered in the repayment agreement prior to being selected from the Waiting List;

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- A family member has engaged in or threatened violent or abusive behavior toward PHA personnel. Abusive or violent behavior towards PHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior. Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence;

In making its decision to deny assistance, PHA will consider the factors included in the policies related to criteria for denying assistance. Upon consideration of such factors, PHA may, on a case-by-case basis, decide not to deny assistance.

Mandatory Denial of Admission

PHA will deny assistance in the following cases:

- Any member of the household has been evicted from Federally-assisted housing in the last three (3) years for drug-related criminal activity.
    - PHA will admit an otherwise-eligible family who was evicted from Federally-assisted housing within the past three (3) years for drug-related criminal activity, if PHA is able to verify that the household member who engaged in the criminal activity has completed a supervised drug rehabilitation program approved by PHA, or the person who committed the crime, is no longer living in the household.
- PHA determines that any household member is currently engaged in the use of illegal drugs.
    - *Drug* means a controlled substance as defined in section 102 of the Controlled Substances Act [21 U.S.C. 802].
    - Currently engaged in is defined as any use of illegal drugs during the previous six months.
- PHA has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
    - In determining reasonable cause, PHA will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol. A conviction will be given more weight than an arrest. PHA will also consider evidence from treatment providers or community-based organizations providing services to household members.
- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of Federally-assisted housing.
- Any household member is subject to a lifetime registration requirement under a State sex offender registration program

Other Permitted Reasons for Denial

Criminal Activity

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PHA will use the Criminal Background Screening Table attached as Appendix A to this Plan as a guide to determine the number of years which must have elapsed for specific felony and other convictions in order to pass PHA's criminal background screening for admissions. As further supplemented by Appendix A, if any household member is currently engaged in, or has engaged in any of the following criminal activities, the family will be denied assistance:

- Drug-related criminal activity, 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;

- Violent criminal activity, defined as 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;

- Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity. Immediate vicinity means within a three-block radius of the premises;

- Criminal activity that may threaten the health or safety of property owners and management staff, and persons performing contract administration functions or other responsibilities on behalf of PHA (including a PHA employee or a PHA contractor, subcontractor, or agent); or

- Criminal sexual conduct, including but not limited to sexual assault, incest, open and gross lewdness, or child abuse.

Evidence of such criminal activity includes, but is not limited to:

- Any record of convictions for drug-related or violent criminal activity of household members within the past three (3) years;

- Any record of arrests for drug-related or violent criminal activity of household members within the past three (3) years; or

- Any record of evictions for suspected drug-related or violent criminal activity of household members within the past three (3) years.

A conviction for drug-related or violent criminal activity will be given more weight than an arrest for such activity.

In making its decision to deny assistance, PHA will consider the factors outlined in the policies related to criteria for deciding to deny assistance.

Criteria for Deciding to Deny Assistance

Evidence

PHA will use the concept of the preponderance of the evidence as the standard for making all admission decisions.

"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 which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Consideration of Circumstances

PHA may consider the following factors prior to making its decision:

- The seriousness of the case, especially with respect to how it would affect other participants;
- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure;
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or a victim of domestic violence, dating violence, or stalking;
- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future;
- Evidence of the applicant family's participation in or willingness to participate in social service or other appropriate counseling service programs; and
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully:
    - PHA will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

Obtaining Information from Drug Treatment Facilities

PHA may obtain information from drug abuse treatment facilities to determine whether any applicant/tenant family's household members are currently engaging in illegal drug activity only when PHA has determined that the family will be denied admission/evicted based on a family member's drug-related criminal activity, and the family claims that the culpable family member has successfully completed a supervised drug or alcohol rehabilitation program.

Removal of a Family Member's Name from the Application

As a condition of receiving assistance, a family may agree to remove the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

After admission to the program, the family must present evidence of the former family member's current address upon PHA request.

Reasonable Accommodation

If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of admission, PHA will determine whether the behavior is related to the disability. If so, upon the family's request, PHA will determine whether alternative measures are appropriate as a reasonable accommodation. PHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance. See discussion of PHA consideration of reasonable accommodations as outlined in this Plan.

Notice of Eligibility or Denial

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If the family is eligible for assistance, PHA will notify the family, in writing, of their eligibility determination.

If PHA determines that a family is not eligible for the program for any reason, the family will be notified promptly. The notice will describe:

- The reasons for which assistance has been denied;
- A statement that if the applicant is an individual with disabilities, they may request a Reasonable Accommodation as the disability may relate to participation in the informal review process or affect PHA's decision to deny admission;
- Notification of applicant protections against denial, confidentiality requirements and request for documentation as provided by VAWA. Detailed policy concerning VAWA and denial of admission is included in the Fair Housing and Equal Opportunity chapter;
- The family's right to an informal review; and
- The process for obtaining the informal review.

If based on a criminal record or sex offender registration information, an applicant family appears to be ineligible PHA will notify the family in writing of the proposed denial and provide access to the record to the applicant and to the subject of the record. The family will be given ten (10) business days to dispute the accuracy and relevance of the information. If the family does not contact PHA to dispute the information within ten (10) business days, PHA will proceed with the denial of admission. A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal review process. A Reasonable Accommodation will be considered in the acceptance of disputes, notices, scheduling and conducting hearings, and any decisions made by PHA.

Applicants who are denied admission are prohibited from applying and/or receiving housing assistance for one year from the date of the denial.

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CHAPTER 5: APPLICATION, WAIT LIST AND TENANT SELECTION

Overview

PHA's policies provide that all families interested in housing assistance be given equal opportunity to apply and be treated in a fair and consistent manner. PHA maintains a Master Waiting List to determine priority of placement into the HCV program. An applicant's place on the Waiting List is determined by the date and time of application. PHA maintains a single Waiting List for the tenant-based HCV program.

The application process includes two phases; the pre-application or initial application which involves placement on the Waiting List and the second phase which is referred to as full application and which includes verification of stated preferences and the final determination of eligibility.

Applying for Assistance

When pre-applications are being accepted, families interested in applying for assistance must complete a pre-application form. Pre-applications will be made available, upon request, in an accessible format for persons with disabilities. All pre-applications will be date and time-stamped.

When the Waiting List (WL) is continuously open, families may apply on line or by calling PHA during established intake hours. Completed applications must be submitted on line or by phone. Applications must be complete in order to be accepted by PHA for processing. If an application is incomplete, PHA will notify the family of the additional information required. PHA may implement use of electronic submission of pre-applications via internet or kiosks located at the Central Admissions Office and Site Offices.

Accessibility of the Application Process

PHA will take steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard PHA application process. This could include people with disabilities, certain elderly individuals, as well as persons with limited English proficiency (LEP). PHA will make reasonable accommodations to meet the needs of individuals with disabilities.

Placement on the Waiting List

PHA will review the pre-application and place applicants on the Waiting List who have submitted complete pre-applications. No applicant has a right or entitlement to be listed on the Waiting List, or to any particular position on the Waiting List.

Placement on the Waiting List does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the Waiting List, submits a full application and passes all required screening elements.

When the wait list is continuously open, applicants will be placed on the Waiting List according to the date and time their complete pre-application is received by PHA. When the Waiting List is open for a finite period of time, PHA will notify applicants of the method for submitting applications and ordering applications on the wait list.

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Organization of the Waiting List

PHA's HCV Waiting List is organized in such a manner to allow PHA to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan.

The Waiting List will contain the following information:

- Applicant name;
- Family unit size;
- Date and time of application;
- Qualification for any local preference (when preferences are adopted);
- Racial or ethnic designation of the head of household;
- Gross Household Income;
- Social Security Number (where applicable);
- Contact information for the household; and
- Date of birth for the head of household.

PHA will maintain a single Waiting List for the tenant-based HCV program. A family's decision to apply for, receive, or refuse other housing assistance will not affect the family's placement on the HCV Waiting List.

Opening the Waiting List

Two weeks prior to opening the Waiting List, PHA will issue a public announcement, including the opening and closing dates for the Waiting List, which will be placed in a local newspaper of general circulation and also in minority media. The announcement will include information on where and when applications will be taken, and if applicable, any limitations on who may apply for available slots in the HCV program.

Closing the Waiting List

PHA will close the Waiting List when the estimated waiting period for housing assistance for applicants on the list reaches 24 months for the most current applicants. Where PHA has particular preferences or funding criteria that require a specific category of family, PHA may elect to continue to accept applications from these applicants while closing the Waiting List to others.

Family Outreach

PHA will conduct outreach as necessary to ensure that PHA has a sufficient number of applicants on the Waiting List to use the HCV resources it has been allotted.

PHA outreach efforts will comply with fair housing requirements, including:

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- Analyzing the housing market area and the populations currently being served to identify underserved populations;
- Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program; and
- Avoiding outreach efforts that prefer or exclude people who are members of a protected class.

PHA outreach efforts are designed to inform qualified families about the availability of assistance under the program. These efforts may include, as needed, any of the following activities:

- Submitting press releases to local newspapers, including minority newspapers;
- Developing informational materials and fliers to distribute to other agencies;
- Providing application forms to other public and private agencies that serve the low income population; and
- Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities.

PHA will monitor the characteristics of the population being served and the characteristics of the population as a whole in PHA's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

Reporting Changes in Family Circumstances

While the family is on the Waiting List, the family must immediately inform PHA of changes in contact information, including current residence, mailing address, and phone number. The changes must be submitted in writing.

Change in the Head of Household while on the Waiting List

If the original head of household changes (i.e. the HOH leaves the family or there is a switch in HOH) while the family is on the Waiting List, the family must complete an update to the pre-application and identify the new head of household. PHA will allow the family to keep their initial date and time of application if the new head of household is the spouse or co-head identified in the initial pre-application. If the new head of household is anyone other than the spouse or co-head listed on the initial pre-application, the family must submit a new pre-application, if the waiting list is open and will be given a new date and time of application. PHA may make exceptions to this policy and will evaluate exceptions on a case by case basis.

Family Break-Up or Split Households

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

In the absence of a judicial decision, or an agreement among the original family members, the original head of household will retain the application date. Exceptions to the policy will be made on a case-by-case basis and may include consideration of the following factors:

- The interest of any minor children, including custody arrangements,
- The interest of any ill, elderly, or disabled family members,
- Any possible risks to family members as a result of domestic violence or criminal activity; and
- The recommendations of social service professionals.

Updating the Waiting List

In order to have an adequate number of families available for screening, it is necessary to have a current and updated Waiting List. PHA will review the Waiting List on a regular basis to determine if an update and purge are necessary. If an update is needed, PHA will mail update questionnaires to families on the Waiting List via first class mail, to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that PHA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the Waiting List. The family's response must be in writing and may be delivered in person or by mail.

Eligible applicants who respond to the questionnaires will be maintained on the Waiting List.

Removal from the Waiting List

Families that do not respond within the prescribed time period will be withdrawn from the Waiting List without further notice. If the notice is returned by the post office with no forwarding address, the applicant will be removed from the Waiting List without further notice.

If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated. If the family fails to respond within the prescribed time frame, the family will be removed from the Waiting List without further notice.

When a family is removed from the Waiting List during the update process for failure to respond, no informal hearing will be offered. Such failures to act on the part of the applicant prevent PHA from making an eligibility determination; therefore no informal hearing is required.

PHA will remove applicants from the Waiting List upon documented request from the applicant. In such cases, no informal hearing is required.

If a family is removed from the Waiting List because PHA has determined the family is not eligible for admission, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application or subsequent updates. The notice will state the reasons the family was removed from the Waiting List and will inform the family how to request an informal hearing regarding PHA's decision. Applicants removed from the Waiting List may reapply in one year.

Reasonable accommodations may be provided if the reason for removing an applicant is related to a disability.

Applicants whose applications are rejected are entitled to an informal hearing if requested in a timely manner

Once a family is leased under the HCV Program, if the family has previously applied to Public Housing (PH), and/or Tax Credit Site waiting lists, the family may remain on the PH and/or Tax Credit Site waiting lists. The family must honor the two (2) year lease term.

Reinstatement to the Waiting List

If a family is removed from the Waiting List for failure to respond, PHA Management may reinstate the family at its former position if it is determined that the lack of response was due to PHA error, or to circumstances beyond the family's control. To be considered for reinstatement at their former position, the applicant must contact PHA within one (1) year of being removed from the Waiting List.

If a family does not respond to an update because of a family member's disability, PHA, upon verification of the family's request, will reinstate the applicant family to their former position on the Waiting List as a Reasonable Accommodation.

Order of Selection from the Waiting List

When an applicant's name is at the top of the Waiting List (WL), in accordance with PHA policies, they will be selected from the WL. Once selected, the applicant will be screened and an eligibility determination made. The applicant in the Ready Pool with the earliest date and time of eligibility will be offered the next available Voucher. If funds are not sufficient to house the family at the top of the Waiting List in accordance with PHA Subsidy Standards, no additional Vouchers will be issued until sufficient funds are available to cover the cost of the family's assistance.

It is PHA's policy to ensure that all families who express an interest in housing assistance are given equal opportunity to apply, and are treated in a fair and consistent manner. Families will be selected from the Waiting List based on the targeted funding, special housing initiatives, special preferences for which they qualify, income targeting requirements, and date and time of application.

When the Waiting List is continuously open, PHA will determine the applicant's rank on the Waiting List based on date and time of application.

Targeted Funding

When HUD awards special funding for certain family types, families who qualify are placed on the 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.

Income Targeting MTW

For the HCV program Vouchers, the Agency shall: (i) ensure that at least 75 percent of the families assisted are very low-income families, as defined in section 3(b)(2) of the 1937 Act, (ii) assist substantially the same total number of eligible low-income families under MTW, as would have been served absent the demonstration, and (iii) maintain a comparable mix of families by family size, as would have been served or assisted had the amounts not been used under MTW. During the PHA fiscal year, not less than 75 percent of the families admitted to PHA's tenant-based voucher program from the PHA waiting list shall be extremely low income families.

Special Housing Initiatives (SHI)

PHA may develop special housing initiatives that receive limited local preference through PHA Board approval. These special initiatives are targeted for specifically named households and may be based on PHA and community priorities or HUD targeted funding. In addition, special housing initiatives may

include a defined number of Housing Choice Vouchers that will be allocated to households meeting specific described criteria. Examples of special housing initiatives include Blueprint to End Homelessness and the Development Program Relocation Special Housing Initiative. See Admin Plan chapter on Special Programs and Allocations for more detail.

When referred to PHA, these families may have already been determined eligible based on the referring organizations criteria. However, these families must meet PHA income and other eligibility requirements in order to be housed. In establishing special housing initiatives, PHA will determine the priority given to special housing initiative applicants, including if appropriate, the ratio of admissions of standard applicants to special initiatives applicants.

Notification of Selection

PHA will notify the family by first class mail when it is selected from the Waiting List. The notice will inform the family of:

- The date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview;
- Who is required to attend the interview; and
- Documents that must be provided at the interview.

If a notification letter is returned to PHA with no forwarding address, the family will be removed from the Waiting List. A notice of denial will be sent to the family's address on record.

Application Interview

Families selected from the Waiting List are required to participate in an eligibility interview which includes completion of a full application.

All household members aged 18 years and older are required to attend the eligibility interview. Verification of information pertaining to adult members of the household not present at the interview will not begin until signed release forms are returned to PHA.

Households must complete a full application in order to participate in the HCV program. All information supplied by the family must be true and complete. All members of the household who are 18 years or older are required to sign the HUD Release of Information form or equivalent form, PHA's Release of Information form related to the Police Record Check, the Declaration of Citizenship form and any other documents or forms required by PHA. The family must provide the information necessary to establish the family's eligibility and determine the appropriate level of assistance, as well as completing required forms, providing required signatures, and submitting required documentation.

Any required documents or information that the family is unable to provide at the time of the interview must be provided within five (5) business days from the date of the request. Applicants who fail to provide the required information within PHA established time frames will be withdrawn from the Waiting List based on the family's failure to supply information needed to determine eligibility. Such failure to act on the part of the applicant prevents PHA from making an eligibility determination; therefore, PHA will not offer an informal.

If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the required documents and information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial.

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An advocate, interpreter, or other assistant may assist the family with the application and the interview process.

If the family is unable to attend a scheduled interview, the family should contact PHA in advance of the interview to schedule a new appointment. In all circumstances, if a family does not attend a scheduled interview, they will be denied assistance based on the family's failure to supply information needed to determine eligibility. A notice of denial will be issued in accordance with policies contained in this Plan.

Final Eligibility Determination

PHA must verify all information provided by the family. Based on verified information, PHA will make a final determination of eligibility and will confirm that the family qualified for any special admission, targeted admission, or selection preference, where applicable, that affected the order in which the family was selected from the Waiting List.

If PHA determines that the family is ineligible, PHA will send written notification of the ineligibility determination. The notice will specify the reasons for ineligibility, and will inform the family of their right to request an informal review.

If a family fails to qualify for any criteria that affected the order in which it was selected from the Waiting List (i.e., targeted funding, extremely low-income), the family will be returned to its original position on the Waiting List. PHA will notify the family in writing that it has been returned to the Waiting List, and will specify the reasons for it.

If PHA determines that the family is eligible to receive assistance, PHA will place the family's name in the Ready Pool according to date and time of application. PHA will invite the family to attend a briefing at which time a Voucher will be available.

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CHAPTER 6**: OCCUPANCY STANDARDS**

Occupancy standards are established by PHA to ensure that units are occupied by families of the appropriate size. Occupancy standards describe the methodology and factors PHA uses to determine the unit size for which a family qualifies, and includes the identification of the minimum and maximum number of household members for each unit size. This section also identifies circumstances under which an exception to the occupancy standards may be approved as well as other circumstances which dictate the unit size for which a family qualifies.

Applicants who pass screening and are qualified for housing will be considered for units based on the Occupancy Guidelines established in this section. Units will be occupied by families of the appropriate size. However, the unit must meet the applicable HQS space requirements.

Minimum and Maximum Persons in a Unit

This table is a can be used as a guideline to assist staff with applying occupancy standards. This table must be used in conjunction with the narrative policies included in the Occupancy Guidelines portion of this Plan and HUD's Maximum HQS Space Standards. For example a 4 person family consisting of a head of household, her 5 year old daughter and her six year old and 3 year old son would not necessarily be provided with a 4 BR vouchers or a 2 BR Voucher as referenced in the table below. When you factor in the Occupancy Guidelines, this household would be eligible for a 3 BR voucher – one for the head of household, one for the daughter and one for the two sons.

Number of Bedrooms	**Min. Persons/Unit**	**Max. Persons/Unit**
0 BR	1	1
1 BR	1	2
2 BR	2	4
3 BR	3	6
4 BR	4	8
5 BR	5	10
6 BR	6	12

Occupancy Standard Guidelines

The following principles govern the size of the unit for which a family may qualify. Units will be assigned so that:

- No more than two (2) persons per bedroom will be the standard for the smallest unit a family may be offered;
- Taking into account family size and composition, the largest unit size that a family may be offered would provide no more than one bedroom per family member (exceptions for persons with disabilities, relocation, and emergencies are permitted);
- An adult is a person who is 18 years of age or older;
- A child is a person below 18 years of age;

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- Children and adults of the same sex who are not more than 10 years apart in age will be required to share a bedroom. For example a 25 year old female adult would have to share a bedroom with a 16 year old female child.

- Children and adults of the same sex who are 10 years or more apart in age are not required to share a bedroom however they may share a bedroom at the family's request

- Children and adults of the opposite sex are not required to share a bedroom; however they may share a bedroom at the family's request.

- Two adults of the same sex who are of 2 different generations (10 year age difference) do not have to share the same bedroom. For example, a 30 year old female will not be required to share a bedroom with a 50 year old female;

- A husband and wife, or a couple that has an interdependent relationship will be allocated one bedroom;

- An SRO will only be assigned to a one person household;

- Two children of the opposite sex will not be required to share a bedroom. At the request of the head of the household, PHA may consider modifying this requirement;

- Two children of the same sex share a bedroom regardless of age;

- A family that consists of a pregnant woman (with no other persons) will be treated as a two-person family, however the family will be provided with a 1 BR voucher.

- PHA will count a child who is temporarily away from the home because the child has been placed in foster care, kinship care, the custody of the Dept. of Human Services or is away at school so long as the family can document that the child will be living with the family;

- A live-in attendant may be assigned his/her own bedroom. Single elderly or disabled participants with live-in attendants will be assigned two bedroom units;

- PHA will allow family members of live-in aides to reside in the unit provided the addition of such family members does not produce an under-housed situation as determined by PHA occupancy standards. For example if a live-in aide has a daughter, the live in aide's daughter may reside in the unit, provided the daughter shares the bedroom with her mother or another household member,

- Children specified in joint custody agreements will be considered family members if the agreement specifies that they live with the parent for 50% or more of the time (at least 183 days a year). PHA will require verification of the custody agreement which may include school records and or court orders.

- Space may be provided for a family member who is away at school but who lives with the family during school recesses;

- Unless a live-in aide resides with the family, the family Voucher size for any family consisting of a single person must be a one bedroom Voucher;

- A household member who is required by employment to be away from the household for more than 183 calendar days in a calendar year but whose income is included in the determination of household income will be counted for purposes of determining the unit size. Families will be required to provide proof of employment;

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- If a family opts for a smaller unit size than would normally be assigned under these standards, the family will be required to sign a statement agreeing to remain in the unit for the initial lease term or until there is a change in family composition that dictates the need for a new unit; and

- At the discretion of PHA, a household member may be assigned a separate bedroom if required for documented medical reasons; and

- PHA will also follow the maximum HQS space standards in determining the maximum allowable persons in a unit.

Changes to Occupancy Standards

PHA will not apply changes to occupancy standards to existing families unless and until there is a change in family composition or the family moves to a new unit. While families remain in their unit, PHA will maintain the voucher size based upon the occupancy guidelines at the time of initial lease-up until there is a change in family composition or the family moves to a new unit. For example, if a family has a 4 BR voucher and leases a 4 BR unit at initial occupancy and PHA later changes their occupancy guidelines thus qualifying the family for a 3 BR voucher, PHA will not require the family to move to a three bedroom unit or downsize their voucher unless and until their family composition changes or they are transferred to another unit.

Exceptions to Occupancy Standard Guidelines

PHA will grant exceptions to occupancy guidelines in cases where it is the family's request and PHA determines the exceptions are justified by the relationships, age, sex, health or disability of family members, or other individual circumstances. PHA will not grant an exception that is in violation of local housing or occupancy codes, regulations or laws. PHA may require the HOH's signature acknowledging and agreeing with the approved occupancy guideline exceptions.

PHA may grant exceptions to its occupancy guidelines providing that the exception does not fall outside of the HUD Maximum HQS Space Standards.

Processing of Exceptions

All requests for exceptions to the occupancy guidelines must be submitted in writing.

In the case of a request for exception as a reasonable accommodation, PHA will ask the resident to make the request in writing using a reasonable accommodation request form. However, PHA will consider the exception request any time the resident indicates that an accommodation is needed whether or not a formal written request is submitted.

Requests for a larger voucher size must explain the need or justification for the larger sized unit, and must include appropriate documentation. Requests based on health-related reasons must be verified by a knowledgeable professional source.

PHA will promptly notify the family, in writing, of its decision.

Temporarily and Permanently Absent Family Members

Generally, an individual who is or is expected to be absent from the assisted apartment for 183 total days per calendar year or less is considered temporarily absent and continues to be considered a family

member. Generally, an individual who is or is expected to be absent from the assisted apartment for more than 183 total days per calendar year is considered permanently absent and is no longer a family member. Exceptions to this general policy are reviewed on a case by case basis and may be assigned to the Investigations Unit.

Absent Students

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to PHA indicating that the student has established a separate household or the family declares that the student has established a separate household.

Absences Due to Placement in Foster Care

Children temporarily absent from the home as a result of placement in foster care are considered members of the family. If a child has been placed in foster care, PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

Absent Adult Family Member

An employed adult family member absent from the apartment more than 183 total days per calendar year due to but not limited to employment and military service will continue to be considered a family member provided that their income is included in the calculation of household income (excludes hostile fire income). See policies in the chapter on Continued Occupancy for specific policies related to absence of military personnel due to active duty.

Individuals Confined for Medical Reasons

An individual confined to a nursing home or hospital on a permanent basis is not considered a family member.

If there is a question about the status of a family member, PHA 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. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

Absent Family

If all family members are absent from a unit for more than 183 total days per calendar year Housing Assistance payments will cease and the HAP contract and lease will terminate.

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CHAPTER 7 – BRIEFING & VOUCHERS

This chapter explains the briefing and Voucher issuance process. When a family is determined to be eligible for the Housing Choice Voucher (HCV) program, PHA must ensure that the family fully understands the way the program operates and the family's obligations under the program. This is accomplished through both an oral briefing and provision of a briefing packet containing written documentation of information the family needs to know. Once the family is fully informed of the program's requirements, PHA issues the family a Voucher. The Voucher includes the unit size for which the family qualifies based on PHA's occupancy standards, as well as the dates of issuance and expiration of the Voucher. The Voucher is the document that permits the family to begin its search for a unit, and limits the amount of time the family has to successfully locate an acceptable unit.

Briefing

The briefing provides a broad description of owner and family responsibilities, explains PHA's procedures, and includes instructions on how to lease a unit.

PHA will give the family an oral briefing and provide the family with a briefing packet containing written information about the program. Families may be briefed individually or in groups.

Generally, the head of household is required to attend the briefing. If the head of household is unable to attend, PHA may approve another adult family member to attend the briefing.

Notification and Attendance

Families will be sent a notice of invitation to the briefing. The notice will identify who is required to attend the briefing, as well as the date and time of the scheduled briefing.

If the notice is returned by the post office with no forwarding address, the applicant will be denied and their name will not be placed back on the Waiting List. If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated.

Applicants who fail to attend a scheduled briefing will automatically be scheduled for another briefing. PHA will notify the family of the date and time of the second scheduled briefing. Applicants, who fail to attend two scheduled briefings without PHA approval, will be denied assistance.

If an applicant does not attend two scheduled briefings because of a family member's disability, PHA will reschedule the family for another briefing as a reasonable accommodation. If an applicant does not attend two scheduled briefings and can demonstrate good cause for not attending, PHA will not deny assistance.

Oral Briefing

Each briefing will include information on the following subjects:

- How the Housing Choice Voucher program works;
- Family and owner responsibilities;
- Where the family can lease a unit, including renting a unit inside or outside PHA's jurisdiction;

- For families eligible under portability, an explanation of portability. PHA cannot discourage eligible families from moving under portability;

- For families living in high-poverty census tracts, an explanation of the advantages of moving to areas outside of high-poverty concentrations;

- MTW Program information

    - Rent Simplification;

    - Seven Year Term; and

    - Two Year Recertification

Briefing Packet

Documents and information provided in the briefing packet will include the following. This information is provided to the applicant either at the time of formal application or at the Briefing session.

- The term of the Voucher, and PHA's policies on any extensions or suspensions of the term;

- A description of the method used to calculate the housing assistance payment for a family, including how PHA determines the payment standard for a family, how PHA determines total tenant payment for a family, and information on the payment standard and utility allowance schedule;

- An explanation of how PHA determines the maximum allowable rent for an assisted unit;

- Where the family may lease a unit. For a family that qualifies to lease a unit outside PHA's jurisdiction under portability procedures, the information must include an explanation of how portability works, including a list of portability contact persons for neighboring PHAs including names, addresses, and telephone numbers;

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

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

- A statement of PHA policy on providing information about families to prospective owners;

- PHA's occupancy standards including when and how exceptions are made;

- The HUD brochure describing how to select a unit;

- The HUD pamphlet on lead-based paint entitled Protect Your Family from Lead in Your Home;

- Information on Federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form;

- A list of landlords or other parties willing to lease to assisted families or help families find units, especially outside areas of poverty or minority concentration;

- Notice that if the family includes a person with disabilities, the family may request a list of available accessible units known to PHA;

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- The family obligations under the program, including any obligations of a welfare-to-work family;
- The grounds on which PHA may terminate assistance for a participant family because of family action or failure to act;
- PHA's informal hearing procedures including when PHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing; and
- Information related to requirements under the MTW Demonstration;

Briefing Families with Special Needs

In a briefing that includes any person with disabilities, PHA will take appropriate steps to ensure effective communication and an accessible location. Spoken word and American Sign Language interpreters are available as needed. PHA will advise applicants that interpreters must be requested two days prior to the scheduled meeting. Applicants may also bring their own interpreters. Family members, representatives and service providers who assist families with special needs are encouraged to attend briefings.

Voucher Issuance

When a family is selected from the Waiting List (or as a special admission), or when a participant family wants to move to another unit, PHA issues a Housing Choice Voucher, form HUD-52646.

The Voucher is the family's authorization to search for housing. It specifies the unit size for which the family qualifies, and includes both the date of Voucher issuance and date of expiration. It contains a brief description of how the program works and explains the family obligations under the program. The Voucher serves as evidence that PHA has determined the family to be eligible for the program, and that PHA expects to have money available to subsidize the family if the family finds an approvable unit.

A Voucher can be issued to an applicant family only after PHA has determined that the family is eligible for the program based on information received within the 60 days prior to issuance and after the family has attended an oral briefing.

Vouchers will be issued to eligible applicants following the mandatory briefing.

If funds are insufficient to house the family at the top of the Waiting List, PHA will wait until it has adequate funding before issuing additional Vouchers.

If PHA determines that there is insufficient funding after a Voucher has been issued, PHA may rescind the Voucher and place the affected family back on the Waiting List.

When a Voucher expires and/or is terminated, PHA will wait and not re-issue that Voucher for a period of ninety (90) days from the effective date of the expiration or termination of the Voucher.

Voucher Term

Applicants who are issued a Voucher have an initial period of 120 days (called the initial term) in which to locate a suitable unit and notify PHA of their intent to enter into a lease with an owner.

The initial term for a Voucher issued to a client who wishes to port to another jurisdiction will be 120 days.

Extension of Voucher Term

An applicant who cannot find a suitable unit within 120 days after a Voucher is issued, but who intends to continue to look for one will be given the opportunity to complete a written extension request to extend the Voucher term. The written request must be made prior to the expiration of the Voucher term (120 days).

All written requests beyond the 120 day Voucher term must include a written justification for the extension. Upon receipt of the written request and justification, PHA will review requests, and at its discretion may grant families one or more extensions of the Voucher term. Subsequent extension requests based on extenuating circumstance will be reviewed by PHA. PHA may approve Voucher extensions beyond one hundred and twenty days at its discretion based upon review.

In making a determination on the approval of an extension request, PHA will review the applicant's justification and analyze Voucher utilization data.

If the family needs and requests an extension of the initial Voucher term as a reasonable accommodation, in accordance with HUD regulations, to make the program accessible to a family member who is a person with disabilities, PHA will extend the Voucher term up to the term reasonably required for that purpose. PHA may also grant extensions to assist families whose size or special requirements make finding a unit difficult.

Suspension of Voucher Term

When a Request for Tenancy Approval is received by PHA, the term of the Voucher will be suspended while PHA processes the request. Suspension of the Voucher term does not apply to the initial billing submission deadline for portability.

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CHAPTER 8: INCOME AND ADJUSTED INCOME

Overview

A family's income determines eligibility for assistance and is also used to calculate the family's rent payment. PHA will use the policies and methods described in this chapter to ensure that only eligible families receive assistance and that no family pays more or less than its obligation under this policy and the MTW Agreement. Once annual income has been established PHA will subtract from annual income deductions for which a family qualifies in order to determine adjusted income.

Annual Income

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

- Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; and
- Are based on, at the time of admission, recertification, or interim recertification:
    - Actual income being received (projected forward for a 12-month period); or
    - Past actual income received or earned within the last 12 months of the determination date when:
        - The family reports little or no income; and
        - PHA is unable to determine annual income due to fluctuations in income (i.e., seasonal or cyclical income);
- Are not specifically excluded in this Plan; and
- Annual income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access.

Annual Income Includes

Annual income includes but is not limited to:

- The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- The net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

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- Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property:

    - If the family has Net Family Assets less than $5,000, Annual Income shall include the actual income from those assets;

    - If the Family has Net Family Assets in excess of $5,000, Annual Income shall include the greater of the actual income derived from all Net Family Assets or a percentage of the value of such Assets based on the current passbook savings rate. as determined by HUD. PHA will establish its own passbook savings rate according to the guidance provided in HUD Notice PIH 2012-29. At the start of each fiscal year, PHA will review the current Savings National Rate as calculated by the Federal Deposit Insurance Corporation (FDIC). PHA will then establish a passbook rate by adding 75 basis points (.75 percent) to the current Savings National Rate. At no time will PHA's passbook rate be less than 0 percent. PHA will apply this policy to calculate imputed asset income consistently to all applicants and participants. For example, if the published FDIC Savings National Rate at the PHA establishes its passbook rate is .12% PHA would add 75 basis points (.75 percent) for a passbook savings rate of .87%.

- The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts (See Income Exclusions for treatment of delayed or deferred periodic payment of social security or supplemental security income benefits);

- Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (See Income Exclusions concerning treatment of lump-sum additions as family assets);

- All welfare assistance payments (Temporary Assistance to Needy Families, General Assistance) received by or on behalf of any family member);

- Periodic and determinable allowances, such as alimony and child support payments, and regular cash and non-cash contributions or gifts received from agencies or persons not residing in the dwelling made to or on behalf of family members;

- Imputed Welfare Income: Such amounts that involve a reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, because of fraud by a family member in connection with the welfare program or because of welfare agency sanction against a family member for non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program shall be included in annual income. This limitation does not apply to the loss of welfare benefits resulting from the expiration of a lifetime limit on benefits or a durational time limit on benefits;

- All regular payments to the head of the household for support of a minor, or payments nominally to a minor for his support, but controlled for his benefit by the head of the household or a participant family member other than the head, who is responsible for his support; and

- All regular pay, special payments and allowances (such as longevity, overseas duty, rental allowances, allowances for dependents, etc.), received by a member of the Armed Forces (whether or not living in the dwelling) who is head of the family, spouse, or other family member whose dependents are residing in the unit.

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- As provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance, described in the section on annual income exclusions, is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income

Annual Income Exclusions

Annual Income does not include the following:

- Income from the employment of children (including foster children) under the age of 18 years;
- Payments received for the care of foster children or foster adults; (usually individuals with disabilities, unrelated to the participant family, who are unable to live alone);
- Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance, and worker's compensation), capital gains, one-time lottery winnings, and settlement for personal property losses (see above if the payments are or will be periodic in nature). See section below for treatment of delayed or deferred periodic payments of social security or supplemental security income benefits;
- Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- Income of a live-in aide, provided the person meets the definition of a live-in aide;
- Except for the financial assistance that is included in annual income, the full amount of student financial assistance paid directly to the student or the educational institution is excluded;
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- Certain amounts received that are related to participation in the following programs:
    - Amounts received under HUD funded training programs (i.e., Step-up program: excludes stipends, wages, transportation payments, child care Vouchers, etc. for the duration of the training);
    - Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
    - Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) to allow participation in a specific program;
    - A participant services stipend. A participant services stipend is a modest amount (not to exceed $200/month) received by a Public Housing participant for performing a service for PHA, on a part-time basis, that enhances the quality of life in Public Housing. Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance, and participant initiatives coordination. No participant may receive more than one such stipend during the same period of time; and

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- Incremental earnings and/or benefits to any family member from participation in qualifying state or local employment training program (including training programs not affiliated with the local government), and training of family members as participant management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance by PHA;

- Temporary, non-recurring, or sporadic income (including gifts);

- Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

- Earnings in excess of $480 for each full-time student 18 years old or older (excluding the head of the household and spouse); (unearned income of adult full time students , i.e. SS, SSI, CS & DPA is counted);

- Adoption assistance payments in excess of $480 per adopted child;

- Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment;

- Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling apartment;

- Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; and

- Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion. A list of these Federally mandated exclusions are included as Appendix C to this Administrative Plan.

Asset Income Exclusion – MTW

Under PHA's MTW Rent Simplification program, the following are excluded from annual income:

- The first $500 of asset income at initial occupancy and recertification. This exclusion is per household.

Temporary and Sporadic Income

Temporary and sporadic income are excluded from the calculation of annual income. (See chapter on Continued Occupancy for interim recertification policies related to temporary and sporadic income).

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Example

Daniel works occasionally as a handyman. He claims to have worked only a couple of times last year and he has no documentation to support this claim. His earnings are neither reliable (he cannot depend on them) nor periodic (they do not recur at regular intervals), thus Daniel's handyman earnings are not included in annual income. If Daniel is the sole household member and has no other sources of income or benefits, he would fall under the zero income verification and recertification requirements.

Seasonal Income

People in some occupations regularly work less than 12 months per year, i.e., school employees, agricultural workers and construction workers. To determine annual income for individuals who have seasonal income, PHA will use past actual income received or earned within the last 12 months of the determination date. Therefore, interim recertifications will not be completed when circumstances change. Documentation may include, but is not limited to UIV, EIV, W-2 forms and tax returns

Example

Mary is a teacher with the ABC school district, earning $2,000 per month. She works this job for nine months a year. At the time of her regular recertification Mary is not working. PHA requests that Mary provide her W-2 and tax return for the prior year and also runs EIV. The W-2 and tax return show annual income of $20,000 for the prior year and EIV shows income of $20,053 for the prior year. PHA would use the third party written documents provided by the tenant.

Earned Income Disallowance for Persons with Disabilities – Non-MTW

For participants whose Vouchers are not part of the MTW program, during the 12-month period beginning when the participant first qualifies for an Earned Income Disallowance (EID), PHA will exclude from Annual Income any increase in income as a result of employment. For the 12 months following the initial exclusion period, 50% of the income increase shall be excluded. The maximum period for the disallowance (exclusion) is 48 months.

The disallowance of increased income under this section is only applicable to current participants and will not apply to applicants who began working prior to admission (unless their earnings are less than would be earned working ten hours per week for 50 weeks at minimum wage, under which they qualify as unemployed).

PHA will disallow the following income:

- The incremental earnings and benefits to any participant:
    - Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed. Previously unemployed includes a person who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage. The established minimum wage means the Federal minimum wage unless there is a higher State or local minimum wage; or
    - Whose annual income increases as the result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or

- Whose annual income increases due to new employment or increased earnings of a family member who is a person with disabilities during or within six months of receiving state-funded assistance, benefits or services. For purposes of this paragraph, the following definitions apply:

    - State-funded assistance, benefits or services means any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by PHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance – provided that the total amount over a six-month period is at least $500.

Anticipating Annual Income

PHA will calculate anticipated annual income by adding the income the family expects to receive during the 12-month period following the family's admission or regular recertification effective date. Accordingly, annual income is calculated by projecting current income forward for a 12-month period.

If PHA is unable to determine annual income using current information because the family reports little to no income or because income fluctuates, PHA will use past actual income received or earned within the last 12 months before the determination date to calculate annual income.

Known Changes in Income

If PHA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

Example: An employer reports that a full-time employee who has been receiving $6/hour will begin to receive $6.25/hour in the eighth week after the effective date of the recertification. In such a case PHA would calculate annual income as follows: ($6/hour × 40 hours × 7 weeks) + ($6.25/hr × 40 hours × 45 weeks - $1,680.00 + $11,250.00 = $12,930.00).

Temporarily Absent Family Members and Income

The income of family members approved to live in the apartment will be counted, even if the family member is temporarily absent from the apartment.

Generally an individual who is or is expected to be absent from the assisted apartment for 183 or less calendar days per calendar year is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the assisted apartment for more than 183 calendar days per calendar year is considered permanently absent and no longer a family member, thus his/her income will not be counted.

Adjusted Income – Non-MTW Only

Adjusted income is calculated by subtracting deductions and allowances from annual income.

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Mandatory Deductions – Non-MTW Only

In determining adjusted income, PHA will deduct the following amounts from annual income:

- $480 for each dependent;
- $400 for any elderly family or disabled family;
- The sum of the following, to the extent the sum exceeds three percent of annual income:
    - Unreimbursed medical expenses of any elderly family or disabled family;
    - Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
- Any reasonable child care expenses necessary to enable a member of the family to be employed, seek employment or to further his/her education.

Dependent Deduction - Non-MTW Only

A deduction of $480 is taken for each dependent. Dependent is defined as any family member other than the head, spouse, or co-head who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents.

Elderly or Disabled Family Deduction – Non-MTW Only

A single deduction of $400 is taken for any elderly or disabled family. An elderly family is a family whose head, spouse, co-head, or sole member is 62 years of age or older, and a disabled family is a family whose head, spouse, co-head, or sole member is a person with disabilities.

Medical Expense Deduction – Non-MTW Only

Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income.

The medical expense deduction is permitted only for families in which the head, spouse, or co-head is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted.

“Medical expenses” include medical insurance premiums, and are medical expenses that are anticipated during the period for which annual income is computed, and that are not covered by insurance.

The most current IRS Publication 502, Medical and Dental Expenses, will be used to determine the costs that qualify as medical expenses.

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Summary of Allowable Medical Expenses from IRS Publication 502	
• Services of medical professionals • Surgery and medical procedures that are necessary, legal, non-cosmetic • Services of medical facilities • Hospitalization, long-term care, and in-home nursing services • Prescription medicines and insulin, but not nonprescription medicines even if recommended by a doctor • Improvements to housing directly related to medical needs (i.e., ramps for a wheel chair, handrails)	• Substance abuse treatment programs • Psychiatric treatment • Ambulance services and some costs of transportation related to medical expenses • The cost and care of necessary equipment related to a medical condition (i.e., eyeglasses/lenses, hearing aids, crutches, and artificial teeth) • Cost and continuing care of necessary service animals • Medical insurance premiums or the cost of a health maintenance organization (HMO)
Note: This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.	

Disability Assistance Expense Deduction – Non-MTW Only

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they:

- Are necessary to enable a family member 18 years or older to work;
- Are not paid to a family member or reimbursed by an outside source;
- In combination with any medical expenses, exceed three percent of annual income; and
- Do not exceed the earned income received by the family member who is enabled to work.

Earned Income Limit on the Disability Assistance Expense Deduction – Non-MTW Only
A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work.

The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family’s request, PHA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When PHA determines that the disability assistance expenses enable more than one family member to work, the disability assistance expenses will be capped by the sum of the family members’ incomes.

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Eligible Disability Expenses – Non-MTW Only
Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (i.e., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

Eligible Attendant Care – Non-MTW Only
The family identifies and PHA verifies the type of attendant care that is appropriate for the person with disabilities. Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

Disability Expense Payments to Family Members – Non-MTW Only
No disability expenses may be deducted for payments to a member of a participant family. However, expenses paid to a relative who is not a member of the participant family may be deducted if they are not reimbursed by an outside source.

Necessary and Reasonable Expenses – Non-MTW Only
The family identifies and PHA verifies the type of care or auxiliary apparatus to be provided. The family must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

Child Care Expense Deduction Non-MTW Only

Child care expenses are amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Child care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family's household. However, child care expenses for foster children that are living in the assisted family's household are included when determining the family's child care expenses.

Determining Who Is Enabled to Pursue an Eligible Activity
The family must identify the family member(s) enabled to pursue an eligible activity. The term eligible activity in this section means any of the activities that may make the family eligible for a child care deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family's request, PHA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work
If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each recertification. The deduction may be reduced or denied if the family member's job search efforts are not commensurate with the child care expense being claimed.

Furthering Education
If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

Being Gainfully Employed
If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Earned Income Limit on Child Care Expense Deduction
When a family member looks for work or furthers his or her education, there is no limit on the amount that may be deducted for child care – although the care must still be necessary and reasonable. However, when child care enables a family member to work, the deduction is capped by the amount of employment income that is included in annual income. The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the person who is enabled to work is a person who receives the earned income disallowance (EID) or a full-time student whose earned income above $480 is excluded, child care costs related to enabling a family member to work may not exceed the portion of the person's earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes $15,000 but because of the EID only $5,000 is included in annual income, child care expenses are limited to $5,000.

When the child care expense being claimed is to enable a family member to work, only one family member's income will be considered at a time.

Eligible Child Care Expenses
The type of care to be provided is determined by the participant family. PHA will not refuse to give a family the child care expense deduction because there is an adult family member in the household that may be available to provide child care.

Allowable Child Care Activities
For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (i.e., summer day camp, after-school sports league) are allowable forms of child care.

The costs of general housekeeping and personal services are not eligible. Likewise, child care expenses paid to a family member who lives in the family's apartment are not eligible; however, payments for child care to relatives who do not live in the apartment are eligible.

Necessary and Reasonable Costs
Child care expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and (2) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source. Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time..

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To establish the reasonableness of child care costs, PHA will use the schedule of child care costs from the local welfare agency. Families may present, and PHA will consider, justification for costs that exceed typical costs in the area.

Adjusted Income – MTW Only

Adjusted income is calculated by subtracting MTW deductions from annual income.

Working Family Deduction – MTW Only

PHA will apply a $500 working family deduction per year for families with one or more adult members employed full or part time (at least twenty hours per week). Full time adult students (other than the head of household, co-head or spouse) and minors who work more than 20 hours per week are not eligible for the working family deduction. Only one working family deduction of $500 per year is applied to each household.

Health Insurance Premium Deduction – MTW Only

PHA will deduct the full Medicare, Medicaid and/or other Health Insurance Premiums for households where the head of household, co-head and/or spouse are either elderly or disabled. Other health insurance premiums include dental and vision care insurance. (See Medical Expense Deduction – Non-MTW Only for applicable medical expense deductions.)

Rounding of Income and Deductions

Generally PHA will round to the nearest whole dollar at the final calculation for each income/deduction source.

PHA will round as follows for the following income and deductions:

- Social Security (SS) Income: When the SS benefit letter states that the monthly benefit is rounded down to the whole dollar, PHA will calculate annual income by using the **full monthly** benefit before any deductions and round at the final annual calculation. The benefit letter is only to be used when EIV is not available or the tenant disputes EIV.

- Supplemental Security Income (SSI): The benefit for SSI is generally separated into two parts, the Federal portion and the State portion. The income for each portion should be calculated by annualizing the total monthly Federal and State portions. The resulting annual totals should be rounded to the nearest whole dollar.

- Other Income/Deduction Sources, which include direction on rounding: Where the income/deduction verification document has direction on rounding of income/deductions, PHA will annualize the full monthly benefit and round at the final annual calculation.

- Income/Deduction Sources with NO direction on rounding: If the income/benefit/deduction verification document does not include any direction concerning rounding, PHA will calculate income/benefit/deductions by annualizing the entire weekly, bi-weekly or monthly income/benefit/deduction. Once the annual amount is calculated, PHA will round to the nearest whole dollar.

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CHAPTER 9: FAMILY SHARE & SUBSIDY DETERMINATION

Overview of Income-based Rent Calculations

The first step in calculating income-based rent is to determine each family's total tenant payment (TTP). Then, if the family is occupying a unit that has tenant-paid utilities, the utility allowance is subtracted from the TTP. The result of this calculation, if a positive number, is the tenant rent. If the TTP is less than the utility allowance, the result of this calculation is a negative number, and is called the Utility Allowance Payment, which may be paid to the family or directly to the utility company by PHA. See policy on Utility Allowance Payment for further information.

Total Tenant Payment – Non-MTW Only

TTP 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 gross income; or
- PHA's minimum rent of $50.

PHA may suspend and exempt families from minimum rent when a financial hardship exists.

The amount that a family pays for rent and utilities (the family share) will never be less than the family's TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

Total Tenant Payment & Rent Simplification – MTW Only

Using its MTW authority, PHA has established a program that will simplify the calculations and verification of income and rent share for MTW Program participants. The goal is to increase administrative efficiency and accuracy in rent calculation, encourage self-sufficiency for clients, reduce paperwork requirements of participants and minimize negative impacts on household rents during the implementation period. In addition the proposed rent program provides incentives for participants to obtain employment and creates a fair and equitable program for rent calculation.

Rent Simplification will not apply to:

- Residents of Tax Credit units;
- Participants in the Family Unification Program
- Residents in Designated Housing
- Units assisted under PHA's unit-based RFP;
- Participants in Project Based Moderate Rehab units;
- Participants in SROs; or
- Participants with a non-MTW Voucher, including clients whose Vouchers are administered by PHA under portability.
- Enhanced Vouchers: unless and until they are converted to MTW vouchers.
- VASH Vouchers
- Vouchers utilized for referrals from Liberty Resources Inc.,

The Rent Simplification Program includes the following:

- Calculation of participant TTP as a percentage of monthly adjusted income using a tiered percentage based on family size:

- Household Size 1-2 persons: Rent is 28% of adjusted monthly income
- Household Size 3-5 persons: Rent is 27% of adjusted monthly income
- Household Size 6+ persons: Rent is 26% of adjusted monthly income

- Foster children and live-in aides are not counted in the household size when determining the percentage of monthly adjusted income for TTP;

- Existing income inclusions and exclusions required by Federal Legislation under 24 C.F.R. §5.609 – Annual Income will continue to be considered in calculating annual income;

- Self-certification of assets and asset income at initial occupancy and at recertification;

- Exclusion from annual income, the first $500 of asset income per household at initial occupancy and at recertification;

- Elimination of all deductions under 24 C.F.R. §5.611 - Adjusted Income, except for:

  - A $500 working family deduction per year for families with one or more members employed full time or part time, (at least twenty hours per week). Full time adult students (other than the HOH and spouse) and minors who work at least 20 hours per week are not eligible for the working family deduction; and

  - The full Medicare/Medicaid/health, dental and/or vision insurance payments for elderly and disabled households;

- Recertification of income once every 24 months;

- Elimination of the requirement to report increases in income that occur between regularly scheduled re-certification;

- Retention of the requirement to report all family composition changes and additions to the family that add income to the household; and

- For all of PHA's rent and utility allowance policies implemented pursuant to its MTW authority, PHA will consider exceptions to these policies on a case-by-case basis for families who can demonstrate a long term hardship that will result from application of the policies to them, or as a reasonable accommodation. To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the application of the rent or utility allowance policy to the family will affect the family.

Changes to Rent Simplification Approach – MTW

PHA will make changes to the rent simplification approach or specific elements of the rent calculation system, and revise policies and procedures as required ensuring that the goals of administrative efficiency and overall fairness are maintained.

Minimum Rent

PHA's minimum rent is set at $50.

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Minimum Rent Hardship Exemption

PHA will grant an exemption from the minimum rent if a family can document that they are unable to pay the minimum rent because of a long term hardship (over 90 days). The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption.

Situations under which participants would qualify for the hardship exemption from minimum rent are limited to the following:

- The family has lost eligibility for or is applying for an eligibility determination for a Federal, State or local assistance program;
- The family would be evicted as result of the imposition of the minimum rent requirements;
- The income of the family has decreased because of changed circumstances, including loss of employment;
- A death in the family has occurred. In order to qualify under this provision, a family must describe how the death has created a financial hardship (i.e., because of funeral-related expenses or the loss of the family member's income).

To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent.

Determination of Rent Hardship Exemption

When a family requests a financial hardship exemption, PHA will suspend the minimum rent requirement beginning the first of the month following the family's request. PHA will then determine whether the financial hardship exists and whether the hardship is temporary or long-term.

PHA defines temporary hardship as a hardship expected to last 90 days or less. Long term hardship is defined as a hardship expected to last more than 90 days.

No Financial Hardship

If PHA determines there is no financial hardship, PHA will reinstate the minimum rent and require the family to repay the amounts suspended.

PHA will require the family to repay the suspended amount within 30 calendar days of PHA's notice that a hardship exemption has not been granted.

Temporary Hardship

If PHA determines that a qualifying financial hardship is temporary, PHA will not impose the minimum rent during the 90-day suspension period. At the end of the 90-day suspension period, PHA will reinstate the minimum rent from the beginning of the first of the month following the date of the family's request for a hardship exemption.

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The family must resume payment of the minimum rent and must repay PHA the amounts suspended in accordance with PHA's repayment agreement policy.

Long-Term Hardship

If PHA determines that the financial hardship is long-term, PHA will exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent. Families approved for the exemption from minimum rent are required to re-verify every one hundred and twenty (120) days.

- The hardship period ends when the family's calculated TTP is greater than the minimum rent.
- For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received to enable the family to pay at least the minimum rent.
- When the minimum rent is suspended, the family share reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.

Family Share

The family share is the family's contribution toward the gross rent.

For a family selecting a unit where the gross rent is at or below the payment standard for the family, the family share will be the same as the TTP.

For a family selecting a unit where the gross rent exceeds the payment standard for the family, the family share is the TTP plus any amount by which the gross rent exceeds the payment standard.

- At initial occupancy and upon transfer to a new unit PHA will not approve the tenancy if the gross rent is above the payment standard resulting in a family share that exceeds the maximum initial rent burden, which is 40% of adjusted monthly income.
- PHA may approve a unit if the gross rent is above the payment standard, but does not result in a rent that exceeds the 40% maximum initial rent burden.

After initial occupancy, if a participant chooses to stay in a unit where the gross rent exceeds the payment standard, the family share is the TTP plus any amount by which the gross rent exceeds the payment standard.

Client Rent to Owner

When the family is directly paying for some or all of the utilities, the client rent to owner is determined by subtracting the HAP from the rent to the owner.

PHA Subsidy (Housing Assistance Payment)

PHA will pay a monthly housing assistance payment (HAP) for a family that is equal to the lower of:

1. The applicable payment standard for the family minus the family's TTP; or
2. The gross rent for the family's unit minus the TTP.

If during the term of the HAP contract for a family's unit, the owner lowers the rent, PHA will recalculate the HAP using the lower of the initial payment standard or the gross rent for the unit.

Utility Allowance Payments

When the PHA subsidy for a family exceeds the rent to owner, the family is due a Utility Allowance Payment Certain tenants residing in units with tenant-paid utilities are eligible for a utility allowance payment.

Prorated Assistance for Mixed Families

A mixed family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. PHA will prorate the assistance provided to a mixed family. PHA will first determine assistance as if all family members were eligible and then prorate the assistance based upon the percentage of family members that actually are eligible.

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CHAPTER 10: VERIFICATION

PHA verifies information that is used to establish the family's eligibility and level of assistance. PHA is required to obtain the family's consent to collect this information. Applicants and participants must cooperate with the verification process as a condition of receiving assistance.

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the record keeping policies established by PHA.

Where HUD's table of acceptable verification differs from PHA verification requirements, PHA verification requirements will apply.

Consent to Release of Information

The family must supply any information that PHA or HUD determines is necessary to the administration of the program and must consent to PHA verification of that information.

It is required that all adult applicants and participants sign form HUD-9886, Authorization for Release of Information or other appropriate form. Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

Penalties for Failing to Consent

If any family member who is required to sign a consent form fails to do so, PHA will deny admission to applicants and terminate the lease of participants. The family may request a hearing in accordance with PHA's grievance procedures.

Hierarchy of Verification

PHA may use five methods to verify family information. In general PHA will use the most reliable form of verification that is available and will document the reasons when PHA uses a lesser form of verification.

In order of priority, the forms of verification that PHA will use are:

1. Upfront Income Verification using HUD's EIV system
2. Upfront Income Verification using non-HUD systems
3. Written Third-Party Verification: An original or authentic document generated by the third-party source, which may be in the possession of the tenant or applicant. Examples include pay stubs, bank statements, and pharmacy printouts.
4. Written Third Party Verification Form: Standardized form sent by PHA to the third party source by mail, fax or e-mail.
5. Oral Third-Party: Verification by contact via telephone or in-person.
6. Self-Certification or Tenant Declaration.

Requirements for Acceptable Documents

1. Any documents used for verification must be the original (not photocopies) and generally must be dated within 60 calendar days of the date they are provided to PHA, including documents verified prior to voucher issuance.

2. Before issuing a Voucher for admission to the program, PHA will re-verify income if the family's income has changed or any income verification is more than 60 days old.

3. The documents must not be damaged, altered or in any way illegible.

4. Generally, PHA will maintain the validity of verification documents for 150 days from the date of receipt**.**

5. If 150 or more days have elapsed since the verification information was received by PHA **for any recertification** and the 50058 is about to be validated, PHA will request updated income information from the family, including but not limited to, current pay stubs and benefits letters. If the difference between the updated income information and the previously calculated information is greater than $200 per month, PHA will recalculate income and TTP using the updated tenant provided income. If the difference is less than $200/month, no changes will be made. If the tenant cannot provide updated documentation of income, PHA will follow the hierarchy of verification and attempt to receive updated verification from the third party source.

6. In an effort to lease families as quickly as possible and to reduce staff workload, PHA has opted not to re-verify family composition and information related to income and allowances during the leasing process even if the 150 day threshold has been exceeded.

7. Unless otherwise stated, PHA will accept documents dated more than 6 months before the processing date of the family's recertification if the document represents the most recent scheduled report from a source. For example, if the holder of a pension annuity provides annual reports, PHA would accept the most recent report. However, a SS benefit letter can be obtained more than once per year, so that PHA would not accept a benefit letter that was more than 60 days old.

8. Print-outs from web pages are considered original documents.

9. The PHA staff member who views the original document must make a photocopy and date stamp the copy with the date the document was received.

10. Documents received for verification must be date stamped on the date they are received by PHA.

11. Any family self-certifications must be made in a format acceptable to PHA and must be signed in the presence of a PHA representative or Notary Public.

12. The cost of verification will not be passed on to the family.

13. For verification of wages using review of client provided documents, PHA requires 6 pays stubs for weekly pay, 3 pay stubs for bi-weekly or bi-monthly pay and 2 pay stubs for monthly pay. The pay stubs must be consecutive.

14. If an applicant/client provides more than the minimum required pay stubs for verification, PHA will use only the minimum number of paystubs required and will ensure that the pay stubs used reflect the most current paystubs provided.

Substantial Difference

PHA will use the $200 per month as the threshold for a substantial difference.

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Substantial Difference Exists

If UIV/ third party information differs substantially from participant provided information PHA reserves the right to request additional verification information and use any other verification method in priority order to reconcile the difference.

Fraud

Information provided by the applicant/participant that proves to be untrue may be used to disqualify the applicant for admission or terminate the participant on the basis of attempted fraud. PHA considers false information concerning the following to be grounds for rejecting an applicant or terminating assistance:

- Income, assets, family composition;
- Social Security Numbers;
- Preferences;
- Allowances; and
- Previous participant history or criminal history

The applicant/participant shall be notified in writing of such determination by PHA and will be given the opportunity for an informal review /hearing of the matter.

Use of HUD's Enterprise Income Verification (EIV)

HUD's EIV system contains data showing earned income, unemployment benefits, Social Security and SSI benefits for participant families. PHA will use the EIV system when available. The EIV system contains two main components: client income reports and "exceeds threshold" reports.

Enterprise Income Verification Reports (EIV)

PHA will obtain EIV for annual, biennial and interim recertifications. Reports will be generated as part of the recertification process. EIV income sources will be compared to family-provided information as part of the recertification process.

PHA will print and retain the EIV income report in the file for all regular and interim recertifications.

Third Party Verification

1. Unless third-party verification is not required, PHA will attempt to obtain third-party verification before using another form of verification

2. PHA will diligently seek third-party verification using a combination of verification sources.

3. Information received orally from third parties may be used either to clarify information provided in writing by the third party or as independent verification when written third-party verification is not received in a timely fashion.

4. PHA may mail, fax, e-mail, or hand deliver third-party written verification form requests and will accept third-party responses by of any of these methods.

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5. As needed, PHA will send a written request for verification to each required source after securing a family's authorization for the release of the information

6. A record of each attempt to contact the third-party source will be documented in the file. Regarding third-party oral verification, PHA staff will record in the family's file information obtained during the oral verification.

7. When any source responds verbally to the initial written request for verification PHA will accept the verbal response and will not request additional written third party verification.

When Third-Party Information is Late

When third-party verification has been requested and the timeframes for submission have been exceeded, PHA will use tenant provided information on a provisional basis. If PHA later receives third-party verification that differs substantially from the amounts used in income and rent determinations and it is past the deadline for processing the recertification, PHA will conduct an interim recertification to adjust the figures.

When Third-Party Verification is Not Required

1. Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

2. PHA will accept a self-certification from the family as verification of assets disposed of for less than fair market value.

3. PHA will determine that third-party verification is not required if the asset or expense involves an insignificant amount of income, making it not cost-effective or reasonable to obtain third-party verification. An insignificant amount of income is defined as $10 or less per month.

4. PHA will determine that third-party verification is not available when there is a service charge for verifying an asset or expense *and* the family has original documents that provide the necessary information.

Tenant Declaration

When information cannot be verified by a third party, family members will be required to submit declarations attesting to the accuracy of the information they have provided to PHA. PHA may require a family to certify that a family member does <u>not</u> receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to PHA and must be signed by the family member whose information or status is being verified. All self-certifications must be signed in the presence of a PHA representative or a Notary Public.

Self-certification may not be used to verify the following benefits:

- Social Security Benefits;
- Unemployment
- Supplemental Security Benefits; or
- Public Assistance.

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Verification of Citizenship/Eligible Immigration Status

- U.S Citizenship: Verification consists of a signed Declaration of Citizenship for all U.S. Citizens and Nationals

- Eligible Non-Citizens: Verification consists of a signed Declaration of Eligible Immigration Status AND one of the Section 214 documents listed in 24 C.F.R. 5.508(b)(1) and verification from the USCIS SAVE system when available.

  For eligible noncitizens who are 62 years of age or older or who will be 62 years of age or older and receiving assistance under a Section 214 covered program on September 30, 1996 or applying for assistance on or after that date, the evidence consists of:

  - A signed declaration of eligible immigration status; and
  - Proof of age document.

- Non-Citizens: Verification consists of a signed Declaration of Eligible Immigration Status AND one of the Section 214 documents listed in 5.508(b)(1) and verification from the USCIS SAVE system when available.

Verification of Assets - MTW

Under the authority of the MTW Agreement, applicants and participants will be allowed to self-certify asset income. PHA staff will require applicants and participants to complete an asset self-certification form at admission and at each recertification.

Verification of SS and SSI Benefits

PHA may use EIV and/or benefit letters to verify SS and SSI benefits. Benefit letters may not be dated more than sixty days from the date of submission to PHA. PHA will use EIV as the preferred source for verification of SS and SSI benefits, but will use benefit letters if EIV is not available or if the tenant disputes the EIV information for SS and/or SSI.

When the monthly benefit amount provided by EIV and the benefit letter do not identify the benefit for the upcoming year, PHA will use the Cost of Living Adjustment (COLA) excerpt from the Social Security Administration (SSA) website to verify the monthly benefit. Generally, this policy will be applicable to recertifications effective January, February and/or March.

The State Supplementary Portion will be verified through the DPA CIS database.

Verification of Unemployment

Generally, if EIV reveals current unemployment benefits, PHA will verify unemployment benefits with a tenant supplied benefit letter. Third party written verification form will not be sent as there is a service charge for the verification.

Verification of Child Support

PHA will verify child support using the verification hierarchy. When there are minors in a household and/or a new minor is added to the household and both parents/guardians do not reside in the household,

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PHA staff must request third-party verification from Family Court. If there are no minors in the household, PHA will not request verification from Family Court

Verification of Department of Public Assistance Benefits

PHA will use the State of Pennsylvania's electronic database to verify Public Assistance (PA) benefits. If the PA database is unavailable, PHA will request third-party verification from the local DPA office. For applicants, PHA may use the DPA database to verify the State Supplementary Payment.

Verification of Zero Income

A Zero Income household is one where no household member receives any income, contributions and/or benefits on his/her own behalf or on behalf of another individual in the household.

Households that report zero income may be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc. If the family's expenses exceed their known income, PHA may make inquiry as to the nature of the family's accessible resources**.**

PHA will require the following when the household claims zero income and at each successive regular recertification:

- Completion of a financial hardship worksheet
- Completion of a zero income self-certification by each adult household member;
- EIV check to confirm that no household member has any income;
- 3rd party verification to the Family Court to confirm that no child support is paid, (only if there are minors in the household and both parent/legal guardians do not reside in the household).

Every 180 days, PHA will run an EIV check on zero income households and take action as required for unreported income.

A zero income individual is one who does not receive any income, contributions and/or benefits on his/her own behalf or on behalf of another individual in the household. PHA will conduct the following verifications on zero income individuals when he/she claims zero income and at each successive regular recertification:

- Completion of a zero income self-certification;
- EIV check to confirm that no household the individual member has no income;
- 3rd party verification to the Family Court to confirm that no child support is paid, (only if the zero income household member has minor children in the household and both parent/legal guardians do not reside in the household).

PHA will not conduct EIV checks every 180 days for zero income individuals, however PHA reserves the right to run an EIV check to ensure program integrity

Verification of SSN and Date of Birth

Applicants will be required to provide a SSN on the pre-application form. PHA will request verification of the SS number during screening for eligibility. Alternate arrangements will be made for applicants who are not US Citizens or have eligible immigration status.

PHA may accept the following as verification of an applicant/tenant's Social Security Number or Date of Birth if the document includes the SSN or Date of Birth:

- An original SSN card issued by the Social Security Administration (SSA); or
- An original SSA-issued document, which contains the name of the individual; or
- An original document issued by a federal, state, or local government agency, which contains the name of the individual.

Verification of Disability

The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for Waiting List preferences and income allowances.

Before providing an accommodation, PHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to PHA's programs and services.

If a person's disability is obvious, or otherwise known to PHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required.

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to PHA, PHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

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.

PHA shall not inquire about the nature or severity of a person's disability or about a person's diagnosis or details of treatment for a disability or medical condition. PHA will destroy or return any medical documentation that states the nature or extent of a person's disability.

Verification of Student Status

PHA requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

- The family reports full-time student status for an adult other than the head, spouse, or co-head;
- The family reports child care expenses to enable a family member to further his or her education; or
- The family includes a student enrolled in an institution of higher education.

Restrictions on Assistance to Students Enrolled in Institutions of Higher Education

This section applies only to students who are seeking assistance on their own, separately from their parents. It does not apply to students residing with parents who are seeking or receiving HCV assistance.

PHA will provide Voucher assistance to an otherwise eligible student only if the student meets one or more of the following criteria:

- The student is enrolled at an educational institution that does not meet the definition of institution of higher education in the Higher Education Act of 1965;
- The student is at least 24 years old;
- The student is a veteran;
- The student is married;
- The student has at least one dependent child; or
- The student is a person with disabilities and was receiving assistance prior to November 30, 2005.

If PHA cannot verify at least one of these exemption criteria, PHA will conclude that the student is ineligible for assistance. In addition to verifying the student's income eligibility, PHA will then proceed to verify either the student's parents' income eligibility or the student's independence from his/her parents.

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CHAPTER 11: HOUSING QUALITY STANDARDS

Overview

PHA will inspect each unit in accordance with established policies to determine if the unit meets the Housing Quality Standards ("HQS"). A history of each inspection is maintained in the family's file.

HQS Standards

PHA conforms to the performance and acceptability requirements at 24 C.F.R. 982.401 when conducting HQS. Also, PHA inspectors are expected to rely on their professional judgment in discriminating between a pass or fail condition.

HUD's performance and acceptability requirements for HCV-assisted housing 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 condition; and
- Smoke detectors.

Owner Responsibilities

The owner must maintain the unit in accordance with HQS. If the owner fails to maintain the dwelling unit in accordance with HQS, PHA will take action to enforce the owner obligations, which may include abatement or reduction of HAP payments and termination of the HAP contract. The owner is not responsible for breaches in HQS not caused by the owner and for which the family is responsible, as listed below.

Family Responsibilities

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service;
- Failure to provide or maintain family-supplied appliances; and
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear.

PHA may terminate assistance to a family because of an HQS breach caused by the family.

Violation of HQS Space Standards

If PHA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, PHA will issue the family a new Voucher. If an acceptable unit is available for rental by the family, PHA will terminate the existing HAP contract in accordance with its terms and execute a new HAP contract for the new unit.

Modifications to Provide Accessibility

An owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit, at the family's expense. All such modifications must meet all applicable HQS requirements.

Types of Inspections

PHA conducts the following types of inspections as needed. Each type of inspection is discussed in more detail in the paragraphs that follow.

Initial Inspections
PHA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program. The unit must pass the HQS inspection before the effective date of the HAP Contract.

Annual Inspections
Annual inspections are conducted at least once per calendar year. PHA will send notification to property owners prior to scheduled annual inspections reminding them of requirements for compliance with HQS.

Special Inspections
A special inspection may be requested by the owner, the family, or a third party as a result of problems identified between annual inspections.

Quality Control Inspections
Quality control inspections are re-Inspections completed by a supervisor or other qualified individual on a sample of HCV program units to ensure that HQS are being enforced correctly and uniformly by all inspectors.

Inspection Costs

PHA will not charge the family or owner for unit inspections.

Notice and Scheduling

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

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life threatening emergency, reasonable notice is considered to be no less than 48 hours. In the case of a life threatening emergency, PHA will give as much notice as possible, given the nature of the emergency.

Owner and Family Inspection Attendance

When a family occupies the unit at the time of inspection, an authorized adult must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

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At initial inspection of a vacant unit, PHA will inspect the unit in the presence of the owner or owner's representative. The presence of a family representative is permitted, but is not required.

Initial HQS Inspection

PHA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within a reasonable time from submission of the Request for Tenancy Approval (RFTA).

If any HQS violations are identified, the owner will be notified of the deficiencies and be given a time frame in which to correct them. Generally, PHA will provide owners 15 business days from the date of the failed initial inspection to correct identified deficiencies. If requested by the owner, the time frame for correcting the deficiencies may be extended by PHA for good cause. PHA will reinspect the unit within a reasonable time after the owner notifies PHA that the required corrections have been made.

If the time period for correcting the deficiencies (or any PHA-approved extension) has elapsed, and the unit fails HQS at the time of the reinspection, PHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit. PHA may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following a unit disapproval, the family may submit a new Request for Tenancy Approval for the unit if the family has not found another unit by the time the owner completes all repairs and the family continues to wish to live in the unit.

Annual HQS Inspection

Each unit under HAP contract will have an HQS inspection once during each calendar year.

If an authorized adult cannot be present on the scheduled date, the family should request that PHA reschedule the inspection. PHA will schedule a new inspection date.

If the family misses the first scheduled appointment without requesting a new inspection date, PHA will automatically schedule a second inspection. If the family misses two scheduled inspections without PHA approval, PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance.

Special Inspections

PHA will conduct a special inspection if the owner, family, or a third party reports possible HQS violations in the unit.

During a special inspection, PHA generally will inspect only those deficiencies that were reported; however, the inspector may record any additional HQS deficiencies that are observed and may require the responsible party to make the necessary repairs.

If the annual inspection has been scheduled or is due within 90 days of the date the special inspection is scheduled, PHA may elect to conduct a full annual inspection.

Quality Control Inspections

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A PHA supervisor or other qualified person will conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of HQS.

The unit sample will generally include units that have been inspected within the preceding 3 months. The selected sample will include:

- Each type of inspection (initial, annual, and special);
- Inspections completed by each inspector; and
- Units from a cross-section of neighborhoods.

Emergency Conditions

"Emergency" HQS violations will cover only those situations that are determined to be exigent health and safety issues, i.e. those situations that pose an immediate threat to the life, health or safety of tenants or that are related to fire safety hazards. When emergency HQS violations are identified, PHA will immediately notify both the owner and participant. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within the required time period per PHA's notice.

Emergency violations include but are not limited to:

- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling;
- Natural or LP gas or fuel oil leaks;
- Any electrical problem or condition that could result in shock or fire;
- Absence of a working heating system when outside temperature is below 60 degrees Fahrenheit;
- Utilities not in service, including no running hot water;
- Obstacles that prevent safe entrance or exit from the unit;
- Absence of a functioning toilet in the unit; and
- Inoperable smoke detectors.

If an owner fails to correct emergency conditions as required, the housing assistance payment will be abated.

If a family fails to correct a family-caused emergency condition as required, PHA may terminate the family's assistance.

The owner will be required to repair an inoperable smoke detector unless PHA determines that the family has intentionally disconnected it (by removing batteries or other means).

Other HQS Violations

When failures that are not life-threatening are identified, PHA will send the owner and the family a written notification of the inspection results following the inspection.

The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. The notice of inspection results will inform the owner that if non-life threatening conditions are not corrected within the specified time frame, the owner's HAP will be abated. Likewise, in the case of family-caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame, the family's assistance may be terminated.

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Time Standards for Repairs

- If an owner fails to correct HQS deficiencies by the time specified, PHA will abate housing assistance payments

- Non-MTW and MTW Units, Emergency Repairs: Items which endanger family health and well-being, such as the emergency conditions listed above, must be abated (subsided/stopped) or repaired within 24 hours after notification. PHA will not grant an extension to this time frame. Once an HQS emergency has been abated (subsided/stopped), if further repair is still needed, the repair item will be treated as a non-emergency repair. If the emergency conditions are not abated or repaired within 24 hours or any PHA-approved extension, PHA will stop Housing Assistance Payments no later than the first of the month following the specified correction period or terminate the HAP contract, or in the case of family-caused HQS failures, take prompt and vigorous action to enforce the family's obligations.

- Non-Emergency Repairs - Initial Inspection: PHA generally requires non-emergency repairs for initial inspection to be made within 15 business days, unless PHA has approved an extension to this time frame.

- Non-Emergency Repairs - Annual/Interim Inspection: PHA generally requires non-emergency repairs for annual/interim inspections to be completed within 30 days after notification, unless PHA has approved an extension to this time frame.

- Non-Emergency Repairs – Special Inspection: PHA generally requires non-emergency repairs for special inspections to be completed within 30 days after notification, unless PHA has approved an extension to this time frame.

Extensions

For conditions that are not life-threatening, PHA may grant an exception to the required time frames for correcting the violation, if PHA determines that an extension is appropriate.

Extensions may be granted in cases where PHA has determined that the owner has made a good faith effort to correct the deficiencies but has been unable to for reasons beyond the owner's control. Reasons may include but are not limited to:

- A repair cannot be completed because required parts or services are not available; and
- A repair cannot be completed because of weather conditions.

The length of the extension will be determined on a case-by-case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 business days, once the weather conditions have subsided.

An extension may also be granted where a reasonable accommodation is needed because the family includes a person with disabilities.

Reinspections

PHA will conduct a reinspection following the end of the corrective period, or any PHA-approved extension.

Enforcing Owner Compliance

If the owner fails to maintain the dwelling unit in accordance with HQS, PHA will take prompt and vigorous action to enforce the owner obligations.

HAP Abatement

If an owner fails to correct HQS deficiencies by the time specified, PHA will abate housing assistance payments. PHA will abate Housing Assistance Payments no later than the first of the month following the specified correction period or terminate the HAP contract.

PHA will inspect abated units within a reasonable time period after the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection. No retroactive payments will be made to the owner for the period of time the assistance payments were abated.

During any abatement period the family continues to be responsible for its 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

If the HAP has been abated for 60 days, and the unit continues to fail to meet HQS requirements, PHA will issue a 30-day notice of termination of the HAP contract.

If the owner completes corrections and notifies PHA before the termination date of the HAP contract, PHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Generally, PHA will not terminate the contract until the family finds another unit, provided the family does so in a reasonable time (generally 60 days from the time the unit is abated). PHA will issue a Voucher to permit the family to move to another unit. On a case-by-case basis, PHA may allow abatement past sixty days when the family has made reasonable efforts to find a new unit but has not been successful.

Enforcing Family Compliance

PHA will pursue prompt and vigorous action against the family for family-caused HQS violations.

Families are responsible for correcting any family caused HQS violations. If the family fails to correct a violation within the period allowed by PHA (and any extensions), PHA may terminate the family's assistance.

When the family moves out of the dwelling unit, the owner, subject to State and local law, may use the security deposit, including interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the family, damages to the unit or for other amounts the family owes under the lease. The owner must give the family a written list of all items charged against the security deposit and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund the full amount of the unused balance to the family.

PHA will not reimburse owners for the cost of damages or other unpaid amounts owed by the tenants under the lease. The owner must collect damage payments from the tenant.

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

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CHAPTER 12: RENT REASONABLENESS & RENT CHANGES

No HAP contract can be approved until PHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program. A reasonable rent is one that does not exceed the rent charged for comparable, unassisted units in the same market area. Owners are also prohibited from charging more for assisted units than for comparable unassisted units on the premises.

Reasonable Rent Determinations

PHA will complete a rent reasonableness (RR) determination at initial occupancy, whenever the owner requests a rent adjustment and at other times that PHA deems it necessary to complete a RR determination. PHA will not approve a lease until a determination is made that the initial rent to the owner is a reasonable rent.

To ensure reasonable rents, PHA periodically conducts surveys, using factors of comparability such as geographic location, locations by submarket areas, and rents.

At all times during assisted tenancy PHA will ensure that the rent to the owner does not exceed the reasonable rent as most recently determined or re-determined by PHA. PHA will make a determination whether the rent to owner is a reasonable rent in comparison to rent for other comparable unassisted units. In making this determination PHA will consider:

- The amount of rent being charged for comparable, standard, unassisted units in the neighborhood;
- The quality, location, size, unit type and age of the contract unit;
- The amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease;
- On-site facilities;
- Management and maintenance of the building and unit; and
- The amount of rent charged by the owner for similar units in the same structure.

How Market Data is Collected

PHA will collect and maintain data on market rents in PHA's jurisdiction. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis.

How Rents are Determined

The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable privately assisted units in the same market area. PHA will use an automated database that includes unassisted units with ranges of prices, features and bedroom sizes within defined market areas. Units proposed for HCV assistance will be compared to the units within this database. Because units may be similar, but not exactly like the unit proposed for HCV assistance, PHA may make adjustments to the range of prices to account for these differences.

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PHA will notify the owner of the rent that PHA will approve based upon its analysis of rents for comparable units.

Required Reasonable Rent Re-Determinations – MTW

PHA will complete reasonable rent determinations:

- When a unit is placed under HAP contract for the first time;
- When an owner requests an increase in rent; and
- At any other time PHA deems it necessary.

PHA will terminate the existing contract for any unit where the landlord does not agree to a Reasonable Rent. A transfer packet will be issued to the participating family for any owner that elects not to enter into a new agreement in accordance with the regulations concerning Termination of Tenancy.

Required Reasonable Rent Re-Determination – Non-MTW

PHA will complete reasonable rent determinations:

- When a unit is placed under HAP contract for the first time;
- When an owner requests an increase in rent;
- If there is a 5 percent decrease in the Fair Market Rent that goes into effect at least 60 days before the contract anniversary date; and
- At any other time PHA or HUD deems it necessary.

PHA will terminate the existing contract for any unit where the landlord does not agree to a Reasonable Rent. A transfer packet will be issued to the participating family for any owner that elects not to enter into a new agreement in accordance with the regulations concerning Termination of Tenancy.

Units that Must Not be Used as Comparables

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of Federal, State, or local assistance that impose rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance; Section 236 and Section 221(d)(3); Below Market Interest Rate (BMIR) projects; HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs; and units that are rent-controlled by local ordinance.

Rents Charged for Other Units on the Premises

By accepting PHA payment each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give PHA information regarding rents charged for other units on the premises.

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Reasonable Accommodation – Reasonable Rent

PHA may make a reasonable accommodation in the rules and polices related to reasonable rent when such accommodation is necessary to afford a disabled person equal opportunity to use and enjoy a dwelling unit.

A family that requires a reasonable accommodation may request the accommodation, in writing, at the time the Request for Tenancy Approval (RFTA) is submitted. The family must document the need for the exception and provide PHA with any documents requested to verify the need for an accommodation.

Rent Limitations

At initial lease up and upon transfer to a new unit, PHA may permit a client to rent a unit where the gross rent exceeds the payment standard if the gross rent does not result in the family share exceeding 40% of the family's monthly adjusted income.

PHA will allow a subsequent rent increase during a family's occupancy of the unit that causes the family share to exceed 40% of monthly adjusted income as long as the new rent to owner is determined to be reasonable. The maximum initial rent burden applies only at the commencement of an assisted occupancy in a particular unit.

Disapproval of Proposed Rent

PHA policy is to NOT to approve an initial rent in the following circumstances:

- If the rent for a dwelling unit does not meet the test of Rent Reasonableness; and
- If the gross rent is in excess of PHA's payment standard and the rent would result in a family share that exceeds 40% of the family's monthly adjusted income.

If the owner accepts a revised rent, PHA will continue processing the Request for Tenancy Approval.

During subsequent lease terms, if a dwelling unit does not meet the test of Rent Reasonableness (RR), the landlord has to renegotiate a reasonable rent or the HAP contract will be terminated.

After initial lease up if a dwelling unit meets the test of RR but exceeds the payment standard, PHA will allow the client to pay a family share that exceeds 40% of the family's monthly adjusted income.

Rent Changes

Initial rents remain in effect for a two-year period. Owner requests will be accepted for consideration after the initial two year lease term and once every two years thereafter. The rent change will be consistent with the regular recertification date. Owners must submit rent change requests, in writing, 90 to 120 days prior to the recertification effective date.

PHA may impose rent freezes or caps on rent increases from time to time to maintain financial budgetary requirements and to respond to the changing market of rents and affordability. Additionally, PHA may apply across the board rent increases to respond to changing market conditions. When across the board rent increases are applied, PHA will conduct a RR determination at the next annual HQS inspection and apply applicable policies related to reasonable rent when and if the rent is not reasonable.

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If the requested rent is not approvable after application of the reasonable rent test, the following options apply:

- PHA will attempt to negotiate a lower, approvable rent with the landlord;
- If an approvable rent is not negotiated between the landlord and PHA, PHA will provide the participant with notice that the lease and HAP contract will be terminated. The participant will be issued a family packet to locate a new unit; or
- The participant may continue to lease in place without HCV program rent assistance and PHA will terminate the Housing Assistance Payments Contract with the owner.

Timing of Rent Changes

Upon completion of any recertification, PHA will notify the family and owner of the new Housing Assistance Payment, Family Rent to Owner and Total Contract Rent.

Rent Decrease:
If the Family Rent to Owner decreases, the new rent amount will be effective with the next month's rent payment.

Rent Increase:
If the Family Rent to Owner increases, PHA will provide 30 days written notice to the participant of the new rent amount. Any annual increase by the landlord must meet the Rent Reasonableness test for the unit. At the time of rent increase from the owner, the family must decide if it wants to pay any rent increase imposed by the owner. If the rental subsidy allowed by the payment standard has not changed, Voucher-assisted families have the option of agreeing to the increase in rent, or giving the proper 30 days written notice to PHA and the owner to vacate the unit.

Property Specific Rent Policies

Subject to prior agreement with PHA and individual property owners, PHA may establish property-specific rent increase policies. These policies are designed to attract and maintain owners with units that are consistently updated and have greater amenities. Such agreements might state that owners of specific units will be entitled to 100% of the Fair Market Rent (FMR) in effect. If the FMR goes down from one year to the next, PHA will not decrease the contract rent as long as the rent is reasonable. The property-specific rent increase policies may also differ from the foregoing at PHA's discretion.

Contract Rent

Contract rent is the total amount of rent an owner charges for a unit occupied by a family being assisted in the HCV program. PHA will list this amount on the Housing Assistance Payment contract (HAP) and the HCV program lease agreement.

Gross Rent

Gross Rent is the total of the Contract Rent plus the utility allowance. If there is no utility allowance because the Contract Rent includes all utilities, the gross rent and Contract Rent are the same.

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CHAPTER 13: LEASING POLICIES & HAP CONTRACT

Overview

It is an applicant's responsibility to find a unit that is owned by an individual or entity that is willing to participate in the HCV program. PHA may make available to each applicant a list of possible units for rent from participating owners. Upon applicant request, PHA will assist the applicant/participant who because of age, disability or other appropriate reason cannot find an acceptable unit. PHA staff will refer applicants and participants to owners willing to participate in the HCV program. The unit must meet three requirements in order to be approved by PHA for leasing:

- Subsidy Standards: The unit must be suitable for the family size, meeting PHA's Subsidy Standards;
- HQS: The unit must be decent, safe and sanitary and meet HCV Housing Quality Standards; and
- Rent Reasonableness: The unit rent must be reasonable given the market area and amenities. Exception rents may apply where accessible units are concerned.

"Finder's Keeper's Policy"

A Voucher holder may select the dwelling unit which they currently occupy if it meets HCV program requirements.

Tenant Screening

PHA has no liability or responsibility to the owner or other persons for the family's behavior for tenancy. The owner is responsible for screening and selection of the family to occupy the owner's unit. PHA informs owners that screening and selection for tenancy is the responsibility of the owner. PHA also informs owners and/or managers of their responsibility to comply with VAWA.

PHA provides owners with the family's current and prior address (as shown in PHA records), and the name and address (if known to PHA) of the landlord at the family's current and prior address.

PHA does not screen applicants for family behavior for tenancy and does not provide additional screening information to the owner.

Requesting Tenancy Approval

- A Voucher holder must submit a Request for Tenancy Approval (RFTA) prior to the expiration date of the Voucher. The RFTA must be signed by the owner and Voucher holder.
- Owners must certify to the most recent amount of rent charged for the unit and provide an explanation for any difference between the prior rent and the proposed rent.
- Owners must certify that they are not the spouse, parent, child, grandparent, grandchild, sister or brother of any member of the family, unless PHA has granted a request for reasonable accommodation for a person with disabilities who is a member of the participant household.

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- For units constructed prior to 1978, owners must either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or 2) attach a lead-based paint disclosure statement.

- The family may not submit, and PHA will not process, more than one (1) RFTA at a time.

- When the family submits the RFTA PHA will review the RFTA for completeness. If the RFTA is incomplete (including lack of signature by family, owner, or both), or if the lease is not submitted with the RFTA, PHA will notify the family and the owner of the deficiencies.

Eligible Units

PHA may permit families to use Voucher assistance in a number of special housing types in accordance with the specific requirements applicable to those programs. These special housing types include:

- Single room occupancy (SRO) housing;

- Congregate housing;

- Group home;

- Shared housing;

- Manufactured home space (where the family owns the manufactured home and leases only the space);

- Cooperative housing; and

- Homeownership option.

PHA may permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Ineligible Units

The following types of housing may not be assisted by PHA in the tenant-based program:

- A public housing or Indian housing unit;

- A unit receiving project-based assistance under Section 8 of the 1937 Act;

- 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; and

- A unit occupied by its owner or by a person with any interest in the unit.

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Duplicative Assistance

A family may not receive the benefit of HCV tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

- Public or Indian housing assistance;
- Other Section 8 assistance (including other tenant-based assistance);
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);
- Section 101 rent supplements;
- Section 236 rental assistance payments;
- Tenant-based assistance under the HOME Program;
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration);
- Any local or State rent subsidy;
- Section 202 supportive housing for the elderly;
- Section 811 supportive housing for persons with disabilities;
- Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or
- Any other duplicative Federal, State, or local housing subsidy, as determined by HUD. For this purpose, “housing subsidy” does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

Housing Quality Standards (HQS)

In order to be eligible, the dwelling unit must be in decent, safe and sanitary condition. This determination is made using HUD’s Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD. See the chapter on HQS Inspections for a full discussion of the HQS standards, as well as the process for HQS inspection.

Unit Size

In order to be eligible, the dwelling unit must be an appropriate size for the number of persons in the household. Exceptions to this policy will be reviewed on a case by case basis by the General Manager.

Rent Reasonableness

In order to be eligible, the dwelling unit must have a reasonable rent. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See the chapter on Rent Reasonableness for a full discussion of rent reasonableness policies.

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Rent Burden

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the dwelling unit rent must be at a level where the family's share of rent does not exceed 40 percent of the family's monthly adjusted income.

Lease and Tenancy Addendum

The family and the owner must execute and enter into a written lease for the assisted unit. This written lease is a contract between the tenant family and the owner; PHA is not a party to this contract.
The tenant must have legal capacity to enter a lease under State and local law. "Legal capacity" means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Owners are required to use PHA's standard lease agreement, which includes an HCV Tenancy Addendum. Owners, upon PHA approval, may require that the tenant sign another lease addendum provided the owner's lease addendum may not supersede the HCV Tenancy Addendum.

PHA's lease includes:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, and any other information needed to identify the contract unit);
- The term of the lease (initial term and any provisions for renewal);
- The amount of the monthly rent to owner; and
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family.

Term of Assisted Tenancy

The initial term of the lease must be two years for all transfers and new admissions, unless PHA determines that a shorter term will improve housing opportunities for the family and the shorter term rent is at an amount determined to be reasonable.

The lease between the participant and owner is renewed automatically for successive two year periods, unless terminated by the tenant or owner.

PHA will not approve moves/transfers for tenants during their initial two-year lease term. Exceptions to this policy may be granted by the General Manager.

During the initial term of the lease, the owner may not raise the rent and/or make any changes to the lease.

Any provisions for renewal of the lease will be stated in the lease.

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Security Deposit

PHA will allow the owner to collect any security deposit amount the owner determines is appropriate and is not in excess of amounts charged by the owner to unassisted tenants. Further, the security deposit collected must be in accordance with local and State laws.

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

The owner must give the family a written list of all items charged against the security deposit and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund the full amount of the unused balance to the tenant.

With the exception of leases executed before October 1995, PHA will not reimburse owners for the cost of damages or other unpaid amounts owed by the tenants under the lease. The owner must collect damage payments from the tenant. For leases executed before October 1995, PHA will reimburse owners for the cost of damages or other unpaid amounts by tenants under the lease as stated in the HAP contract.

Tenancy Approval

After receiving the family's Request for Tenancy Approval, the unit passing inspection and the rent being approved by PHA, PHA will notify the family and owner as to whether the assisted tenancy is approved.

Prior to approving the assisted tenancy and execution of a HAP contract, PHA will ensure that all required actions and determinations are completed, including ensuring that:

- The unit is eligible;
- The unit has been inspected by PHA and meets the Housing Quality Standards (HQS);
- Any lease addenda offered by the owner is approvable;
- The rent to be charged by the owner for the unit is reasonable;
- Where the family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent to be paid by the family does not exceed 40 percent of the family's monthly adjusted income;
- The owner is an eligible owner, not disapproved by PHA, with no conflicts of interest; and
- The family and the owner have executed the lease, including the Tenancy Addendum, and the lead-based paint disclosure information.

If the terms of the RFTA are changed for any reason, including but not limited to negotiation with PHA, PHA will obtain corrected copies of the RFTA signed by the family and the owner.

Disapproval of Assisted Tenancy

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If PHA determines that the tenancy cannot be approved for any reason, the owner and the family will be notified and given the opportunity to address any reasons for disapproval. PHA will instruct the owner and family of the steps that are necessary to approve the tenancy.

Where the tenancy is not approvable because the unit is not approvable, the family must continue to search for eligible housing within the timeframe of the issued Voucher.

If the tenancy is not approvable due to rent affordability (including rent burden and rent reasonableness), PHA will attempt to negotiate the rent with the owner. If a new, approvable rent is negotiated, the tenancy will be approved. If the owner is not willing to negotiate an approvable rent, the family must continue to search for eligible housing within the timeframe of the issued Voucher.

Lease Execution

The owner and tenant will execute the lease, including the HUD prescribed tenancy addendum and the lead based paint disclosure information.

The tenant must have legal capacity to enter a lease under the State and local law and both the tenant and owner must enter into and sign a written lease for the unit,

The owner and the assisted family will execute the lease and the owner must provide a copy to PHA and the assisted family.

Changes in the Lease

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give PHA a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.

Generally, PHA approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances, Voucher assistance in the unit shall not be continued unless PHA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner. These circumstances include:

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances;
- Changes in lease provisions governing the term of the lease; and
- The family moves to a new unit, even if the unit is in the same building or complex.

In these cases, if the HCV assistance is to continue the family must submit a new Request for Tenancy Approval (RFTA) along with a new lease containing the altered terms. A new tenancy must then be approved in accordance with this chapter.

See the chapter on Rent for policies related to changes in rent.

Lease Termination

The lease may be terminated by any of the following actions:

- The owner and/or tenant terminate the lease;

- PHA terminates the HAP contract; or
- PHA terminates assistance for the family.

HAP Contract

The HAP contract represents a written agreement between PHA and the owner of the dwelling unit occupied by a HCV-assisted family. The contract spells out the owner's responsibilities under the program, as well as PHA's obligations. Under the HAP contract, PHA agrees to make housing assistance payments to the owner on behalf of a specific family occupying a specific unit and obliges the owner to comply with all program requirements.

The HAP contract is used for all HCV program tenancies except for assistance under the Section 8 homeownership program and assistance to families that own a manufactured home and lease the space.

HAP Contract Execution

If PHA has given approval for the family of the assisted tenancy, PHA will execute a HAP contract with the owner.

PHA will not execute the HAP contract until the owner has submitted IRS form W-9.

PHA will ensure that the owner receives a copy of the executed HAP contract.

the HAP contract will be executed no later than 60 days from the effective date of the lease.

HAP Contract Payments

At the beginning of each month during the term of the HAP contract, and subject to the provisions of the HAP contract, PHA will make monthly HAP payments to the owner on behalf of the family. If a lease term begins after the first of the month, the HAP payment for the first month is prorated for a partial month.

PHA will not pay any housing assistance payment to the owner until the HAP contract has been executed. If the HAP contract is executed during the period of 60 days from the beginning of the lease term, PHA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract) to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

Any HAP contract executed after the 60 day period is void, and PHA may not make any housing assistance payments to the owner.

PHA maintains a HAP register to monitor the accuracy and timeliness of payments. HAP payments are made by electronic deposit on or about the first and the fifteenth of each month. Regular ongoing monthly payments are made on or about the first of the month. All owners are required to use electronic deposit for Housing Assistance Payments.

The amount of the HAP payment is determined according to the policies described in this Plan and is subject to change during the term of the HAP contract. PHA must notify the owner and the family in writing of any changes in the HAP payment.

- HAP payments can be made only during the lease term, and only while the family is residing in the unit.

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- The monthly HAP payment by PHA is credited toward the monthly rent to owner under the family's lease. The total of the rent paid by the tenant plus the PHA HAP payment should be equal to the rent specified in the lease (the rent to owner).

- The family is not responsible for payment of the HAP payment and PHA is not responsible for payment of the family share of rent.

- The family's share of the rent cannot be more than the difference between the total rent to the owner and the HAP payment. The owner may not demand or accept any rent payment from the tenant in excess of this maximum.

- The owner may not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises

- If the owner receives any excess HAP from PHA, the excess amount must be returned immediately. If PHA determines that the owner is not entitled to all or a portion of the HAP, PHA may deduct the amount of overpayment from any amounts due to the owner, including amounts due under any other Section 8 HCV contract.

- If a participant family moves from an assisted unit with continued assistance, the term of the assisted lease for the new unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment in the old unit and the first assistance payment for the new unit is not considered to constitute a duplicative Housing Subsidy and, therefore, may occur.

- Unless the owner complies with all provisions of the HAP contract, the owner is not entitled to receive housing assistance payments under the HAP contract.

By endorsing the monthly check from PHA, the owner certifies to compliance with the terms of the HAP contract. This includes certification that the owner is maintaining the unit and premises in accordance with HQS; that the contract unit is leased to the tenant family and, to the best of the owner's knowledge, the family resides in the unit as the family's only residence; the rent to owner does not exceed rents charged by the owner for comparable unassisted units on the premises; and that the owner does not receive (other than rent to owner) any additional payments or other consideration for rent of the contract unit during the HAP term.

Late HAP Payments

PHA is responsible for making HAP payments promptly when due to the owner in accordance with the terms of the HAP contract. After the first two calendar months of the HAP contract term the HAP contract provides for penalties if PHA fails to make the HAP payment on time.

PHA is not required to pay a late payment penalty if HUD determines that the payment is late for reasons beyond PHA's control. In addition, late payment penalties are not required if PHA intentionally delays or denies payment as a remedy to an owner breach of the HAP contract.

Termination of HAP Contracts and Payments

The HAP contract and the housing assistance payments made under the HAP contract may be terminated if:

- The owner or the family terminates the lease;

- The lease expires;
- PHA terminates the HAP contract;
- PHA terminates assistance for the family;
- The family moves from the assisted unit. In this situation, the owner is entitled to keep the housing assistance payment for the month when the family moves out of the unit;
- 180 days have elapsed since PHA made the last housing assistance payment to the owner;
- The family is absent from the unit for longer than the maximum period permitted by PHA;
- The Annual Contributions Contract (ACC) between PHA and HUD expires; or
- PHA elects to terminate the HAP contract.

PHA may elect to terminate the HAP contract in each of the following situations:

- Available program funding is not sufficient to support continued assistance for families in the program;
- The unit does not meet HQS size requirements due to a change in family composition;
- The unit does not meet HQS;
- The family breaks up; or
- The owner breaches the HAP contract.

If PHA terminates the HAP contract, PHA will give the owner and the family written notice. The notice will specify the reasons for the termination and the effective date of the termination. Once a HAP contract is terminated, no further HAP payments may be made under that contract.

In all cases, the HAP contract terminates at the end of the calendar month that follows the calendar month in which PHA gives written notice to the owner. The owner is not entitled to any housing assistance payment after this period, and must return any housing assistance payment received after this period to PHA.

If the family moves from the assisted unit into a new unit, even if the new unit is in the same building or complex as the assisted unit, the HAP contract for the assisted unit terminates. A new HAP contract would be required.

If the family moves out of the unit, PHA may not make any Housing Assistance Payment to the owner for any month after the month the family moves out. The owner may keep the Housing Assistance Payment for the month when the family moves out of the unit.

The owner must inform PHA when the owner has initiated eviction proceedings against the family and the family continues to reside in the unit.

If the owner has commenced the process to evict the tenant and the family continues to reside in the unit, PHA must continue to make Housing Assistance Payments to the owner in accordance with the Housing Assistance Payment Contract until the owner has obtained a court judgment or other process allowing the owner to evict the tenant. PHA may continue such payments until the family moves from, or is evicted from the unit, whichever is earlier.

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The owner must inform PHA when the owner has obtained a court judgment or other process allowing the owner to evict the tenant, and provide PHA with a copy of such judgment or determination. The owner must inform PHA of the date when the family actually moves from the unit or the family is physically evicted from the unit.

Breach of HAP Contract

Any of the following actions by the owner constitutes a breach of the HAP contract:

- The owner violates any obligations under the HAP contract including failure to maintain the unit in accordance with HQS;
- The owner violates any obligation under any other HAP contract under Section 8 of the U.S. Housing Act of 1937;
- The owner commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program;
- For projects with mortgages insured by HUD or loans made by HUD, if the owner fails to comply with the regulations for the applicable program; or if the owner commits fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan;
- The owner engages in drug-related criminal activity; or
- The owner commits any violent criminal activity.

If PHA determines that a breach of the HAP contract has occurred, it may exercise any of its rights and remedies under the HAP contract.

PHA rights and remedies against the owner under the HAP contract include:

- Recovery of any HAP overpayment;
- Suspension of housing assistance payments;
- Abatement;
- Reduction of the housing assistance payment;
- Termination of the payment; or
- Termination the HAP contract.

PHA may also obtain additional relief by judicial order or action.

PHA will notify the owner of its determination and provide in writing the reasons for the determination. The notice may require the owner to take corrective action by an established deadline. PHA will provide the owner with written notice of any reduction in housing assistance payments or the termination of the HAP contract.

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CHAPTER 14: OWNERS

Overview

Owners play a central role in the HCV program by supplying decent, safe, and sanitary housing for participating families. The term "owner" refers to any person or entity with the legal right to lease or sublease a unit to a participant in the HCV program. The term "owner" includes a principal or other interested party, such as a designated agent of the owner. Owners have numerous responsibilities under the program, including screening and leasing to families, maintaining the dwelling unit, enforcing the lease, and complying with various contractual obligations.

Owner Recruitment and Retention

PHA will conduct owner outreach to ensure that owners are familiar with the program and its advantages. PHA will actively recruit property owners with property located outside areas of poverty and minority concentration. These outreach strategies may include:

- Distributing printed material about the program to property owners and managers;
- Contacting property owners and managers by phone or in-person;
- Holding owner recruitment/information meetings;
- Participating in community based organizations comprised of private property and apartment owners and managers; and
- Developing working relationships with owners and real estate brokers associations.

In addition to recruiting owners to participate in the HCV program, PHA will also provide the kind of customer service that will encourage participating owners to remain active in the program.

PHA activities that may affect an owner's ability to lease a unit will be processed as rapidly as possible, in order to minimize vacancy losses for owners.

PHA will provide owners with information that explains the program, including HUD and PHA policies and procedures, in easy-to-understand language.

PHA will give attention to helping new owners succeed through activities such as:

- Providing the owner with a designated PHA contact person;
- Coordinating inspection and leasing activities between PHA, the owner, and the family;
- Initiating telephone contact with the owner to explain the inspection process, and providing an inspection booklet and other resource materials about HUD housing quality standards;
- Providing other written information about how the program operates; and
- Additional services may be undertaken on an as-needed basis, and as resources permit.

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Basic Owner Responsibilities

The basic owner responsibilities according to HUD regulations are as follows:

- Perform all of the owner's obligations under the Housing Assistance Payments (HAP) contract and the lease;
- Perform 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;
- Maintain the unit in accordance with the Housing Quality Standards (HQS), including performance of ordinary and extraordinary maintenance;
- Comply with equal opportunity requirements;
- Prepare and furnish to PHA information required under the HAP contract;
- Collect from the family any security deposit, the tenant's contribution to rent (that part of rent to owner not covered by the housing assistance payment from PHA), and any charges for unit damage by the family;
- Enforce tenant obligations under the lease;
- Make modifications to a dwelling unit occupied or to be occupied by a disabled person; and
- Comply with the Violence Against Women Reauthorization Act of 2005 (VAWA) when screening and terminating tenants.

Owner Certification

PHA will conduct owner certifications for owners prior to approving tenancy and for owners when there is a transfer in ownership on existing HCV program units to certify that the owner:

- Has a current valid rental license by producing a copy of the rental license.
- Is current on all State and local taxes, fines, assessments and/or payment agreements related to real estate taxes;
- Upon availability, Has completed PHA's owner training course;
- Verifies ownership by producing a copy of the Deed of Record or a HUD 1 Settlement Statement or via the on-line database of the BRT (Bureau of Real Estate Taxes), provided that the owner name is an exact match;
- Has provided a verified Employer Identification Number or verified Social Security Number;
- Has provided a valid government issued photo identification; and
- Has provided a property management agreement if a property management company, agent or representative is used to oversee the property.

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PHA may abate or suspend Housing Assistance Payments or terminate the HAP contract if owner certification requirements are not met.

If a landlord has an existing and current payment agreement for debt obligations related to city tax and/or utility payments, PHA will not consider lease termination.

Owners who have city tax and/or utility payment obligations and who do not have payment agreements will be required to make payment in full or establish a payment agreement.

Photo ID Requirement

PHA requires current government issued photo identification from owners and agents at initial lease up. In addition, PHA may require the owner and agent to produce a current government issued photo ID in the following situations:

- Request for addition of a unit to the Housing Choice Voucher program;
- Lease and/or HAP contract execution;
- Request for a rent increase; and
- Other requests related to units on the Housing Choice Voucher program.

Ongoing Rental License and Tax Payment Requirement

PHA will verify that owners have a current rental license at each biennial recertification using information provided by the City of Philadelphia. Additionally, on a biennial basis at the time of regular recertification, PHA will verify that owners are current on their taxes for the property. If the Owner's rental license cannot be located in the information provided by the City, and the owner is unable to supply a current rental license, and/or if the owner is not current on property taxes, PHA may withhold Housing Assistance Payments or terminate the HAP contract

Legal Ownership of the Unit

PHA will only enter into a contractual relationship with the legal owner or contracted agent/representative of a qualified unit. No tenancy will be approved without acceptable documentation of legal ownership (i.e., deed of trust, proof of taxes for most recent year).

Owner Training Course

PHA's is developing an owner training course designed to support owner compliance with the HCV programs, to safeguard the people who live in the properties they manage, and to strengthen owners' commitment to provide quality affordable housing to HCV participants.

Upon completion of the owner training course, owners that are new to PHA's HCV program must successfully complete the owner training course as a prerequisite to participating in the HCV program. Owners who do not complete the owner training course are deemed ineligible for participation in the HCV program.

Existing owners who have not completed the owner training course may be required to complete the training course as a condition for continued program eligibility. Existing owners who do not complete the

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owner training class may be subject to termination of participation in the HCV program when the unit comes up for renewal.

Other Owner Requirements

Effective May 2007 the following owner requirements were put into effect:

- An owner may be the responsible party for the property management of an HCV unit if the owner's primary residence or office is not more than 25 miles outside of Philadelphia.
- If the owner's primary residence or office is more than 25 miles outside of Philadelphia, the owner must hire a Property Manager.
- Any Property Manager used for property oversight must have a primary office or residence which is not more than 25 miles outside of Philadelphia and must complete PHA's Owner Training Course
- PHA will issue a 1099 tax form to the owner at the address provided to PHA.
- If an owner uses an authorized agent/landlord to manage the unit and/or make decisions on his behalf, PHA will require a signed contract between the owner and agent to certify that the individual presenting him/herself to PHA to act on the owner's behalf is authorized by the owner to do so. Such agent must also provide a current government issued photo ID and complete the PHA's Owner Training Course.
- Owner must provide a W-9 to PHA.

Owners Barred from Participation

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

Leasing to Relatives

PHA will not approve an RFTA if the owner is the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of the Voucher holder's family. PHA may make an exception as a reasonable accommodation for a family member with a disability. The owner is required to certify that no such relationship exists. This restriction does not apply to the Section 8 homeownership program and only applies at the time that the family initially receives assistance under the HCV program for occupancy of a particular unit. 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.

Owner Occupant Restrictions

PHA cannot assist applicants/participants who own or have a financial interest in the dwelling unit they intend to rent. (Exception provision is when a unit owned as a cooperative, an applicant/participant who is a member of the cooperative may receive HCV Rental Assistance, provided they meet all other eligibility requirements.)

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Conflict of Interest

PHA will 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:

- Any present or former member or officer of PHA (except a participant commissioner);
- Any employee of PHA, or any contractor, subcontractor or agent of PHA, who formulates policy or who influences decisions with respect to the programs;
- Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs; or
- 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. PHA must submit a waiver request to the appropriate HUD Field Office for determination.

Owner Actions that May Result in Disapproval of a Tenancy Request

HUD regulations permit PHA, at PHA's discretion, to refuse to approve a request for tenancy if the owner has committed any of a number of different actions. If PHA disapproves a request for tenancy because an owner is not qualified, it may not terminate the HAP contract for any assisted families that are already living in the owner's properties unless the owner has violated the HAP contract for those units

PHA will refuse to approve a request for tenancy if PHA becomes aware that any of the following are true:

- The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act;
- The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- The owner has engaged in any drug-related criminal activity or any violent criminal activity;
- The owner has a history or practice of non-compliance with HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;
- The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that: (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 PHA, or of owner employees or other persons engaged in management of the housing; (iii) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or (iv) Is drug-related criminal activity or violent criminal activity;
- The owner has a history or practice of renting units that fail to meet state or local housing codes; or
- The owner has not paid state or local real estate taxes, fines, or assessments.

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In considering whether to disapprove owners for any of the discretionary reasons listed above, PHA will consider any mitigating factors. Such factors may include, but are not limited to, the seriousness of the violation in relation to program requirements, the impact on the ability of families to lease units under the program, and health and safety of participating families.. Upon consideration of such circumstances, PHA may, on a case-by-case basis, choose to approve an owner.

Non-Discrimination

The owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability, in connection with any actions or responsibilities under the HCV program and the HAP contract with PHA.

The owner must cooperate with PHA and with HUD in conducting any equal opportunity compliance reviews and complaint investigations in connection with the HCV program and the HAP contract with PHA.

Change in Ownership

PHA requires that upon a change in ownership a new lease and HAP contract be signed.

PHA will screen new owners for outstanding property taxes and will also request a current rental license and verification of property ownership (a copy of the Deed of Record or HUD 1 Settlement Statement) from the new owner. New owners are subject to the same owner requirements as the existing owners (i.e., owner training, photo ID, etc.).

The existing owner must submit, in writing, the request for change in ownership. The request must include the name and address of the new HAP payee and the effective date of the change.

PHA will evaluate the request and inform the current owner in writing whether the change is approved by PHA.

The new owner must provide a written certification to PHA that includes:

- A copy of the escrow statement or other document showing the transfer of title and recorded deed;
- A copy of the owner's IRS Form W-9, Request for Taxpayer Identification Number and Certification, or the social security number of the new owner;
- Confirmation that the new owner is not a prohibited relative; and
- Completion of the PHA's owner training course or equivalent, upon administration of the course.

If the new owner does not agree to sign a HAP contract, or fails to provide the necessary documents, PHA will not approve the change in ownership.

Owner Termination of Tenancy

During the lease term an owner shall not terminate the tenancy of an assisted family except for specific reasons. See chapter on Termination for specific policies on owner termination of tenancy.

CHAPTER 15: PAYMENT STANDARDS & UTILITY ALLOWANCES

Payment Standards

The payment standard sets the maximum subsidy payment a family can receive from PHA each month. Payment standards are based on fair market rents (FMRs) published annually by HUD. PHA has established a payment standard schedule with payment standard amounts for each unit size.

Updating Payment Standards

PHA updates its payment standards in concert with the updates in fair market rent or at other times in order ensure payment standards are consistent with market conditions.

Generally, changes to payment standard amounts will be effective on November 1st of every year. If new fair market rents are published which cause any payment standard to be outside of the 90% to 110% range, PHA will implement the new payment standards prior to November 1st. PHA may change the payment standards at other times, but will maintain the payment standard between 90% and 100% of the FMR.

If PHA has already processed recertifications that will be effective on or after the effective date of the new payment standard, PHA will not make retroactive adjustments for any such recertifications.

Applying Payment Standards

PHA's schedule of payment standards is used to calculate housing assistance payments for HCV families. The payment standard is the maximum monthly assistance payment for a family assisted in the Voucher program (before deducting the total client payment by the family).

The payment standard for a family is the lower of:

- The payment standard for the family unit size, which is defined as the appropriate number of bedrooms for the family under PHA's subsidy standards; or
- The payment standard for the size of the dwelling unit rented by the family.

The payment standard that applies to a household at initial lease up is the payment standard in effect when the lease is approved and executed by the client and owner.

The payment standard that applies to a household when a scheduled recertification occurs is the payment standard in effect when all recertification documents have been received and the recertification information is entered into the computer system.

The payment standard that applies to a household when an interim recertification occurs is the payment standard in effect at the last regular recertification.

Changes in Payment Standards – MTW

For MTW participants, PHA will apply the current applicable payment standard at each regular recertification regardless of the fluctuations in the payment standards from the last regular recertifications. In the event a rent freeze or across-the-board increase implemented to address market conditions

includes a payment standard modification, the payment standard as applied to a particular unit may change in between recertifications.

For example, if the payment standard in effect at the last recertification was $900 and the payment standard in effect at the current recertification is $890, PHA will use $890 as the payment standard for the current recertification. If the payment standard in effect at the last recertification was $700 and the payment standard in effect at the current recertification is $750, PHA will use $750 as the payment standard for the current recertification.

Changes in Payment Standards – Non-MTW

When PHA revises its payment standards during the term of the HAP contract for a family's unit, it will apply the new payment standards in accordance with applicable HUD regulations.

Decreases
If the amount on the payment standard schedule is decreased during the term of the HAP contract, the application of the lower payment standard amount generally will be deferred until the **second** regular reexamination following the effective date of the decrease in the payment standard amount.

For example, if according to the payment standard schedule, the payment standards **in effect** are as follows:

- At admission: $964
- At first reexamination: $931
- At second reexamination: $881

Then the payment standards **applied** would be as follows:

- At admission: $964
- At first reexamination: $964
- At second reexamination: $931
- At following reexamination: $881 (unless the payment standard increases)

Increases
If the payment standard is increased during the term of the HAP contract, the increased payment standard will be used to calculate the monthly housing assistance payment for the family beginning on the effective date of the family's first regular recertification on or after the effective date of the increase in the Payment standard. Families requiring or requesting interim recertifications will not have their HAP payments calculated using the higher Payment standard until their next scheduled recertification.

Changes in Family Unit Size - Payment Standards

Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family. See chapter on Continued Occupancy for policies related to changes in family unit size.

Client Rent Changes due to Changes in Payment Standards

The payment standard for the family must be changed at the time of recertification if one of the following occurs:

- PHA's payment standard applicable to the family has changed;
- New Subsidy Standards have been adopted by PHA that change the unit size for which the family qualifies;
- The family's size or composition has changed, requiring a different unit size;
- The family moves, and the new unit has a different payment standard

The client rent to owner may change if the payment standard changes resulting in a gross rent that exceeds the payment standard.

Reasonable Accommodation - Payment Standards

If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, PHA may establish a higher payment standard for the family within the basic range (basic range is between 90% and 110% of the Fair Market Rent).

A family that requires a reasonable accommodation may request a higher payment standard at the time the Request for Tenancy Approval (RFTA) is submitted. The family must document the need for the exception. In order to approve an exception, or request an exception from HUD, PHA will determine that:

- There is a shortage of affordable units that would be appropriate for the family;
- The family's TTP would otherwise exceed 40 percent of adjusted monthly income; and
- The rent for the unit is reasonable.

Exception Payment Standards

PHA will request HUD approval to establish payment standards that are higher than the basic range. At HUD's sole discretion, HUD may approve a payment standard amount that is higher than the basic range for a designated part of the FMR area. HUD may approve an exception payment standard amount (in accordance with program requirements) for all units, or for all units of a given size, leased by program families in the exception area. The total population of all HUD-approved exception areas in an FMR area may not include more than 50 percent of the population of the FMR area.

Utility Allowance

Utility allowances (UA) are paid to families to help defray the cost of utilities not included in the rent. If utilities, or a portion of them, are not included in the rent or paid directly to the utility company on the tenant's behalf after notice to the tenant, the appropriate utility allowances are subtracted from the Total Tenant Payment (TTP) to determine the actual Family Rent to Owner. The tenant is responsible for paying the cost of utilities directly to the service providers.

The Utility Allowance includes electricity, gas, water, sewer and charges for other services such as garbage removal and is determined by the size of the unit, type of building and type of utility.

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Utility Allowance Schedules

PHA has established a utility allowance schedule for use in determining family share and PHA subsidy. The utility allowance schedule is determined 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. In developing the schedule, PHA used normal patterns of consumption for the community as a whole, and current utility rates. PHA does not maintain a UA for tenant-supplied ranges since landlords are required to provide ranges as part of the Philadelphia Code. PHA does not maintain a UA for tenant-supplied refrigerators since the majority of units in the HCV program are equipped with owner-supplied refrigerators.

PHA will cooperate with tenants seeking a release by a utility company of a credit balance on a tenant utility account, but PHA may limit requests for release to once per year, may condition its consent upon payment of delinquent rent and/or upon the utility's retention of a reserve for seasonal fluctuations in consumption.

PHA will periodically, at its discretion, review HCV utility allowance schedules to determine if adjustments are required. Annual updates will not be required.

PHA maintains Utility Allowance Schedules for the following:

- Any client-paid utilities (except telephone and cable TV service) based upon normal consumption by an energy-conscious household and based upon households that occupy housing of similar size and type in the same locality; and
- Any other client-paid housing services (i.e., trash collection).

Philadelphia Gas Works (PGW) Customer Responsibility Program (CRP) – MTW

HCV participants, who have MTW vouchers, who are responsible for paying gas heat and who are eligible to participate in the PGW Customer Responsibility Program (CRP) will have the gas portion of their utility allowances calculated using PHA's CRP MTW utility policy. Participation in the PGW CRP program places a cap on the amount of money that eligible participants will be required to pay for their gas utility payments based on household income, not consumption.

PHA will utilize the PGW CRP capped amount to calculate the gas utility allowance, except in those limited circumstances where the CRP amount exceeds PHA's gas utility allowance schedule. In these cases PHA will apply the PHA gas utility allowance.

- Example 1: A CRP eligible household, under CRP, has a monthly gas charge of $44. If the PHA gas UA for that household were $50, PHA would apply the $44 CRP amount as the UA for this household. $44 is the monthly amount that PGW would charge the tenant for gas.
- Example 2: A CRP eligible household, under the CRP program, has a monthly gas charge of $56. Using PHA's utility allowance schedule, this household would have a gas UA of $40. PHA will apply the PHA gas utility allowance ($40) since it is lower than the CRP calculation.

If a CRP household has an interim rent reduction due to a decrease in household income or size, PHA will conduct the interim reexam (subject to the MTW limit on interim reexams) and adjust the gas UA to be consistent with the MTW CRP utility allowance calculation policy.

- Example: A CRP household member loses his job and the household income decreases. Under CRP, PGW will lower the monthly gas charge for this household (remember the gas charge is a percent of household income). PHA will process an interim rent reduction for this family to reflect the decrease in income. PHA will also recalculate the CRP allowance for this household and apply the new CRP utility allowance on the effective date of the interim reexamination.

PHA will not conduct interim recertifications due to increases in CRP gas charges.

- Example: A CRP household is required to report changes in household size and income to PGW. When a CRP household reports an increase in income to PGW, the household pays a higher monthly gas charge, (remember the CRP amount is based on a percent of gross household income). Since PHA does not require households to report increases in income between recertifications, PHA will not process an interim change in the gas UA, since PHA is not factoring in the increased income.

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PHA will consider exceptions to these policies on a case-by-case basis for families who can demonstrate a long term hardship that will result from application of the policies to them, or as a reasonable accommodation. To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the application of the utility allowance policy to the family will affect the family. PHA may review a utility allowance calculation if an income eligible family is denied participation in CRP. The family must submit a request for hardship along with the PGW CRP denial letter.

Applying Utility Allowances – MTW

PHA's established utility allowance schedule is used in determining family share and PHA subsidy for all utilities, except in cases of the gas UA where the household is eligible for participation in the Philadelphia Gas Works (PGW) Customer Responsibility Program (CRP).

PHA uses the appropriate utility allowance for the size of dwelling unit actually leased by a family rather than the Voucher unit size for which the family qualifies, except in cases of the gas UA where the household is eligible for participation in the Philadelphia Gas Works (PGW) Customer Responsibility Program (CRP).

The utility allowance that applies to a household at initial lease up is the utility allowance in effect when the lease is approved and executed by the client and owner. If the household is eligible for PGW's CRP program, the gas utility allowance that will be applied at initial lease up is the lower of the PGW capped gas charge or PHA's gas utility allowance in effect when the lease is approved and executed by the client and owner.

The utility allowance that applies to a household when a scheduled recertification occurs is the utility allowance in effect when all recertification documents have been received and the recertification information is entered into the computer system. If the household is eligible for PGW's CRP program, the gas utility allowance that will be applied when a scheduled recertification occurs is the lower of the PGW capped gas charge or PHA's gas utility allowance in effect when all recertification documents have been received and the recertification information is entered into the computer system.

The utility allowance that applies to a household when an interim recertification occurs is the utility allowance applied at the last regular recertification. See policies on the application of the gas UA at the time of interim reexamination for CRP eligible households.

Revised utility allowance schedules will be applied to a family's rent calculations at the next scheduled recertification after the allowance is adopted or at one time across all affected households. The approach taken will be at the discretion of PHA.

Applying Utility Allowances – Non-MTW

PHA's established utility allowance schedule is used in determining family share and PHA subsidy.

PHA uses the appropriate utility allowance for the size of dwelling unit actually leased by a family rather than the Voucher unit size for which the family qualifies.

The utility allowance that applies to a household at initial lease up is the utility allowance in effect when the lease is approved and executed by the client and owner.

The utility allowance that applies to a household when a scheduled recertification occurs is the utility allowance in effect when all recertification documents have been received and the recertification information is entered into the computer system

The utility allowance that applies to a household when an interim recertification occurs is the utility allowance applied at the last regular recertification.

Revised utility allowance schedules will be applied to a family's rent calculations at the next scheduled recertification after the allowance is adopted or at one time across all affected households. The approach taken will be at the discretion of PHA.

Utility Allowance for SRO

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

Reasonable Accommodation – Utility Allowances

PHA may approve a utility allowance amount higher than shown on PHA's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. For example, if a family member with a disability requires such an accommodation, PHA may approve an allowance for air-conditioning, even though PHA has determined that an allowance for air-conditioning generally is not needed.

A family that requires a reasonable accommodation may submit a written request for a higher utility allowance at the time the Request for Tenancy Approval (RFTA) is submitted. The family must document the need for the additional allowance.

Air Conditioning

The majority of the housing units in PHA's market do not provide central air conditioning. PHA may provide a UA for air conditioning only if there is appropriate wiring for client-installed air conditioning units or as a reasonable accommodation for a person with disabilities. PHA will evaluate, on a case-by-case basis, approval of a higher UA as a reasonable accommodation for a person with disabilities to make the program accessible to and usable by the family member with a disability.

Utility Allowance Revisions

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Revised utility allowance schedules will be applied to a family's rent calculations at the next scheduled recertification after the allowance is adopted or at one time across all affected households. The approach taken will be at the discretion of PHA.

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CHAPTER 16: CONTINUED OCCUPANCY

Overview

PHA is required to monitor each family's income and composition over time, and to adjust the family's rent accordingly. Policies governing reasonable accommodation, family privacy, required family cooperation and program abuse, as described elsewhere in this Administrative Plan, apply to regular and interim recertifications. PHA is required to obtain information needed to conduct recertifications. Families are required to provide current and accurate information on income, assets, allowances and deductions, and family composition as part of the recertification process.

Requirements for Continued Occupancy

The following are family obligations and terms and conditions related to use and occupancy of the unit:

- The family must supply any information that PHA or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by PHA or HUD for use in a regularly scheduled recertification or interim recertification of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family must use the assisted unit for residence by the family.
- The family may not transfer their Voucher to another unit, household or family member (see PHA policy on remaining family members).
- The unit must be the family's only residence.
- The family must allow PHA to inspect the unit at reasonable times and after reasonable notice.
- PHA must approve the composition of the assisted family residing in the unit.
- The family must request PHA approval to add household members as occupants of the unit. PHA's approval of such additions is subject to the family composition requirements.
- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease.
- If PHA has given approval, a foster child or a live-in-aide may reside in the unit.
- The family must notify PHA and the owner before moving out of the unit or terminating the lease.
- The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to PHA at the same time the owner is notified.
- The family must promptly give PHA a copy of any owner eviction notice.
- The family must not sub-lease or sub-let the unit.

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- The family must not assign the lease or transfer the unit.

- The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.

- The members of the household may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

- The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

- The family must supply any information requested by PHA to verify that the family is living in the unit or information related to family absence from the unit.

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- The family must not own or have any interest in the unit (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).

- A family must not receive HCV program assistance while residing in a unit owned by a spouse, parent, child, grandparent, grandchild, sister or brother of any member of the family, unless PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide a reasonable accommodation for a family member who is a person with a disability.

Frequency of Recertification – MTW

PHA conducts a recertification of family income and composition on a biennial basis. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent must be recalculated.

Frequency of Recertification – Non-MTW

PHA conducts a recertification of family income and composition at least annually. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent must be recalculated.

Required Information

PHA is required to obtain information needed to conduct recertifications. Families are required to provide current and accurate information on income, assets, allowances and deductions, and family composition as part of the recertification process.

Scheduling Recertifications

PHA begins the regular recertification process 150 days in advance of the scheduled effective date. Generally, PHA schedules recertification effective dates to coincide with the family's anniversary date.

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- Anniversary date is defined as the first day of the month in which the lease is signed for the unit. For example, a participant moving into a particular unit on March 15, 1999 has an anniversary date for that same unit of March 1.

- If a family requests a move and the last regular recertification interview date was within 60 days from the date of the request to move, PHA will complete a full recertification; however, PHA will only verify information that has changed and will not run an EIV report. The move will be coded as a regular recertification.

- PHA may also schedule a recertification for completion prior to the anniversary date for administrative purposes.

Notification of and Participation in the Regular Recertification Process

All household members who are 18 years of age and older are required to attend the recertification interview. If participation in an in-person interview poses a hardship because of a family member's disability, the family should contact PHA to request a reasonable accommodation.

Notification of recertification interviews will be sent by first-class mail and will contain the date, time, and location of the interview. In addition, it will inform the family of the information and documentation that must be brought to the interview.

If the family is unable to attend a scheduled interview, the family should contact PHA in advance of the interview to schedule a new appointment. If a family does not attend the scheduled interview, PHA will send a second notification with a new interview appointment time.

If a family fails to attend two scheduled interviews without PHA approval, or if the notice is returned by the post office with no forwarding address, a notice of termination will be sent to the family's address of record, and to any alternate address provided in the family's file.

An advocate, interpreter, or other assistant may assist the family in the interview process.

Conducting Recertifications

As part of the recertification process, families are required to provide updated information to PHA regarding the family's income, expenses, and composition

Families are asked to bring all required information (as described in the recertification notice) to the recertification appointment. The required information includes supporting documentation related to the family's income, expenses, and family composition.

Any information that the family is unable to provide at the time of the interview must be provided within five (5) business days from the date of the request. If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be sent a notice of termination.

The information provided by the family generally must be verified. Unless the family reports a change, or the agency has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on an annual basis. These include:

- Legal identity;

- Age;
- Social security numbers ; and
- Citizenship or immigration status.

Determining Ongoing Eligibility of Certain Students

If a student enrolled in an institution of higher education meets the qualifications below, the student's eligibility must be reexamined and continued eligibility determined on a regular basis.

If a student enrolled in an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the student's eligibility must be reexamined along with the income eligibility of the student's parents at the time of regular recertification. In these cases, both the student and the student's parents must be income eligible for the student to continue to receive HCV assistance. If, however, a student in these circumstances is determined independent from his or her parents in accordance with PHA policy, the income of the student's parents will not be considered in determining the student's ongoing eligibility.

Students who reside with parents in an HCV assisted unit are not subject to this provision. It is limited to students who are receiving assistance on their own, separately from their parents.

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.

Criminal Background Checks

Each household member aged 18 years and older will be required to execute a consent form for a criminal background check as part of the Recertification process. Information obtained through criminal background checks may be used for lease enforcement and eviction.

An outstanding warrant check and certification of "No Criminal Activity" will be required for all household members 18 years of age or older and will generally be performed at each regular recertification. All tenants determined not suitable and/or ineligible have a right to a hearing to present extenuating circumstances and have a right to legal representation, prior to program denial of participation.

If the criminal background check identifies a pending criminal investigation, PHA will defer a termination decision for existing participants until the case is decided.

PHA reserves the right to conduct additional certifications of "No Criminal Activity" to maintain the integrity of the program.

Household Member Turning 18 Between Recert Interview & Recert Effective Date

Income & Deductions

When a household member will turn 18 between the date of the recertification interview, and on or before the effective date of the recertification, PHA will include the household member's income in the calculation of annual income. For example, a household has a recertification effective date of November 1st. One of the household members, at the recertification interview on September 1st is still 17, but will turn 18 on September 30th. PHA will calculate the income of that household member as if he/she was an adult, since the household member will be 18 by the effective date of the recertification. Deductions will

also be applied as if the household member was an adult. For example, the household with a member who is 17 at the recertification interview, but 18 on the recertification effective date will NOT be given a dependent deduction for the household member who is turning 18 unless that household member is a full time student or disabled.

Release Forms
When a household member will turn 18 between the date of the recertification interview, but on or before the effective date of the recertification, PHA will have a parent/legal guardian sign any consent/release forms on behalf of that household member in order to authorize PHA to obtain their income verification.

Criminal Background Check
When a household member will turn 18 between the date of the recertification interview, but on or before the effective date of the recertification, PHA will have a parent/legal guardian sign the consent for criminal background check on behalf of that household member in order to authorize PHA's criminal background check.

Subsequent Recertifications and Background Checks
After the recertification effective date, if PHA wishes to complete verifications or background checks on a household member who was not 18 at the recertification interview but who subsequently turned 18, PHA will obtain that household member's signature on any required release form before conducting any type of verification or background check. If no other verifications or background checks are completed between regularly scheduled recertifications, PHA will wait until the next regular recertification to obtain the executed release forms from the household member who had turned 18 between the regularly scheduled recertifications.

Effective Dates of Rent Changes

As part of the recertification process, PHA must make appropriate adjustments in the rent after consultation with the family and upon verification of the information.

Increases in Rent
In general, an increase in the tenant rent that results from a recertification will take effect on the family's anniversary date, and the family will be notified at least 30 days in advance.

If less than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.

If the family causes a delay in processing the recertification, increases in the family share of the rent will be applied retroactively, to the scheduled effective date of the recertification. The family will be responsible for any underpaid rent and may be offered a repayment agreement at the discretion of PHA.

Decreases in Rent
In general, a decrease in the tenant rent that results from a recertification will take effect on the family's anniversary date.

If the family causes a delay in processing the recertification, decreases in the family share of the rent will be applied prospectively, from the first day of the month following completion of the recertification processing.

Delays in Recertification Processing
A delay in recertification processing is defined as delays considered to be caused by the family if the family fails to provide information requested by PHA by the date specified and/or fails to attend scheduled

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recertification interviews without good cause, and these delays prevent PHA from completing the recertification as scheduled.

Standard for Timely Reporting of Changes

Generally, PHA requires that families report interim changes described in this Administrative Plan to PHA within 30 calendar days from the date the changed occurred. Any information, document or signature needed from the family to verify the change must be provided within 30 calendar days from the date the change occurred, unless another time frame is specified in the specific policy.

If the change is not reported within the required time period, or if the family fails to provide signatures, certifications or documentation, in the time period required by PHA, it will be considered program non-compliance and may subject the family to termination from the program.

Overview – Interim Recertification

Family circumstances may change throughout the period between recertifications. If there are changes in a family's income and/or household composition between regularly scheduled recertifications, an interim recertification may be conducted. PHA policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances PHA will process interim recertifications to reflect those changes. PHA may also conduct interim recertifications of income or family composition at any time. When an interim recertification is conducted, only those factors that have changed are verified and adjusted. An interim recertification does not affect the date of the regular recertification.

Circumstances Requiring an Interim Recertification:
An Interim Recertification must be performed when any one of the circumstances listed below occurs. In these circumstances, all changes in household status and income will be verified and considered in determining Total Tenant Payment:

- Household Changes: involving:
  - Any addition of an adult member; or
  - The loss of an adult member; or
  - The addition of a minor to the household.

When a household reports a decrease in wages/benefits and/or an increase in permissible deductions, PHA will verify all income and expense information for the household member for whom the change is reported. Additionally, when a household reports removal of a household member, PHA will verify that the household member has vacated the unit. Income/expense changes for other household members will not be reviewed or verified at this time.

Processing Interim Recertifications

The family will be required to attend an interview for an interim recertification. Based on the type of change reported, PHA will determine the documentation the family will be required to submit. The family must submit any required information or documents within 5 business days of receiving a request from PHA. This time frame may be extended for good cause with PHA approval. PHA will accept required documentation by mail, by fax, or in person.

Interim Recertification – MTW

Households may request two voluntary interim recertifications between regular recertifications.

An interim recertification may be requested and performed when any one of the circumstances listed below occurs.

- Decreases in annual/adjusted income including:
  - Decrease in wages/benefits; and/or
  - Increase in permissible deductions and/or expenses, elderly and disabled households excluded.

When an interim recertification is conducted, PHA will verify only those factors that have changed.

PHA requires all families to complete an Application for Continued Occupancy and Asset Self-Certification when an interim recertification is conducted. The Head of Household and any other adult who is reporting a change in circumstances has to sign the ACO.

During an interim recertification PHA will apply the Utility Allowance (UA) and payment standard in effect at the last regular recertification. For example, if the payment standard in effect at a tenant's last regular recertification was $500 and the Utility Allowance was $200, and the payment standard in effect at the time of the interim recertification is $550 and the Utility Allowance is $250, PHA will use the payment standard and UA which were in effect at the last regular recertification which were $500 and $200 respectively. PHA will complete a 50058 and Recertification Addenda for all interim recertifications.

PHA may require participating households to complete an interim recertification and/or interim verifications at additional times to ensure that the participant is in compliance with program requirements. This interim recertification does not count toward the limit on interim recertifications.

Interim Recertification – Non-MTW

Non-MTW households have no restrictions on the frequency of interim recertifications.

Between regularly scheduled recertifications, if there are changes in a family's income, household composition, or eligible deductions, an interim recertification may be conducted. An interim recertification does not affect the date of the regular recertification.

PHA requires all families to complete an Application for Continued Occupancy and Asset Self-Certification when an interim recertification is conducted. PHA will verify only the items that have changed and will require families to complete both the PHA and HUD Authorization for Release of Information or other acceptable forms.

During an interim recertification PHA will apply the Utility Allowance in effect at the last regular recertification and payment standard in effect at the last regular recertification. For example, if the payment standard in effect at a tenant's last regular recertification was $500 and the Utility Allowance was $200, and the payment standard in effect at the time of the interim recertification is $550 and the Utility Allowance is $250, PHA will use the payment standard and UA which were in effect at the last regular recertification which were $500 and $200 respectively. PHA will complete a 50058 and Recertification Addenda for all interim recertifications. See utility allowance policies related to PGW's CRP program for application of UA during an interim recertification for households eligible for CRP.

PHA may require participating households to complete an interim recertification and/or interim verifications at additional times to ensure that the participant is in compliance with program requirements.

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Family Requests for Recertifications
Non-MTW families have the choice of requesting an interim recertification under the following circumstances:

- They receive a decrease in income which may result in a rent decrease; or
- They have an increase in the following eligible allowances or deductions:
  - An increase in expenses for the care of a child or handicapped member, or
  - An increase in permissible deductions and/or expenses due to a change in HUD regulations, or
  - For elderly families only, an increase in medical expenses.
- Increased Income**:** Families are not required to report increases in household income except under circumstances as described below.

Interim Recertification – Change in Family Composition

Interim recertifications for changes in family composition are required.

New persons may not be added to the household without PHA's prior approval (other than the birth of a child, court awarded custody or adoption). Participants must report all changes in household composition within 30 days of the occurrence. Changes in family or household composition may make it appropriate to downsize the Voucher to comply with occupancy standards.

Household composition changes include increases in the number of dependents, addition of new household members, or loss of a family member (deceased or moved out.) If an individual is added to the household between scheduled recertifications, only the new member's income will be verified as part of the interim recertification. For the loss of a household member, PHA will remove the household member's income/deductions/expenses as applicable, but will not verify or update the income of the other household members.

PHA will reverify Public Assistance benefits at any interim recertification when a family currently receiving Public Assistance benefits adds or removes family members from the household.

PHA may approve an addition to the household if:

- The new member is a minor member of a current member of the household;
- The new member is a minor member of the immediate family who is added as a result of birth, adoption or court awarded custody;
- The new member is a person for whom the head of household can prove legal guardianship;
- The additional member is a person for whom the head of household can prove a marital or interdependent relationship; and
- There is sufficient program funding.

Any request to add/remove a member to the household must be done in writing and must be accompanied by verification to support the requested additions to or deletions from the household.

Families must notify PHA in writing if any family member no longer lives in the unit.

Families are required to obtain owner approval when adding individuals to the household. Documentation of owner approval of additions to the household must be submitted to PHA in writing.

When any new family member is added to the household, PHA will conduct an interim recertification to determine any new income or deductions associated with the additional family member.

Requests to accommodate additional household members based on health-related reasons must be verified by a doctor/medical professional and/or social service professional.

Interim Recertification - Changes in Family and Household Composition

All families must report all changes in family and household composition that occur between recertifications.

PHA will conduct interim recertifications to account for any changes in household composition that occur between recertifications. Any income and/or deduction changes resulting from the composition change will be considered as well.

Interim recertifications due to changes in family composition do not count toward the limit on interim recertifications.

Families are required to report to PHA, within 30 calendar days, any changes in family composition which may occur between regularly scheduled recertifications.

New Family Members Not Requiring Approval

The addition of a minor family member as a result of birth, adoption, or court-awarded custody does not require PHA approval. However, the family is required to promptly notify PHA of the addition. The family must inform PHA of the birth, adoption or court-awarded custody of a child within 30 calendar days of the event.

New Family and Household Members Requiring Approval

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request PHA approval to add a new family member or other household member (spouse, inter-dependent relationship partner, live-in aide or foster child).

This includes any person not on the lease who is expected to stay in the unit for more than 30 consecutive days, or 90 cumulative days, within a twelve month period, and therefore no longer qualifies as a “guest.” Requests must be made in writing and approved by PHA prior to the individual moving in the unit.

PHA will not approve the addition of a new family or household member unless the individual meets PHA’s eligibility and screening criteria.

PHA will not approve the addition of a foster child or foster adult if it will result in the need for a larger unit according to PHA occupancy standards.

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PHA will not approve the addition of other adult household members other than by reason of marriage or interdependent relationship. PHA may grant exceptions to this policy as a reasonable accommodation for a person with disabilities.

If PHA determines an individual meets PHA's eligibility and screening criteria, PHA will provide written approval to the family.

If PHA determines that an individual does not meet PHA's eligibility and screening criteria, PHA will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

Departure of a Family or Household Member

If a household member ceases to reside in the unit, the family must inform PHA within 30 calendar days. This requirement also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent.

If a live-in aide, foster child, or foster adult ceases to reside in the unit, the family must inform PHA within 30 calendar days.

Interim Recertification – Temporary and Sporadic Income

Temporary and sporadic income is excluded from the calculation of annual income. As such, more frequent recertifications may be required. Households/household members reporting only temporary or sporadic income will be subject to the zero income verification and recertification requirements. The "Verification of Zero Income" section in the Verification chapter includes specific policy guidance on verification requirements for zero income households.

Interim Recertification - Zero Income

Zero income households and zero income individuals are required to report monetary and/or non-monetary changes in income or benefits between regular recertification periods. Once income or benefits are reported, the household is no longer required to report increases in income/benefits until the next regular recertification. The "Verification of Zero Income" section in the Verification chapter includes specific policy guidance on this subject. Households/household members are required to report monetary and/or non-monetary changes in income within 30 calendar days from the date the change occurred. PHA will conduct an interim recertification when a zero income household reports income.

Interim Recertification – Earned Income Disallowance (Non-MTW)

For families receiving the Earned Income Disallowance (EID), PHA will conduct an interim recertification at the start and conclusion of the second 12-month exclusion period (50 percent phase-in period). PHA will also conduct interim recertifications for families that qualify for the EID when the EID family's share of rent will change as a result of the increase. In all other cases, PHA will note the information in the tenant file, but will not conduct an interim recertification.

Interim Recertification – Other

If at the time of regular recertification, tenant-provided documents were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, PHA will conduct an interim recertification if the difference in income is greater than $2,400/year.

PHA may conduct an interim recertification at any time in order to correct an error in a previous recertification, or to investigate a tenant fraud complaint.

If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced.

Effective Dates for Interim Recertifications

If the family share of the rent is to increase:
The increase generally will be effective on the first of the month following 30 day's notice to the family.
If a family fails to report a required change within the required time frames, or fails to provide all required information within the required time frames, the increase will be applied retroactively, to the date it would have been effective had the information been provided on a timely basis. The family will be responsible for any overpaid subsidy

If the family share of the rent is to decrease:
The decrease will be effective on the first day of the month following the month in which the change was reported and all required documentation was submitted. In cases where the change cannot be verified until after the date the change would have become effective, the change will be made retroactively.

Notification of New Family Share and HAP Amount

PHA will notify the owner and family of any changes in the amount of the HAP payment. The notice will include the following information:

- The amount and effective date of the new HAP payment;
- The amount and effective date of the new family share of the rent; and

Notice to Ineligible Families

PHA will give the participant prompt written notice of a decision that the family has been determined to be ineligible for continued program participation. The written notice will contain a statement on the reason for the ineligible decision. The notice will include information related to requesting an informal hearing in the event that the participant does not agree with the determination. Participants will be informed that a request for an informal hearing must be in writing and must be received by PHA within 10 days of the date of the PHA notification letter.

Absence from the Unit

The family must supply any information or certification requested by PHA to verify that the family is living in the unit, or relating to family absence from the unit, including any PHA-requested information or certification on the purposes of family absences. PHA may review on a case-by-case basis, circumstances which dictate a family's absence from the unit. Exceptions to absence from the unit

policies are discussed in the chapter on Occupancy Standards. PHA's established policies on absence from the unit include the following:

- The family may be absent from the unit for brief periods.
- The family may not be absent from the unit for a period of more than 183 calendar days in a calendar year for any reason.
- Housing Assistance Payments terminate if the family is absent for longer than 183 calendar days in a calendar year. The HAP contract and assisted lease also terminate (the owner must reimburse PHA for any Housing Assistance Payments received for the period after the termination).
- Absence means that no member of the family is residing in the unit.
- To verify family occupancy or absence, PHA may request letters to the family at the unit, make phone calls or visits and/or conduct other appropriate inquiries.
- The family must remain in compliance with the terms of the HCV Program and their Assisted Lease during any absence from the unit.

Military Families – Absence from the Unit & Continued Occupancy

PIH Notice 2003-5 encourages PHAs and private owners to be as lenient as responsibly possible to support military families. In accordance with this Notice, on a case by case basis, PHA will make reasonable exceptions to program requirements with respect to program requirements for active duty military families, to the extent PHA can do so while responsibly administering the HCV program.

These exceptions will be granted at PHA's sole discretion, and should be primarily granted with respect to program requirements impacted by family members who are temporarily absent from the assisted unit due to their active duty.

Exceptions must be approved by the General Mgr. or his designee and households who cannot adhere to basic program requirements without the active military person present will not be granted exceptions.

Exceptions may include, but are not limited to:

- Allowing a suitable guardian to move into the assisted unit on a temporary basis to care for any dependents that the military person leaves in the unit. Income of the guardian temporarily living in the unit solely for this purpose is not to be counted in determining family income and rent;
- Carefully considering the circumstances of any case involving delayed payment of rent by the family;
- Granting exceptions to the Administrative Plan policies concerning family absences from the unit to continue HAPs to the owner on behalf of the military family even though all members of the family are temporarily absent from the assisted unit;
- Using provisional documents and income information to complete a recertification and then conducting an interim recertification when the military personnel's information is available

Remaining Members of the Tenant Family

Participant families who separate while being assisted under the tenant-based programs will be assessed on a case-by-case basis to determine which family members remain assisted under the program. PHA policy is as follows:

- 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 tenant-based Voucher.

- In cases where the Head and Co-Head of Household have a joint custody arrangement for minor children, the original Head of Household will retain the use of the tenant-based Voucher.

- In cases where the Head of Household dies, leaving minor children, the new Head of Household will be subject to all PHA 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 tenant-based Voucher.

- In cases where a live-in aide is added to a household as a result of a care situation for an elderly or disabled household member, the live-in aide is not considered to be a remaining family member and is not eligible to retain the use of the tenant-based Voucher.

- In cases where a non-related adult has been added to the household, the original Head of Household will retain use of the tenant-based 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 tenant-based Voucher if that adult has been part of the household for at least one year, is in compliance with all program rules and regulations and meets all other program eligibility and continued occupancy requirements.

- Exceptions to the “remaining family member” requirement will be reviewed by the Program Manager on a case-by-case basis.

- If a separation is the result of a divorce or separation under a settlement or judicial decree, PHA will follow any court determination of which family members keep the Voucher assistance.

- In order for a minor to continue to receive assistance as a remaining family member, the court has to have awarded emancipated minor status to the minor or PHA has to verify that Social Services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period of time.

- If exceptional circumstances exist concerning the remaining member of a tenant family, a discretionary administrative determination may be made by the Program Manager on a case-by-case basis.

Guests

A guest is a person temporarily staying in the unit with the consent of a member of the household who has expressed or implied authority to so consent.

A guest can remain in the assisted unit no longer than 30 consecutive days or 90 cumulative days during any 12-month period.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the assisted household more than 50 percent of the time (at least 183 days/year), are not subject to the time limitations of guests as described above.

A family may request an exception to this policy for valid reasons (i.e., care of a relative recovering from a medical procedure is expected to last more than 30 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

Former residents/participants who have been evicted from any public housing/HCV programs are not permitted as guests.

Guest who represent the unit address as their residence address for receipt of benefits or other purposes will be considered unauthorized occupants. In addition, guests who remain in the unit beyond the allowable time limit will be considered unauthorized occupants, and their presence represents a violation of program requirements.

Unit Size Determinations

During regularly scheduled and interim recertifications, the family composition will be evaluated to determine the minimum and maximum unit size appropriate to their needs, using PHA's occupancy standards. The family may lease an otherwise acceptable unit with fewer bedrooms than the family unit size, however, the unit must meet the applicable HQS space requirements.

Overcrowded Units in Violation of HQS Space Standards

If a change in family size causes a violation of HQS space standards, PHA will issue the family a new Voucher and the family must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, PHA will terminate the HAP contract in accordance with its terms.

Overcrowded Units Not Violating HQS Space Standards

PHA will notify the client when a change in family composition results in a household's unit size being too small. PHA may grant an exception to its occupancy standards and allow the family to remain in the unit if the unit meets HUD's HQS space standards and the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances. The client will be required to submit, in writing to PHA, their request to remain in the unit or move to a larger unit.

If the client wishes to search for a larger unit consistent with their newly certified Voucher size, PHA will issue the family a Voucher to search for a new unit.

Units Too Large

PHA will notify the client in writing when a change in family composition results in a household's unit size being too large for their family composition. PHA will promptly schedule the client for a briefing session at which time the client will be issued a new Voucher. PHA will also notify the client that their new payment standard and subsidy standard will become effective within 120 calendar days from the date the Voucher was issued or at the next scheduled recertification, whichever comes first. If the client does not move to a new unit, the payment standard and subsidy standard will decrease and the client may be responsible for a greater portion of rent.

CHAPTER 17: MOVING WITH CONTINUED ASSISTANCE

Overview

Families may seek a transfer to another unit within PHA's jurisdiction. PHA's policies describe when a participant family may move to a new unit with continued tenant-based assistance.

A family who has been issued a Housing Choice Voucher may use the Voucher to lease a unit anywhere in the United States where there is a Housing Agency that operates the HCV program. When PHA issues a Voucher to a family seeking to move to another jurisdiction, PHA is referred to as the "initial HA" and when PHA accepts a Voucher from a family wishing to relocate to PHA's jurisdiction, PHA is referred to as the "receiving HA". During briefing sessions, PHA informs families about portability and where a family may lease a unit. The briefing packet includes information about portability opportunities and procedures.

Allowable Moves

- The family has a right to terminate the lease for owner breach and must provide notice to the owner of termination in accordance with the lease. If the family terminates the lease giving notice to the owner, the family must give PHA a copy of the notice at the same time;

- 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;

- The owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other process allowing the owner to evict the family. The family must give PHA a copy of any owner eviction notice; or

- PHA has terminated the assisted lease for the family's unit for the owner's breach.

- PHA will require existing owners provide a letter of good standing for existing tenants as a condition for approval of a move, however, if the owner does not respond, PHA will continue processing the move.

Restriction on Elective Moves

PHA's policies regarding moves during the initial lease term and the number of allowable moves in a two year period apply to moves both within and initial moves outside PHA's jurisdiction.

Families will not be permitted to move within PHA's jurisdiction during the initial lease term of assisted occupancy. Exceptions to this policy must be approved by the General Manager of Client Services.

Subsequent to the initial lease term, families will be permitted to move only at the time of biennial recertification or under extenuating circumstances subject to PHA management approval. Extenuating circumstances may include, but not be limited to, HQS failures, reasonable accommodations and owner sale of the property.

PHA may deny permission to move if:

- The family owes PHA money; or

- The family owes the landlord money related to tenancy.

PHA may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control. If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

Notification

A tenant is required to give notice to the owner consistent with the terms of the Lease. If a family terminates their lease with notice to the owner, the family must give PHA a copy of the notice to owner at the same time.

If a family wants to move to a new unit, the family must notify PHA and the owner before moving from the old unit.

If a family wants to move to a new unit that is located outside PHA's jurisdiction, the notice to PHA must specify the area where the family wants to move.

Notification of a move must be in writing.

Recertification of Family Income and Composition

For families approved to move to a new unit within PHA's jurisdiction, PHA will perform a new recertification. The next recertification due date will be changed to coincide with the new lease-up date.

For families moving into or families approved to move out of PHA's jurisdiction under portability, PHA will follow the policies set forth under portability.

Voucher Issuance and Briefing

For families approved to move to a new unit within PHA's jurisdiction, PHA will issue a new Voucher. A briefing is required for these families.

PHA will follow the policies set forth in this Plan on Voucher term, extension, and expiration. If a family does not locate a new unit within the term of the Voucher and any extensions, the family may remain in its current unit with continued Voucher assistance if the owner agrees and PHA approves. Otherwise, the family will lose its assistance.

For families moving into or families approved to move out of PHA's jurisdiction under portability, PHA will follow the policies set forth under portability.

MTW Transfers

PHA may authorize a limited number of split-family and voluntary transfers from Public Housing to the Housing Choice Voucher program and vice versa. These transfers will be referred to as MTW transfers. PHA may provide for up to 50 Housing Choice Vouchers and 50 public housing units to be transferred back and forth between public housing and the HCV program. No more than 100 moves will be authorized per fiscal year. Families must meet program eligibility requirements in order to secure transfers. Once the transfer has been offered and accepted and the appropriate public housing or HCV housing located, the family will be officially transferred to the new program. Eligibility for the MTW transfers will be based upon immediate need, disability needs and availability of Vouchers or public

housing units and will be evaluated on a case-by-case basis by public housing and HCV General Managers. If a resident transfers from Public Housing to the Housing Choice Voucher program, that participant will be subject to the Seven-Year Program Time Limit and HCV eligibility guidelines. HCV clients will be required to wait until the end of their current lease term to transfer to a public housing unit, unless the landlord agrees to a mutual dissolution of the lease.

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CHAPTER 18: PORTABILITY

Portability Overview

Within the limitations of applicable requirements including this plan, a participant family or an applicant family that has been issued a Voucher has the right to use tenant-based Voucher assistance to lease a unit anywhere in the United States providing that the unit is located within the jurisdiction of a housing authority (HA) administering a tenant-based Voucher program.

The process by which a family obtains a Voucher from one HA and uses it to lease a unit in the jurisdiction of another HA is known as portability. The first PHA is called the “initial HA”. The second is called the “receiving HA.”

The receiving HA has the option of administering the family’s Voucher for the initial HA or absorbing the family into its own program. Under the first option, the receiving HA bills the initial HA for the family’s housing assistance payments and the fees for administering the family’s Voucher. Under the second option, the receiving HA pays for the family’s assistance out of its own program funds, and the initial HA has no further relationship with the family.

Moves Under Portability

A family may move with Voucher assistance only to an area where there is at least one HA administering a Voucher program. If there is more than one HA in the area, the initial HA may choose the receiving HA

Applicant families that have been issued Vouchers as well as participant families may qualify to lease a unit outside PHA’s jurisdiction under portability. The initial HA, in accordance with the initial HA’s policy, determines whether a family qualifies.

Section 8 Moderate Rehabilitation and unit-based assistance is not portable as the assistance is attached to the unit.

Applicant Families

A family that has not leased a unit under the HCV program is eligible for portability if the head of household or spouse was a resident in PHA’s jurisdiction at the time the application for assistance was submitted.

If neither the head of household nor the spouse/co-head of an applicant family had a domicile (legal residence) in PHA’s jurisdiction at the time the family’s application for assistance was submitted, the family must live in PHA’s jurisdiction with Voucher assistance for the initial lease term before requesting portability.

PHA will consider exceptions to this policy for purposes of reasonable accommodation.

PHA may deny a portability move by an applicant family for insufficient funding and if grounds for denial of assistance are present.

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Participant Families

PHA will not provide portable assistance for a participant if a family has moved out of its assisted unit in violation of the lease (see transfer screening requirements).

A family, however, is exempt from this prohibition if the family is otherwise in compliance with program obligations, but has moved to protect the health or safety of an individual in the family 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 they remained in the unit.

Eligibility for Port-Out (MTW)

A participant or applicant family with an MTW voucher must be able to verify employment, education, safety or medical/disability need to support a move to another jurisdiction.

PHA will require the family provide all documents that PHA deems necessary to verify the family's need to relocate outside of PHA's jurisdiction. All verification documents must be dated within sixty (60) days and be consistent with the family's employment, education, safety or medical/disability need. If the family fails to provide verification documents and/or the documents provided are not sufficient, PHA will deny the request to port-out.

Families who moved out of PHA's jurisdiction, under portability, prior to the July 1, 2012 implementation of this policy will be exempt from the new portability criteria. If at any time an existing port-out client returns to PHA's jurisdiction and leases a unit in PHA's jurisdiction, all future moves outside of PHA's jurisdiction will be subject to the new criteria. If an existing port-out client who moved out of PHA's jurisdiction prior to the implementation of this policy and who later requests to move to another jurisdiction outside of PHA's jurisdiction, they will be exempt from the new portability criteria.

This policy does not apply to :

- Families with non-MTW vouchers; and/or
- Families with vouchers administered under the VASH program
- Families that port-in to PHA's jurisdiction
- Families with PB or Unit-Based vouchers

Financial Hardship Waiver for Port-Out (MTW)

A family may seek a hardship waiver from the MTW portability criteria if the cost of living in PHA's jurisdiction is at least 5% greater than the FMR in the jurisdiction to which the family is looking to port and the family share of rent is greater than 40% of their monthly adjusted family income.

The family must make a hardship waiver request in writing within five (5) business days of PHA denying the initial portability request. Upon receipt of the family's request, PHA will review the case and provide a determination on the request for a hardship waiver. If a family's hardship waiver request is denied the family may request an informal hearing.

Determining Income Eligibility

An applicant family may lease a unit in a particular area under portability only if the family is income eligible for admission to the Voucher program in that area. The family must specify the area to which the family wishes to move.

The initial HA is responsible for determining whether the family is income eligible in the area to which the family wishes to move. If the applicant family is not income eligible in that area, the initial HA must inform the family that it may not move there and receive Voucher assistance.

The income eligibility of a participant family is not re-determined if the family moves to a new jurisdiction under portability.

Recertification of Family Income and Composition

A new recertification of family income and composition is not required for a participant family who is approved to move out of its jurisdiction under portability. However, for a participant family approved to move out of its jurisdiction under portability, PHA generally will conduct a recertification of family income and composition if the family's regular recertification is due to be completed within the next 120 days.

Briefing

A formal briefing is not required for a participant family wishing to move outside PHA's jurisdiction under portability. However, PHA will provide the family with the same oral and written explanation of portability that it provides to applicant families selected for admission to the program.

PHA will provide the name, address, and phone of the contact for the HA in the jurisdiction to which they wish to move. PHA will advise the family that they will be under the receiving HA's policies and procedures, including subsidy standards and Voucher extension policies.

Voucher Issuance and Term

An applicant family has no right to portability until after the family has been issued a Voucher. In issuing Vouchers to applicant families, PHA will follow the policies set forth in this Plan.

For families approved to move under portability, PHA will issue a new Voucher.

The initial term of the Voucher will be 120 days.

Port-Outs

Voucher Extensions and Expiration

PHA will not approve extensions to a Voucher issued to an applicant or participant family porting out of PHA's jurisdiction except under the following circumstances:

- The initial term of the Voucher will expire before the portable family will be issued a Voucher by the receiving HA;
- The family decides to return to the PHA's jurisdiction and search for a unit; or
- The family decides to search for a unit in a third HA's jurisdiction.

To receive or continue receiving assistance under PHA's Voucher program, a family that moves to another PHA's jurisdiction under portability must be under HAP contract in the receiving HA's jurisdiction within 60 days following the expiration date of the initial HA's Voucher term.

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Initial Contact with the Receiving HA

After approving a family's request to move under portability, PHA will notify the receiving HA to expect the family. PHA will also advise the family how to contact and request assistance from the receiving HA.

Because the portability process is time-sensitive, PHA will notify the receiving HA by phone, fax, or e-mail to expect the family. PHA will also ask the receiving HA to provide any information the family may need upon arrival, including the name, fax, email and telephone number of the staff person responsible for business with incoming portable families and procedures related to appointments for Voucher issuance. PHA will pass this information along to the family. PHA will also ask for the name, address, telephone number, fax and email of the person responsible for processing the billing information.

Sending Documentation to the Receiving HA

PHA will send the receiving HA the following documents:

- Form HUD-52665, Family Portability Information, with Part I filled out;
- A copy of the family's Voucher;
- A copy of the family's most recent form HUD-50058, Family Report, or, if necessary in the case of an applicant family, family and income information in a format similar to that of form HUD-50058; and
- A copy of the most recent EIV report (if available).

In addition to these documents, PHA will provide the following information, if available, to the receiving HA:

- Social security numbers (SSNs);
- Documentation of legal identity;
- Documentation of date of birth; and
- PHA's Direct Deposit Form.

Initial Billing Deadline

If the PHA has not received an initial billing notice from the receiving HA by the deadline specified on form HUD-52665, it will contact the receiving HA by phone, fax, or e-mail. If the receiving HA reports that the family is not yet under HAP contract, PHA will inform the receiving HA whether it will honor a late billing submission. PHA will send the receiving HA a written confirmation of its decision.

PHA will allow an exception to this policy if the family includes a person with disabilities and the late billing is a result of a reasonable accommodation granted to the family by the receiving HA.

Monthly Billing Payments

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If the receiving HA is administering the family's Voucher, PHA will make billing payments in a timely manner. The first billing amount is due within 30 days after PHA receives Part II of form HUD-52665 from the receiving HA. Subsequent payments must be received by the receiving HA no later than the fifth business day of each month.

PHA will utilize direct deposit to ensure that the payment is received by the deadline.

Subsequent Family Moves

Within PHA Jurisdiction
If PHA determines that it must deny moves on the grounds that it lacks sufficient funding, it will notify all receiving HAs with which it has entered into portability billing arrangements that they, too, must deny moves to higher cost units by portable families from PHA's jurisdiction.

PHA will allow exceptions to this policy for purposes of reasonable accommodation of a family member who is a person with disabilities.

Outside PHA's Jurisdiction
If PHA is assisting a portable family under a billing arrangement and the family subsequently decides to move out of the receiving HA's jurisdiction, PHA will issue the family a Voucher while the family is either being assisted or has a Voucher from the receiving HA and, if the family wishes to port to another jurisdiction, PHA will send form HUD-52665 and supporting documentation to the new receiving HA.

Any extensions of the initial HA Voucher necessary to allow the family additional search-time to return to the initial HA's jurisdiction or to move to another jurisdiction would be at the discretion of the initial HA.

Denial or Termination of Assistance

If PHA has grounds for denying or terminating assistance for a portable family that has not been absorbed by the receiving HA, PHA may act on those grounds at any time.

Regular Recertification

The receiving HA must send to PHA a copy of a portable family's updated form HUD-50058 after each regular recertification for the duration of time the receiving HA is billing PHA on behalf of the family, regardless of whether there is a change in the billing amount. The recertification and updated billing are due to the PHA within ten days of the recertification effective date.

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Change in Billing Amount.

The receiving HA is required to notify PHA, using form HUD-52665, of any change in the billing amount for the family as a result of:

- A change in the HAP amount (because of a recertification, a change in the applicable payment standard, a move to another unit, etc.);
- An abatement or subsequent resumption of the HAP payments;
- Termination of the HAP contract;

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- Payment of a damage/vacancy loss claim for the family; or
- Termination of the family from the program

The timing of the notice of the change in the billing amount should correspond with the notification to the owner and the family in order to provide PHA with advance notice of the change. Under no circumstances should the notification be later than 10 business days following the effective date of the change in the billing amount.

Port-Ins

Receiving HA Role

For families that port-in to PHA's jurisdiction, the family's unit size or Voucher size is determined in accordance with PHA's subsidy standards and the amount of the family's housing assistance payment is determined in the same manner as for other PHAs. Participants who port-in to PHA are **NOT** subject to PHA's two-year recertification requirements or rent simplification.

Initial Contact with Family

When a family moves into PHA's jurisdiction under portability, the family is responsible for promptly contacting PHA and complying with PHA's procedures for incoming portable families.

If the Voucher issued to the family by the initial HA has expired, PHA will not process the family's paperwork, but will instead refer the family back to the initial HA.

Although PHA may initially bill the initial HA for the family's assistance, it may later decide to absorb the family into its own program

Briefing

PHA will provide the port-in family with a briefing packet and will verbally inform the family about the PHA's payment and subsidy standards, procedures for requesting approval of a unit, the unit inspection process, and the leasing process.

Income Eligibility and Recertification

For any family moving into its jurisdiction under portability, PHA will conduct a new recertification of family income and composition. PHA will not delay issuing the family a Voucher for this reason, nor will PHA delay approving a unit for the family until the recertification process is complete unless the family is an applicant and 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 recertification, PHA will rely upon any verifications provided by the initial HA to the extent that they (a) accurately reflect the family's current circumstances and (b) 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.

Port-in families are recertified on an annual basis.

Voucher Issuance

When a family ports in to PHA's jurisdiction, PHA will issue the family a Voucher based on the paperwork provided by the initial HA unless the family's paperwork from the initial HA is incomplete, the family's Voucher from the initial HA has expired or the family does not comply with PHA's procedures. PHA will update the family's information when verification has been completed.

Voucher Term

PHA's Voucher will expire on the same date as the initial HA's Voucher.

Voucher Extensions

PHA may provide additional search time to the family beyond the expiration date of the initial HA's Voucher; however, if it does so, it will inform the initial HA of the extension. Unless willing and able to absorb the family, PHA will try to ensure that any Voucher expiration date would leave sufficient time to process a request for tenancy approval, execute a HAP contract, and deliver the initial billing to the initial HA.

Notifying the Initial HA

PHA will notify the initial HA if the family has leased an eligible unit under the program or if the family fails to submit a request for tenancy approval for an eligible unit within the term of PHA's Voucher. PHA will use Part II of form HUD-52665, Family Portability Information, for this purpose.

If an incoming portable family ultimately decides not to lease in PHA's jurisdiction, but instead wishes to return to the initial HA's jurisdiction or to search in another jurisdiction, PHA will refer the family back to the initial HA. In such a case the Voucher of record for the family is once again the Voucher originally issued by the initial HA. Any extension of search time provided by the receiving HA's Voucher is only valid for the family's search in the receiving HA's jurisdiction.

Administering a Portable Family's Voucher

Initial Billing Deadline

If a portable family's search for a unit is successful and PHA intends to administer the family's Voucher, the receiving HA must submit its initial billing notice (Part II of form HUD-52665) (a) no later than 10 business days following the date the receiving HA executes a HAP contract on behalf of the family and (b) in time that the notice will be received no later than 60 days following the expiration date of the family's Voucher issued by the initial HA.

A copy of the family's form HUD-50058, Family Report, completed by PHA must be attached to the initial billing notice. PHA may send these documents either by mail, fax, or e-mail.

Billing Procedures

As receiving HA, PHA will bill the initial HA once a month for Housing Assistance Payments. The billing cycle for other amounts, including administrative fees and special claims will be once a month. PHA will bill 100% of the Housing Assistance Payment, 100% of special claims and 80% of the administrative fee (at the initial HA's rate) for each "Portability" Voucher leased as of the first day of the month. PHA will notify the initial HA of changes in subsidy amounts and will expect the initial HA to notify PHA of changes in the administrative fee amount to be billed within ten days of any change in the monthly payment. PHA will update Administrative Fees on an annual basis for portability billing. Additionally, as provided by HUD, PHA will prorate Administrative Fees in accordance with any HUD prorations.

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Denial or Termination of Assistance

At any time, PHA may make a determination to deny or terminate assistance to a portable family for family action or inaction.

If PHA elects to deny or terminate assistance for a portable family, PHA will notify the initial HA after the informal review or hearing if the denial or termination is upheld. PHA will base its denial or termination decision on the policies set forth in this Plan.

Absorbing a Portable Family

PHA may absorb an incoming portable family into its own program when PHA executes a HAP contract on behalf of the family or at any time thereafter providing that (a) PHA has funding available under its annual contributions contract (ACC) and (b) absorbing the family will not result in over-leasing.

If PHA decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, PHA will notify the initial HA. The effective date of the HAP contract will be the effective date of the absorption.

If PHA decides to absorb a family after that time period, it will provide the initial HA with 30 days advance notice.

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CHAPTER 19: INFORMAL REVIEWS AND HEARINGS

Overview

When PHA makes a decision that has a negative impact on a family, the family is often entitled to appeal the decision. For applicants, the appeal takes the form of an informal review; for participants or for applicants denied admission because of citizenship issues, the appeal takes the form of an informal hearing.

Informal Reviews

Informal reviews are provided for program applicants. An applicant is someone who has applied for admission to the program, but is not yet a participant in the program. Informal reviews are intended to provide a minimum hearing requirement and need not be as elaborate as the informal hearing requirements.

Decisions Subject to Informal Review

PHA will give an applicant the opportunity for an informal review of a decision denying assistance.

An applicant is not entitled to informal review for any of the following decisions by PHA:

- Discretionary administrative determinations by PHA;
- General policy issues or class grievances;
- A determination of the family unit size under PHA subsidy standards;
- A PHA determination not to approve an extension or suspension of a Voucher term;
- A PHA determination not to approve a unit or tenancy;
- A PHA determination that a unit selected by the applicant is not in compliance with the HQS;
- A PHA determination that the unit is not in accordance with HQS because of family size or composition;
- Establishment of the PHA schedule of utility allowances for families in the program; or
- A determination by PHA to exercise or not to exercise any right or remedy against an owner under a HAP contract.

Notice to the Applicant

PHA will give an applicant prompt notice of a decision denying assistance. The notice will contain a brief statement of the reasons for PHA's decision, and will also state that the applicant may request an informal review of the decision. The notice will describe how to obtain the informal review.

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Scheduling an Informal Review

A request for an informal review must be made in writing and delivered to PHA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of PHA's denial of assistance.

Informal Review Procedures

The informal review will be conducted by a Hearing Officer who is a person other than the one who made or approved the decision under review, or a subordinate of this person. Generally, for informal reviews, the General Manager of Client Services or his designee will review the case and render a decision.

Upon receipt of the written request for a review, the complainant will be notified, in writing, of the date, time and location of the review. A copy of the procedures governing the review will be made available to the applicant.

- PHA will present its reasons and evidence supporting the denial of assistance to the applicant.
- The complainant will have the opportunity to present written or oral objections to PHA's decision, along with other factual or mitigating information that might lead the Hearing Officer to reconsider the determination of ineligibility and reverse the determination.
- The review will be conducted informally by the Hearing Officer. The Hearing Officer will require that PHA, the complainant and other participants or witnesses conduct themselves in an orderly fashion. Failure to comply with the directives of the Hearing Officer to maintain order may result in expulsion from the proceeding or in a decision adverse to the interests of the disorderly party.
- The complainant may:
    - Retain counsel or other representation if desired, at his/her own expense (i.e., an attorney);
    - Examine before the review all PHA's documents and regulations that are relevant to the review and may copy such documents at his/her own expense;
    - Question any witness or witnesses; and
    - Present testimony and evidence in his/her favor.
- The complainant is entitled to a decision made by the Hearing Officer that is based solely on the evidence presented at the review.
- If the complainant or PHA fails to appear at the scheduled review, the Hearing Officer may make a determination to postpone and reschedule the review, or may make a determination that the party has waived his/her right to a hearing and will be withdrawn from the Waiting List. Both the complainant and PHA will be notified of the Hearing Officer's determination.
- If the complainant does not request a review in accordance with PHA's established procedures, then PHA determination of ineligibility will become final. Failure to request a review will not constitute a waiver by the complainant of his/her right to contest PHA determination in an appropriate judicial proceeding.
- All requests for a review, along with the supporting documentation and a copy of the final decision will be retained in the complainant's file.

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- PHA will notify the complainant, in writing, of its final decision after the informal review, including a brief statement of the reasons for the final decision.

Informal Review Decision – Denial of Assistance

In rendering a decision, PHA will evaluate the following matters:

- Whether or not the grounds for denial were stated factually in the Notice denying assistance;

- The validity of grounds for denial of assistance. If the grounds for denial are not specified in the regulations, then the decision to deny assistance will be overturned;

- The validity of the evidence. PHA will evaluate whether the facts presented prove the grounds for denial of assistance. If the facts prove that there are grounds for denial, and the denial is required under applicable legal requirements, PHA will uphold the decision to deny assistance; and

- If the facts prove the grounds for denial, and the denial is discretionary, PHA will consider the recommendation of the person conducting the informal review in making the final decision whether to deny assistance.

PHA will notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The notice will be mailed within 10 business days of the informal review, to the applicant and his or her representative, if any, along with proof of mailing.

If the decision to deny is overturned as a result of the informal review, processing for admission will resume.

If the family fails to appear for their informal review, the denial of admission will stand and the family will be so notified.

Informal Hearings for Participants

PHA offers an informal hearing for certain PHA determinations relating to the individual circumstances of a participant family. A “participant” is defined as a family that has been admitted to PHA’s HCV program and is currently assisted in the program. The purpose of the informal hearing is to consider whether PHA’s decisions related to the family’s circumstances are in accordance with applicable requirements.

PHA will not terminate a family’s assistance until the time allowed for the family to request an informal hearing has elapsed, and any requested hearing has been completed.

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

- Refusing to enter into a HAP contract or approve a lease;

- Terminating housing assistance payments under an outstanding HAP contract; and

- Refusing to process or provide assistance under portability procedures.

Circumstances for which PHA must give a participant family an opportunity for an informal hearing are as follows:

  - 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 tenant-paid utilities from the PHA utility allowance schedule;
- A determination of the family unit size under PHA's subsidy standards;
- A determination that a certificate program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under PHA's subsidy standards, or PHA determination to deny the family's request for exception from the standards;
- A determination to terminate assistance for a participant family because of the family's actions or failure to act;
- A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under PHA policy and HUD rules;
- A determination to terminate a family's Family Self Sufficiency contract, withhold supportive services, or propose forfeiture of the family's escrow account; and
- A determination to deny admission based on an unfavorable history that may be the result of domestic violence, dating violence, or stalking.

Circumstances for which an Informal Hearing is not Granted

PHA will not grant an informal hearing for the following:

- Discretionary administrative determinations by PHA;
- General policy issues or class grievances;
- Establishment of the PHA schedule of utility allowances for families in the program;
- A PHA determination not to approve an extension or suspension of a Voucher term;
- A PHA determination not to approve a unit or tenancy;
- A PHA determination that a unit selected by the applicant is not in compliance with the HQS;
- A PHA determination that the unit is not in accordance with HQS because of family size or composition;
- A determination of the family size under PHA's subsidy standards;
- A determination by PHA to exercise or not to exercise any right or remedy against an owner under a HAP contract; and
- Restrictions on assistance for non-citizens. The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained at 24 CFR Part 5, subpart E.

Notice to the Family – Informal Hearing

When PHA makes a decision that is subject to informal hearing procedures, PHA will inform the family of its right to an informal hearing at the same time that it informs the family of the decision.

For decisions related to the family's annual or adjusted income, the determination of the appropriate utility allowance, and the determination of the family unit size, PHA will notify the family that they may ask for an explanation of the basis of the determination, and that if they do not agree with the decision, they may request an informal hearing on the decision, and a statement of the deadline for the family to request an informal hearing.

For decisions related to the termination of the family's assistance, or the denial of a family's request for an exception to PHA's subsidy standards, the notice will contain a brief statement of the reasons for the decision, a statement that if the family does not agree with the decision, the family may request an informal hearing on the decision, and a statement of the deadline for the family to request an informal hearing.

In cases where PHA makes a decision for which an informal hearing is offered, the notice to the family will include all of the following:

- PHA's proposed action or decision;
- A brief statement of the reasons for the decision;
- The date the proposed action will take place;
- A statement of the family's right to an explanation of the basis for PHA's decision;
- A statement that if the family does not agree with the decision the family may request an informal hearing of the decision;
- A deadline for the family to request the informal hearing; and
- To whom the hearing request should be addressed.

Scheduling an Informal Hearing

A participant must submit a written request for an informal hearing to the Housing Choice Voucher Program Manager within 10 business days from the date of PHA's letter of determination sent to the participant.

Upon receipt of the written request for a hearing, PHA will timely notify the complainant of the hearing date. The notification will be in writing and will include the date, time and location of the hearing. The informal hearing will be held before a Hearing Officer. A copy of the procedures governing the hearing will be included with the written notification.

If the participant does not request a hearing in accordance with PHA's procedures, PHA's determination will become final.

The family may request to reschedule a hearing for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, PHA may request documentation of the "good cause" prior to rescheduling the hearing.

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If the family does not appear at the scheduled time, and was unable to reschedule the hearing in advance due to the nature of the conflict, the family must contact PHA within 24 hours of the scheduled hearing date, excluding weekends and holidays. PHA will reschedule the hearing only if the family can show good cause for the failure to appear, or if it is needed as a reasonable accommodation for a person with disabilities.

Pre-Hearing Right to Discovery

Before the Informal Hearing the family may examine any PHA documents that are directly relevant to the hearing. The family will be allowed to copy any such documents.

PHA must be given the opportunity to examine at PHA offices before the hearing, any family documents that are directly relevant to the hearing. PHA will be allowed to copy any such document at PHA's expense.

For the purpose of informal hearings, documents include records and regulations.

Participant's Right to Bring Counsel

At its own expense, the family may be represented by a lawyer or other representative at the informal hearing.

Informal Hearing Officer

Informal hearings will be conducted by a Hearing Officer who is not the person who made or approved the decision or a subordinate of the person who made or approved the decision.

Attendance at the Informal Hearing

Hearings may be attended by a Hearing Officer and the following applicable persons:

- A PHA representative(s) and any witnesses for PHA;
- The participant and any witnesses for the participant;
- The participant's counsel or other representative; and
- Any other person approved by PHA as a reasonable accommodation for a person with a disability.

Conduct at Hearings

The Hearing Officer is responsible for managing the order of business and ensuring that hearings are conducted in a professional and businesslike manner. Attendees are expected to comply with all hearing procedures established by the Hearing Officer and guidelines for conduct. Any person demonstrating disruptive, abusive or otherwise inappropriate behavior will be excused from the hearing at the discretion of the Hearing Officer.

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Evidence

PHA and the family will be given the opportunity to present evidence and question any witnesses. In general, all types of evidence are admissible at an informal hearing. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

Hearing Officer's Decision

The person who conducts the hearing will issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing. A copy of the hearing will be furnished to the family.

Generally, the Hearing Officer will issue a written decision to the family and PHA within 10 business days after the hearing.

PHA shall abide by the determination of the Hearing Officer, provided that such determination is not contrary to applicable Federal, State or local laws, HUD regulations, or the requirements of the Annual Contributions Contract between HUD and PHA, or that the Hearing Officer is not acting in excess of his/her authority.

A decision by the Hearing Officer in favor of PHA, or which denies the relief requested by the complainant or participant in whole or in part, shall not constitute a waiver of, nor affect any rights the complainant or participant may have to contest PHA's determination in an appropriate judicial proceeding.

Procedures for Rehearing or Further Hearing

The Hearing Officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the Hearing Officer, the action of PHA will take effect and another hearing will not be granted.

A rehearing or a further hearing may be requested for the purpose of rectifying any obvious mistake of law made during the hearing or any obvious injustice not known at the time of the hearing.

It shall be within the sole discretion of PHA to grant or deny the request for further hearing or rehearing. A further hearing may be limited to written submissions by the parties, in the manner specified by the Hearing Officer.

PHA Notice of Final Decision

PHA will mail a "Notice of Final Decision" including the Hearing Officer's report, to the participant and their representative. This Notice will be sent by first-class mail. The participant will be mailed the original "Notice of Final Decision". A copy of the "Notice of Final Decision" will be maintained in PHA's file.

Complaints/Investigation

PHA will review and respond to complaints from families, owners, employees and members of the public to determine if they warrant investigation. Complaints may be received via the telephone, Hot Line and in writing. All complaints will be logged into a computerized database and issued a control number.

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Investigations are completed by HCV Investigations and reports submitted on the outcome of the investigation. Investigated complaints include, but are not limited to, the following:

- Illegal drug activity;
- Fraud;
- Violent criminal activity;
- Unauthorized occupancy;
- Subletting;
- Failure to report a change in family composition;
- Tenant vacating without notice;
- Unreported income;
- Housing Quality Standards violations;
- Owner overcharging tenants;
- Activities that threaten the right to peaceful enjoyment of the premises by other residents; and
- Nuisance.

Upon investigation the following outcomes may occur:

- Unsubstantiated claim: a preponderance of evidence was NOT available to support the allegation;
- Resolved: the problem was rectified and there was no need for administrative action;
- Termination: a preponderance of evidence was available indicating that the participant was in violation of program regulations; and
- Follow-up: the participant is recommended for counseling in the Quality of Life Program.

PHA is responsible for ensuring that owners are qualified to operate units assisted under PHA's housing programs. Qualified includes but is not limited to the owner's current and past history of renting units. Past and current history may include obligations under HAP contracts, commission of fraud, bribery or other criminal activity or if the owner has a history or practice of failure to terminate tenancy of tenants for activity engaged in by the tenant, any member of the household, guest or another person under the control of any member of the household that threatens the healthy, safety or peaceful enjoyment of other residents or by persons residing in the immediate vicinity of the premises.

PHA cooperates with local police and other appropriate agencies when complaints are received from individuals regarding units that are not owned or operated by PHA, but are owned by landlords participating in one of PHA's assisted housing programs. This cooperation includes sharing pertinent information and acting as liaison between the local police or other agencies and the owner. However, PHA does not itself investigate complaints regarding units that are not assisted by PHA. The foregoing does not preclude PHA from gathering general data regarding units in neighborhoods with PHA-assisted properties.

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Hearing and Appeal Provisions for Non-Citizens

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. Applicants who are denied assistance due to immigration status are entitled to an informal hearing, not an informal review.

Assistance to a family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a family may not be terminated or denied while a PHA hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

A decision against a family member, issued in accordance with the USCIS appeal process or PHA informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

Notice of Denial or Termination of Assistance for Non-Citizens

The notice of denial or termination of assistance for non-citizens will inform the family of the following:

- That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance;
- The family may be eligible for proration of assistance;
- In the case of a participant, the criteria and procedures for obtaining relief under the provisions for preservation of families;
- That the family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal; and
- That the family has a right to request an informal hearing with PHA either upon completion of the USCIS appeal or in lieu of the USCIS appeal.

USCIS Appeal Process

When PHA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, PHA will notify the family of the results of the USCIS verification. The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide PHA with a copy of the written request for appeal and the proof of mailing.

PHA will notify the family in writing of the results of the USCIS secondary verification within 10 business days of receiving the results.

The family must provide PHA with a copy of the written request for appeal and proof of mailing within 10 business days of sending the request to the USCIS.

The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.

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The USCIS will notify the family, with a copy to PHA, of its decision. When the USCIS notifies PHA of the decision, PHA will notify the family of its right to request an informal hearing.

PHA will send written notice to the family of its right to request an informal hearing within 10 business days of receiving notice of the USCIS decision regarding the family's immigration status.

Informal Hearing Procedures for Applicants - Citizenship

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of PHA's notice of denial, or within 30 days of receipt of the USCIS appeal decision.

Evidence

The family must be provided the opportunity to examine and copy at the family's expense, at a reasonable time in advance of the hearing, any documents in the possession of PHA pertaining to the family's eligibility status, or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing.

The family will be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The family will also be provided the opportunity to refute evidence relied upon by PHA, and to confront and cross-examine all witnesses on whose testimony or information PHA relies.

Representation and Interpretive Services

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled to arrange for an interpreter to attend the hearing, at the expense of the family, or PHA, as may be agreed upon by the two parties.

Hearing Decision

PHA will provide the family with a written final decision, based solely on the facts presented at the hearing. The written decision will state the basis for the final decision.

Retention of Documents

PHA will retain for a minimum of 5 years the following documents that may have been submitted to PHA by the family, or provided to PHA as part of the USCIS appeal or the PHA informal hearing process:

- The application for assistance;
- The form completed by the family for income recertification;

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- Photocopies of any original documents, including original USCIS documents;
- The signed verification consent form;
- The USCIS verification results;
- The request for a USCIS appeal;
- The final USCIS determination;
- The request for an informal hearing; and
- The final informal hearing decision.

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CHAPTER 20: TERMINATION OF ASSISTANCE AND TENANCY

Overview

This chapter presents the policies that govern voluntary and involuntary terminations of assistance, and termination of tenancy by the owner.

Grounds for Termination of Assistance

PHA will use the Criminal Background Screening Table attached as Appendix B to this Plan as a guide to determine the number of years which must have elapsed for specific felony and other convictions in order to pass PHA's criminal background screening at regular recertification and at any other time after admission to the HCV program. As further supplemented by Appendix B, if any household member is currently engaged in or has engaged in any of the criminal activities outlined in this chapter, the family may be terminated.

Family No Longer Requires Assistance

As a family's income increases, the amount of PHA subsidy goes down. If the amount of HCV assistance provided by PHA drops to zero and remains at zero for 180 consecutive calendar days the family's assistance terminates automatically.

If a participating family receiving zero assistance experiences a change in circumstances that would cause the HAP payment to rise above zero, the family must notify PHA of the changed circumstances and request an interim recertification before the expiration of the 180-day period.

Family Chooses To Terminate Assistance

If a family seeks to continue assistance but terminate its lease, PHA allows families to terminate tenancy after the initial term of the lease. Terminations during the initial term are subject to owner agreement to release the family from the lease or if the lease provides for such termination. If a family seeks to terminate assistance, the request can be made at any time.

The request to terminate assistance should be made in writing and signed by the head of household, spouse, or co-head. Before terminating the family's assistance, PHA will follow its policies on Notice requirements.

Termination Due to Eviction

PHA will terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. In the case of victims or threatened victims of violence or stalking, incidents of actual or threatened violence, dating violence, or stalking may not be construed as serious or repeated violations of the lease by the victim/threatened victim.

A family will be considered evicted if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary. However, PHA will determine whether the family has committed serious or repeated violations of the lease based on available evidence and may terminate assistance. Upon consideration of circumstances and factors, PHA may, on a case-by-case basis, choose not to terminate assistance.

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Serious and repeated lease violations will include, but not be limited to:

- Nonpayment of rent;
- Disturbance of neighbors;
- Destruction of property;
- Living or housekeeping habits that cause damage to the unit or premises; and
- Criminal activity.

Generally, the criteria to be used is whether the reason for the eviction was through no fault of the tenant or guests.

Termination Due to Failure to Provide Consent

PHA will terminate assistance if any family member fails to sign and submit any consent form they are required to sign for a recertification.

Termination Due to Failure to Document Citizenship

PHA will terminate assistance if:

- A family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status;
- A family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or
- A family member, as determined by PHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. Such termination will be for a period of at least 24 months. This does not apply to ineligible non-citizens already in the household where the family's assistance has been prorated.

Termination Due to Failure to Provide Social Security Documentation

PHA will terminate assistance if a participant family fails to provide the documentation or certification required for any family member who obtains a social security number or joins the family.

Termination Due to Manufacture or Production of Methamphetamine

PHA will terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of Federally-assisted housing.

Termination Due to Failure of Students to Meet Ongoing Eligibility Requirements

See chapter on Continued Occupancy for policies related to Student continued eligibility requirements

Termination Due to Drug and Alcohol Abuse

PHA will terminate a family's assistance if any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents. "Currently engaged in" is defined as any use of illegal drugs during the previous six months.

PHA will terminate assistance if any household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

PHA will consider all credible evidence, including but not limited to, any record of arrests, convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol.

In making its decision to terminate assistance, PHA may consider alternatives and specific circumstances and may, on a case-by-case basis, choose not to terminate assistance.

Termination Due to Drug-Related and Violent Criminal Activity

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-related criminal activity is defined by HUD 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.

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

PHA will terminate a family's assistance if any household member has violated the family's obligation not to engage in any drug-related or violent criminal activity during participation in the HCV program.

PHA will consider all credible evidence, including but not limited to, any record of arrests and/or convictions of household members related to drug-related or violent criminal activity, and any eviction or notice to evict based on drug-related or violent criminal activity.

In making its decision to terminate assistance, PHA may consider alternatives and specific circumstances and may, on a case-by-case basis, choose not to terminate assistance.

Termination Due to State Registered Lifetime Sex Offender Status

HUD regulations at 24 CFR § 5.856 and § 982.553(a)(2) prohibit admission after June 25, 2001, if any member of a household is subject to a State lifetime sex offender registration requirement. This regulation reflects a statutory prohibition. A household receiving assistance with such a member is receiving assistance in violation of federal law.

If PHA discovers that a household member was erroneously admitted (the household member was subject to a lifetime registration requirement at admission and was admitted after June 25, 2001), PHA will immediately pursue termination of assistance for the household member. Regulations for hearings for the HCV program at 24 CFR § 982.555 continue to apply. If PHA erroneously admitted a lifetime sex offender, PHA will give the family the opportunity to remove the ineligible family member from the

household. If the family is unwilling to remove that individual from the household, PHA will terminate assistance for the household.

For admissions before June 25, 2001, there is currently no HUD statutory or regulatory basis to evict or terminate the assistance of the household solely on the basis of a household member's sex offender registration status.

Other Authorized Reasons for Termination of Assistance

PHA may terminate a family's assistance if:

- The family has failed to comply with any family obligations under the program;
- Any family member has been evicted from federally-assisted housing in the last three years;
- Any HA has ever terminated assistance under the program for any member of the family;
- Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.
- The family currently owes rent or other amounts to any HA in connection with the HCV, Certificate, Moderate Rehabilitation or public housing programs;
- The family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease;
- The family underreported or did not report income
- The family has breached the terms of a repayment agreement entered into with PHA;
- The family breaches the terms of the MTW Agreement or Family Economic Development Action Plan;
- The family reaches the end of the seven year program term limit; or
- A family member has engaged in or threatened violent or abusive behavior toward PHA personnel. "Abusive or violent behavior towards PHA personnel" includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior. Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

Insufficient Funding

PHA may terminate a family's HAP contract if PHA determines that HCV funding is insufficient to support continued assistance for families in the program.

Missed Appointments and Deadlines

It is a family obligation to supply information, documentation, and certification as needed for PHA to fulfill its responsibilities. PHA schedules appointments and sets deadlines in order to obtain required information. The obligations also require that the family allow PHA to inspect the unit. Appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying PHA, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow PHA to inspect the unit.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- Eligibility for Admissions;
- Verification Procedures;
- Voucher Issuance and Briefings;
- Housing Quality Standards and Inspections;
- Recertifications; and
- Appeals.

The family will be given two opportunities before being issued a notice of termination or denial for breach of a family obligation. After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing, the notice will be rescinded if the family offers to cure and the family does not have a history of non-compliance. Termination is subject to a request for reasonable accommodations.

Acceptable reasons for missing appointments or failing to provide information by deadlines include, but are not limited to:

- Medical emergency;
- Incarceration; and
- Family emergency.

Method of Termination

PHA may terminate assistance by:

- Terminating housing assistance payments under a current HAP contract,
- Refusing to approve a request for tenancy or to enter into a new HAP contract, or
- Refusing to process a request for or refusing to provide assistance under portability procedures.

Alternatives to Termination of Assistance - Household Composition

As a condition of continued assistance, PHA may require that any household member who participated in or was responsible for an offense no longer resides in the unit.

As a condition of continued assistance, the head of household must certify that the culpable family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon PHA request.

Criteria for Deciding to Terminate Assistance

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

"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 which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Evidence

PHA will terminate assistance if a preponderance of the evidence indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted.

Credible evidence may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants. PHA will pursue fact-finding efforts as needed to obtain credible evidence.

Consideration of Circumstances

PHA may consider the following factors when making its decision to terminate assistance:

- The seriousness of the case, especially with respect to how it would affect other participants;
- The effects that termination of assistance may have on other members of the family who were not involved in the action or failure;
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or a victim of domestic violence, dating violence, or stalking;
- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future;
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully; and
- In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family.

PHA will require the participant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

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Terminating the Assistance of Domestic Violence, Dating Violence or Stalking Victims and Perpetrators

See the chapter on Fair Housing and Equal Opportunity for policies related to VAWA.

Termination Notice

If a family's assistance is to be terminated, whether voluntarily or involuntarily, PHA will give the family and the owner written notice that specifies:

- The reasons for which assistance has been terminated ;
- The effective date of the termination; and
- The family's right to an informal hearing.

If a criminal record is the basis of the termination, a copy of the record will accompany the notice. A copy of the criminal record also must be provided to the subject of the record.

When termination is initiated by PHA, the notice to terminate will be sent to the family and the owner at least 30 calendar days prior to the effective date of the termination. However, if a family vacates the unit without informing PHA, 30 days' notice will not be given. In these cases, the notice to terminate will be sent at the time PHA learns the family has vacated the unit.

When a family requests to be terminated from the program they must do so in writing. PHA will then send a confirmation notice to the family and the owner no later than the termination effective date (as requested by the family).

How Termination of Assistance Affects the HAP Contract and Lease

When the family's assistance is terminated, the lease and HAP contract terminate automatically.

The owner may offer the family a separate unassisted lease.

Termination of Tenancy by the Owner

Termination of an assisted tenancy is a matter between the owner and the family; PHA is not directly involved. However, the owner is under some constraints when terminating an assisted tenancy, and the reasons for which a tenancy is terminated dictate whether assistance also will be terminated.

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.

Termination by the Owner Due to Serious or Repeated Lease Violations

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease, including failure to pay rent or other amounts due under the lease, except when the violations are related to incidents of actual or threatened domestic violence, dating violence, or stalking against that participant. PHA's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

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Termination by the Owner Due to Violation of Federal, State, or Local Law

The owner is permitted to terminate the tenancy if a family member violates Federal, State, or local law that imposes obligations in connection with the occupancy or use of the premises.

Termination by the Owner Due to Criminal Activity or Alcohol Abuse

The owner may terminate tenancy during the term of the lease if any covered person, meaning any member of the household, a guest or another person under the tenant's control commits any of the following types of criminal activity:

- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises);
- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises;
- Any violent criminal activity on or near the premises; or
- Any drug-related criminal activity on or near the premises.

The owner may terminate tenancy during the term of the lease if any member of the household is:

- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of Pennsylvania, is a high misdemeanor; or
- Violating a condition of probation or parole imposed under Federal or State law.

The owner may terminate tenancy for criminal activity by a household member if the owner determines that the household member has committed the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.

The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

Termination by Owner - Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines they have engaged in the criminal activity, regardless of arrest or conviction and without satisfying the standard of proof used for a criminal conviction, except in certain incidents where the criminal activity directly relates to domestic violence, dating violence, or stalking and the tenant or an immediate member of the tenant's family is the victim or threatened victim of the domestic violence, dating violence, or stalking.

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Termination by Owner Due to Other Good Cause

During the initial lease term, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do. During the initial lease term or during any extension term, other good cause includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, “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).

After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease.

Owner Initiated Eviction

The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice, and the notice must be given at or before commencement of the eviction action.

The notice of grounds for termination may be included in, or may be combined with, any owner eviction notice to the tenant.

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 may only evict the tenant from the unit by instituting a court action.

The owner must give PHA a copy of any eviction notice at the same time the owner notifies the family. The family is also required to give PHA a copy of any eviction notice.

If the eviction action is finalized in court, the owner must provide PHA with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 5 business days following the court-ordered eviction.

Owner Decision Whether to Terminate Tenancy

An owner who has grounds to terminate a tenancy is not required to do so, and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

- The nature of the offending action;
- The seriousness of the offending action;
- The effect on the community of the termination, or of the owner’s failure to terminate the tenancy;
- The extent of participation by the leaseholder in the offending action;
- The effect of termination of tenancy on household members not involved in the offending activity;

- The demand for assisted housing by families who will adhere to lease responsibilities;
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action; and
- The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully. For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions in 24 C.F.R. § 5.105.

An owner’s decision to terminate tenancy for incidents related to domestic violence, dating violence, or stalking is limited by the Violence Against Women Reauthorization Act of 2005 (VAWA).

Effect of Owner Tenancy Termination on the Family’s Assistance

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

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CHAPTER 21: PROGRAM INTEGRITY

PHA is committed to assuring that the proper level of benefits is paid to all participating families and that housing resources reach only income-eligible families so that program integrity can be maintained. Further, PHA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously. This chapter outlines PHA's policies for the prevention, detection, and investigation of program abuse and fraud.

Quality Control

In furtherance of Program Integrity, PHA has developed and implemented a quality control program to ensure that PHA is assisting eligible families to afford decent, safe, and sanitary housing at the correct subsidy costs and to determine PHA compliance with agency and regulatory requirements.

Detecting Errors and Program Abuse

In addition to taking steps to prevent errors and program abuse, PHA will use a variety of activities to detect errors and program abuse.

PHA will use the results of monitoring reports to identify potential program abuses as well as to assess the effectiveness of PHA's error detection and abuse prevention efforts. PHA will encourage staff, program participants, and the public to report possible program abuse.

Investigating Errors and Program Abuse

PHA will review referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine whether they warrant investigation. In order for PHA to investigate, the allegation must contain at least one independently-verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

PHA will investigate inconsistent information related to the family that is identified through file reviews and the verification process.

Consent to Release of Information

PHA may investigate possible instances of error or abuse using all available PHA and public records. If necessary, PHA will require HCV families to give consent to the release of additional information.

Analysis and Findings

PHA will base its evaluation on a preponderance of the evidence collected during its investigation.

For each investigation PHA will determine:

- Whether an error or program abuse has occurred,
- Whether any amount of money is owed PHA; and

- What corrective measures or penalties will be assessed.

Consideration of Remedies

All errors and instances of program abuse must be corrected prospectively. Whether PHA will enforce other corrective actions and penalties, depends upon the nature of the error or program abuse.

In the case of family-caused errors or program abuse, PHA will take into consideration:

- The seriousness of the offense and the extent of participation or culpability of individual family members;
- Any special circumstances surrounding the case;
- Any mitigating circumstances related to the disability of a family member; and
- The effects of a particular remedy on family members who were not involved in the offense.

In the case of owner-caused errors or program abuse, PHA will take into consideration:

- The seriousness of the offense;
- The length of time since the violation has occurred; and
- The effects of a particular remedy on family members who were not involved in the offense.

Notice and Appeals

PHA will inform the relevant party in writing of its findings and remedies within 10 business days of the conclusion of the investigation. The notice will include:

- A description of the error or program abuse;
- The basis on which PHA determined the error or program abuse;
- The remedies to be employed; and
- The family's right to appeal the results through the informal review or hearing process, if applicable.

Corrective Measures and Penalties

Subsidy Under or Over Payments

A subsidy under- or overpayment includes:

- An incorrect housing assistance payment to the owner;
- An incorrect family share established for the family; and
- An incorrect utility reimbursement to a family.

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Whether the incorrect subsidy determination is an overpayment or underpayment of subsidy, PHA will promptly correct the HAP, family share, and any utility reimbursement prospectively.

Increases in the family share will be implemented only after the family has received 30 days' notice.

Any decreases in family share will become effective the first of the month following the discovery of the error.

Family Caused Errors and Program Abuse

Family obligations and general administrative requirements for participating in the program are discussed throughout this Plan.

An incorrect subsidy determination caused by a family generally would be the result of incorrect reporting of family composition, income, assets, or expenses, but also would include instances in which the family knowingly allows PHA to use incorrect information provided by a third party.

Family Reimbursement to PHA

In the case of family-caused errors, program abuse, or resumption of minimum rent after a temporary hardship the family will be required to repay all amounts due. PHA may, but is not required to, offer the family a repayment agreement. If the family fails to repay the amount due, PHA may terminate the family's assistance.

Debt and Re-Payment Agreements

When an applicant currently owes PHA money from a previous Public Housing residency or HCV program participation, PHA will require that the entire amount be paid in full prior to allowing the applicant admission or re-admission to the Housing Choice Voucher program. "Current" for purposes of this paragraph is defined in the Chapter on Eligibility in this Plan.

Any amount owed to PHA by an HCV family must be repaid.

Tenants are required to reimburse PHA if they were charged less rent than required by PHA's rent formula due to tenant's underreporting or failure to report income. Existing HCV families will be required to reimburse PHA for the difference between what the family rent should have been against the family rent that was charged. This amount is referred to as the retro-active rent. PHA will determine retroactive rent as far back as PHA has documentation of family reported income. For example, if PHA determines that the family has not reported income for a period of five years and only has documentation for the last three years, PHA is only able to determine retroactive rent for the three years for which documentation is available.

PHA, at its discretion, may offer a re-payment agreement to a family for underpayment of rent clearly caused by the family when the debt cannot be paid within a period of 30 days.

Term and Structure of Repayment Agreements

The maximum term of a repayment agreement is twenty-four (24) months. Before executing a repayment agreement, PHA will generally require that the family pay at least one-quarter (1/4) of the total amount owed. The remaining balance will be paid in monthly installments. A family may make an initial lump sum payment to reduce or eliminate the monthly repayment amount. PHA reserves the right to structure

repayment agreements requiring the family to make higher initial and/or monthly payments in order to eliminate the total debt in fewer than 24 months.

For example, if a family owes $3,000 PHA may offer a repayment agreement that requires the family to make an initial payment of $750 (1/4 of the total debt owed), followed by monthly installments of at least $93.75 for the next 24 months.

Written Repayment Agreement

All repayment agreements will be in writing, dated and signed by both the head of household and PHA, include the total retroactive amount owed, amount of lump sum payment made at time of execution, and if applicable, the monthly repayment amount. At a minimum, repayment agreements will contain the following provisions:

- Reference to the paragraphs in the HCV information packet that state the family's obligation to provide true and complete information at every reexamination and the grounds on which PHA may terminate assistance because of a family's action or failure to act;

- A statement clarifying that each month the family not only must pay to PHA the monthly payment specified in the agreement, but also must pay to the owner the family's monthly share of rent to owner;

- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases; and

- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance.

General Repayment Guidelines

All payments are due by the close of business on the 5th business day of each month. If a required payment is not received by the close of business on the date due, and prior approval for the missed payment has not been given by PHA, PHA will send the family a delinquency notice giving the family 10 business days to make the late payment. If the payment is not received by the due date stated in the delinquency notice, it will be considered a breach of the repayment agreement and PHA will terminate assistance in accordance with its termination policies. If a family receives three delinquency notices for unexcused late payments in a 12-month period, PHA will terminate assistance in accordance with its termination policies.

If PHA offers a repayment agreement and the family refuses to enter into the repayment agreement or fails to make payments on an existing or new repayment agreement, PHA will terminate the family's assistance in accordance with its termination policies. PHA will not offer any PHA-sponsored amnesty or debt forgiveness programs.

PHA will not enter into more than one repayment agreement with a family within a five year period. If there is a second claim in a five-year period then the family must continue to pay according to the existing repayment agreement (if the debt has not been repaid), and the subsequent claim must be paid in full. If the subsequent payment cannot be repaid in full it will result in termination from the program.

PHA may move to terminate assistance without offering the tenant a repayment agreement. Repayment agreements for any amount above $5,000 require approval by the General Manager. When deciding whether to enter into a repayment agreement with the family, PHA will consider the family's history of meeting its family obligations under the HCV program, including any history of fraud. The following facts will be considered when deciding if PHA should enter into a repayment agreement with the family:

- The amount owed by the family;

- The reason for the debt;
- The family's current and potential income and expenses; and
- Any other information that is relevant to the case.

Consequences of Default

If the family refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, PHA will terminate the family's assistance in accordance with PHA's termination policies. PHA may also pursue other modes of collection.

Prohibited Actions

An applicant or participant in the HCV program must not knowingly:

- Make a false statement to PHA; 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 family program abuse:

- Payment to the owner in excess of amounts authorized by PHA for rent, security deposit, and additional services;
- Offering bribes or illegal gratuities to PHA Board of Commissioners, employees, contractors, or other PHA 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 PHA on the family's behalf;
- Use of a false name or the use of falsified, forged, or altered documents;
- Intentional misreporting of family information or circumstances (i.e., income, family composition);
- Omitted facts that were obviously known by a family member (i.e., not reporting employment income); and
- Admission of program abuse by an adult family member.

PHA may determine other actions to be program abuse based upon a preponderance of the evidence.

Penalties for Program Abuse

In the case of program abuse caused by a family PHA may, at its discretion, impose any of the following remedies:

- PHA may require the family to repay excess subsidy amounts paid by PHA, as described earlier in this section;

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- PHA may require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit;
- PHA may deny or terminate the family's assistance; or
- PHA may refer the family for State or Federal criminal prosecution.

Owner Caused Error or Program Abuse

This section focuses on errors and program abuse by owners.

An incorrect subsidy determination caused by an owner generally would be the result of an incorrect owner statement about the characteristics of the assisted unit (i.e., the number of bedrooms, which utilities are paid by the family). Owner error or abuse also includes accepting duplicate housing assistance payments for the same unit in the same month, or after a family no longer resides in the unit.

Owner Reimbursement to PHA

In all cases of overpayment of subsidy caused by the owner, the owner must repay to PHA any excess subsidy received. PHA may recover overpaid amounts by withholding housing assistance payments due for subsequent months, or if the debt is large, PHA may allow the owner to pay in installments over a period of time.

In cases where the owner has received excess subsidy, PHA will require the owner to repay the amount owed.

Prohibited Owner Actions

An owner participating in the HCV program must not make any false statement to PHA and/or commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program including:

- Charging the family rent above or below the amount specified by PHA
- Charging a security deposit other than that specified in the family's lease;
- Charging the family for services that are provided to unassisted tenants 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 PHA Board of Commissioners, employees, contractors, or other PHA representatives;
- Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to PHA; and
- Residing in the unit with an assisted family.

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Remedies and Penalties

When PHA determines that the owner has committed program abuse, PHA may take any of the following actions:

- Require the owner to repay excess housing assistance payments;
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- Terminate the HAP contract;
- Bar the owner from future participation in any PHA programs; and
- Refer the case to state or federal officials for criminal prosecution.

PHA Caused Errors or Program Abuse

PHA-caused incorrect subsidy determinations include:

- Failing to correctly apply HCV rules regarding family composition, income, assets, and expenses;
- Assigning the incorrect Voucher size to a family; and
- Errors in calculation.

Prohibited Activities

Any of the following will be considered evidence of program abuse by PHA 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 PHA;
- Disclosing confidential or proprietary information to outside parties;
- Gaining profit as a result of insider knowledge of PHA activities, policies, or practices;
- Misappropriating or misusing HCV funds;
- Destroying, concealing, removing, or inappropriately using any records related to the HCV program; and
- Committing any other corrupt or criminal act in connection with any federal housing program.

Criminal Prosecution

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When PHA determines that program abuse by an owner, family, or PHA staff member has occurred and the amount of overpaid subsidy meets or exceeds the threshold for prosecution under local or State law, PHA 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 also 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.

Fraud and Program Abuse Recoveries

PHA may retain a portion of program fraud losses that PHA recovers from a family or owner through litigation, court order, or a repayment agreement in accordance with applicable requirements, including this Plan.

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CHAPTER 22: SPECIAL PROGRAMS AND ALLOCATIONS

Overview

PHA will administer special allocations of HCV Vouchers for specific groups, individuals and families needing rental assistance. An applicant must meet HCV eligibility requirements as well as qualify under the specific guidelines for special program(s). When HUD awards HCV funds for a specific category of applicants, PHA will assist these households in accordance with HUD's special instructions.

Super Preference

PHA has established a Super Preference for applicants who can document that they have been displaced by a natural disaster declared by the President of the United States. Applicants displaced by declared natural disasters will take immediate priority over all other applicants and such families will move to the top of any PHA Waiting List. Super Preference applicants must meet PHA income and other eligibility requirements.

Special Preference

PHA may provide emergency rental assistance in cases of extreme emergencies and natural disaster. PHA has authorized the Mayor (CEO) or the Managing Director of the City of Philadelphia to certify families for emergency rental assistance in cases of extreme emergencies and natural disaster. These applicants will be serviced as certified by the Mayor of the City of Philadelphia and will not exceed fifty (50) Vouchers annually. Applicants must meet the HCV program eligibility requirements as well as qualify under the specific guidelines for the program(s).

Family Unification Program

The Philadelphia Housing Authority (PHA) in 1994 was originally approved to participate in the Family Unification Program (FUP) by the U.S. Department of Housing and Urban Development (HUD). PHA has received additional FUP housing choice Vouchers under subsequent allocations by HUD. FUP housing choice Vouchers (FUP HCV) are Vouchers specifically for FUP-eligible families and youth, and FUP HCV are allocated to new FUP-eligible families and youth upon Voucher turnover.

PHA has entered into an MOU with the City of Philadelphia Department of Human Services (DHS). A household eligible for an FUP Voucher must be a family certified by DHS as a family for whom the lack of adequate housing is a primary factor in (1) the imminent placement of the family's child, or children, in out-of-home care; or (2) in the delay of discharge of a child, or children, to the family from out-of-home care.

FUP-eligible youth may also receive FUP Vouchers. A FUP-eligible youth is an individual that DHS has certified is a youth at least 18 years old and not more than 21 years old (has not reached his/her 22nd birthday) who left foster care at age 16 or older and who does not have adequate housing. A FUP-eligible youth is eligible to use a FUP housing choice Voucher for not more than eighteen (18) months. PHA shall refer families already on the HCV Waiting List to DHS for evaluation of FUP-eligibility. If DHS determines that a family on the PHA HCV Waiting List is FUP-eligible, that family will maintain its original position on the Waiting List after certification. Families referred by DHS to PHA as FUP-eligible will be placed on the PHA HCV Waiting List in the order the referrals are received.

Family Unification Program Vouchers are treated as "Targeted Funding" as described in this Plan. Families and Youth who qualify for FUP HCV are placed on the regular HCV Waiting List. When a new

FUP HCV becomes available the Waiting List is searched for the first available family or youth meeting targeted funding criteria. These Vouchers will be provided under a separate agreement to support the Family Unification Program

Veteran's Affairs Supportive Housing Program (VASH)

The HUD–VASH program combines HUD HCV rental assistance for homeless veterans with case management and clinical services provided by the U.S. Department of Veterans Affairs (VA) at its medical centers and in the community. The VA refers eligible homeless veterans to PHA. PHA follows the VASH program requirements as published in the Federal Register under Docket No. FR-5213-N-01. PHA has been provided 105 Vouchers to the VASH program. The following apply to the VASH program:

- Income limits apply at admission only;
- PHA will NOT deny admission to the HCV program to an otherwise eligible HUD-VASH family that previously participated in PHA's HCV or public housing program who has prior debt;
- PHA will only screen VASH families (includes all household members, not just the veteran) for lifetime sex offender status. The HUD-VASH operating requirements state that, with the exception of screening to determine if any household member is subject to a lifetime registration requirement under a state sex offender registration program, the PHA does not have the authority to screen "potentially eligible families" or deny assistance in accordance with 982.552 or 982.553;
- Benefits received under the VA's Incentive Therapy (IT) and Compensated Work Therapy (CWT) programs are included in the calculation of a family's annual income;
- If a family no longer needs case management as determined by the VA Medical Center ("VAMC"), the family is still eligible for rental assistance under the HCV program. In cases where case management is no longer needed, PHA could use one of its own Vouchers, if available, to continue assisting this family and free up a Voucher for another HUD-VASH eligible family. If a regular Voucher is not available, the family would continue utilizing the HUD-VASH Voucher. Please note that if a HUD-VASH Voucher is switched from a HUD-VASH Voucher to a regular Voucher, the family is not subject to PHA's Waiting List because the family is already a participant in PHA's HCV program;
- Families are not required to find a unit within the jurisdiction of the issuing PHA. Families may live in surrounding jurisdictions under Voucher portability provisions, with the only limitation being that the VAMC must be able to provide case management services.
- If a family wants to move to another jurisdiction where it will not be possible for the initial HA's partnering VAMC to provide case management services, the VAMC must first determine that the HUD-VASH family could be served by another VAMC that is participating in this program, and the receiving HA must have a HUD-VASH Voucher available for this family. In these cases, the families must be absorbed by the receiving HA either as a new admission (upon initial participation in the HUD-VASH program) or as a portability move-in (after an initial leasing in the initial HA's jurisdiction);
- The initial term of the VASH Voucher will be for 120 days. Extensions are granted per PHA policy on Voucher extensions; \
- The initial lease term is for a period of one year, however PHA may approve a shorter initial lease term if the PHA determines that:
    - Such shorter term would improve housing opportunities for the tenant; and
    - Such shorter term is the prevailing local market practice.

- VASH participants who do not comply with the VAMC case management requirements will be terminated

Special Housing Initiatives

Subject to Board approval, PHA may enter into MOUs or other agreements with qualified partner organizations and/or establish Special Housing Initiatives that provide an admissions preference to the Public Housing and/or HCV Programs. The number and type of housing opportunities, eligibility and admissions criteria, lease terms, rent payments and other terms and conditions may vary from program to program. The terms and conditions of each Special Housing Initiative shall be described in MOUs or other agreements subject to Board approval.

Good Neighbors Make Good Neighborhoods

As part of the PHA Good Neighbors Make Good Neighborhoods Program (formerly called "Blueprint to End Homelessness"), PHA will make additional housing opportunities available for families leaving transitional housing per the terms of the MOU with the City of Philadelphia dated April 2009, as amended. Under the Good Neighbors Program, PHA will provide housing opportunities, within one year of the date of the MOU with the City of Philadelphia, to eligible Good Neighbor families.

The number of housing opportunities provided will be consistent with the MOU between PHA and the City of Philadelphia and will include both vouchers and public housing units. PHA has established a limited preference category for families in the Good Neighbors program. This preference category will be capped so that on a fiscal year basis a total of 500 housing opportunities will be provided annually. PHA may adjust the mix of vouchers and public housing units in its sole discretion depending on availability and demand in each program. All other occupancy, rent, and other continued occupancy policies for the Public Housing or Housing Choice Voucher programs, as applicable, apply to these households.

Nursing Home Transition Initiative (NHTI)

The Nursing Home Transition Initiative (NHTI) is a partnership with DPW that assists persons transitioning out of nursing homes to access affordable housing. As part of NHTI, PHA administers State-supported vouchers for referrals of disabled consumers in need of low-income housing. NHTI households may be eligible for a preference for public housing or HCV. In addition, PHA has entered into an MOU with Liberty Resources, Inc. to refer to PHA disabled households who may be eligible for a preference for public housing or HCV. PHA utilizes its MTW flexibility to increase HCV payment standards up to 120% of the HUD Fair Market Rents in order to secure housing, subject to rent reasonableness. Rent Simplification does not apply to participants in the NHTI program. All other occupancy, rent, and other continued occupancy policies for the Public Housing or Housing Choice Voucher programs, as applicable, apply to these households.

Liberty Resources Incorporated (LRI) Program

PHA has entered into a MOU with Liberty Resources, Inc.(LRI), a non-profit service provider for persons with disabilities in Philadelphia. Program requirements and specific voucher allocations are incorporated in the MOU between PHA and Liberty Resources, Inc. All other occupancy, rent, and other continued occupancy policies for the Public Housing or Housing Choice Voucher programs, as applicable, apply to these households.

Development Program Relocation Special Housing Initiative

PHA will provide priority admission to eligible households through the Development Program Relocation Special Housing Initiative (DPR Initiative). The DPR Initiative establishes a preference for eligible households who reside in buildings or units that must be vacated and/or demolished pursuant to a PHA development program, including but not limited to PHA's Six in Five development program.

Witness Relocation Program

PHA has a vested interest in the prosecution of homicides and other felonious violent crimes in the City of Philadelphia, therefore, PHA and the Office of the District Attorney (DA) in Philadelphia have agreed to enter into an MOU to provide up to twenty-five (25) PHA housing opportunities, including both public housing units and housing choice vouchers, to persons, who witness homicides or other felonious violent crimes, and cooperate with the DA in the prosecution of these violent criminals. Eligibility, selection, rent and continued occupancy criteria shall be defined in the MOU. The eligibility, selection, rent and continued occupancy criteria differ in several respects from the standard public housing policies defined in the ACOP.

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CHAPTER 23: UNIT BASED PROGRAM

Pursuant to its MTW authority, PHA has implemented a unit-based Voucher (UBV) program that project-bases tenant-based HCVs. Except as otherwise noted in this chapter, or unless specifically prohibited by UBV program requirements described herein, PHA policies for the tenant-based Voucher program contained in this Administrative Plan also apply to the UBV program and its participants.

Owner Selection Procedures

PHA will select UBV proposals in accordance with one of the following methods:

- Selection Method 1: PHA request for UBV Proposals. PHA may solicit proposals by using a request for proposals (RFP) to select proposals on a competitive basis in response to PHA request.

- Selection Method 2: PHA may select proposals that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a Federal, State, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (i.e., HOME, and units for which competitively awarded low-income housing tax credits [LIHTCs] have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the UBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive UBV assistance.

- Selection Method 3: PHA may select its own units for project-basing with UBV assistance without a competitive process. Pursuant to its MTW authority, PHA may unit-base assistance at properties other than public housing properties owned directly or indirectly by PHA, including those owned by PHA affiliates or instrumentalities. For purposes of this selection method, a property that may be unit-based may be a former public housing property that has been converted to HCV assistance.

Solicitation and Selection of UBV Proposal

Unless otherwise described in a solicitation that uses Selection Method 1 above, when PHA requests UBV proposals under Selection Method 1, its procedures will involve public notice which may include publication of the notice in a local newspaper of general circulation and other means designed to provide broad public notice. Detailed application and selection information will be provided at the request of interested parties.

PHA may rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP;

- Extent to which the project furthers PHA's goal of deconcentration poverty and expanding housing and economic opportunities;

- If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and

- Other factors identified by PHA in the specific RFP for UBV assistance.

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PHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

Using Selection Method 2, PHA may award UBV assistance to owners that were competitively selected under another Federal, State or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis.

In addition to, or in place of advertising, PHA may also directly contact specific owners that have already been selected for Federal, State, or local housing assistance based on a previously held competition, to inform them of available UBV assistance.

Proposals will be reviewed on a first-come, first-served basis. PHA may evaluate each proposal on its merits using the following factors:

- Extent to which the project furthers PHA's goal of deconcentrating poverty and expanding housing and economic opportunities;
- Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, HOME program activities, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community; and
- Other factors that further the mission and goals of PHA.

PHA Owned Units

Using Selection Method 3 above, PHA may unit-base PHA-owned units, subject to HUD's requirements regarding subsidy-layering.

Housing Type

PHA may attach UBV assistance for units in existing housing or for newly constructed or rehabilitated housing. A housing unit is considered an "existing unit" for purposes of the UBV program, if, at the time of notice of PHA selection, the unit substantially complied with HQS. Units for which new construction or rehabilitation was started in accordance with UBV program requirements do not qualify as existing housing.

PHA will determine what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. PHA's choice of housing type must be reflected in its solicitation for proposals.

Assistance for Certain Unit Types

Pursuant to PHA's MTW authority and as part of the implementation of its Partnership Initiative, PHA may attach or pay UBV assistance to certain types of properties that would otherwise be ineligible for such assistance. PHA may attach or pay UBV assistance to properties that may include but are not limited to nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (including assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; and transitional housing. Consistent with the foregoing, PHA may allow students to reside in units designated for occupancy by students even if such students would normally be prohibited from admission to the HCV or UBV program.

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PHA will not attach or pay UBV assistance for a unit occupied by an owner and PHA may not select or enter into an agreement to enter into a HAP contract for a unit occupied by a family ineligible for participation in the UBV program.

Subsidized Housing

Unless part of its "shallow" subsidy UBV program, PHA will not attach or pay UBV assistance to units that are already receiving another form of subsidized housing operating assistance. With respect to a shallow subsidy UBV program, PHA will not attach or pay UBV assistance to units receiving another form of subsidized operating assistance if the UBV assistance would be duplicative or would otherwise over-subsidize the unit. For purposes of this section, other forms of subsidized housing operating assistance include the following:

- A public housing unit;
- A unit subsidized with any other form of HCV 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 that a PHA may attach assistance to 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;
- A 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.

Subsidy Layering Requirements

PHA may determine the effect of subsidy on rent to owners and the duplication of subsidy or excessive subsidy, subject to the requirements regarding subsidy layering as set forth in the HUD Reform Act of 1989. The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the UBV program with other governmental housing assistance from Federal, State, or local agencies, including assistance such as tax concessions or tax credits.

Cap on Number of UBV Units in Each Building

To the extent approved in an MTW Plan, PHA may unit-base up to 100 percent of the dwelling units in any UBV project or building. At all times, PHA may unit base 100 percent of the dwelling units in a project

selected in accordance with one of the selection methods set forth above and which has one or more of the following characteristics:

- The units are in a single-family building (one to four units);

- The units are made available for elderly or disabled families or families receiving supportive services (also known as *qualifying families*).

  The RFP for UBV assistance will describe the type of supportive services that will qualify for the above. It is not necessary that the supportive services be provided at or by the project, if they are approved services. PHA will not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit, although such services may be offered.

  If a qualifying family at the time of initial tenancy is receiving FSS supportive services or any other supportive services as defined in the PHA Administrative Plan, and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as a unit receiving supportive services for as long as the family resides in the unit.

Site Selection Standards

Compliance with UBV Goals, Civil Rights Requirements, and HQS Site Standards

Sites selected to receive UBV assistance must comply with the following requirements:

- The site must comply with the Fair Housing Act and Title VI of the Civil Rights Act of 1964 with respect to determining the location of newly constructed or acquired units.

- Units may be located in PHA's jurisdiction, including but not limited to the following types of urban areas: (1) An area of revitalization that has been designated as such by the governing jurisdiction, including Redevelopment Areas and Enhanced Enterprise Communities; (2) an area where public housing units were previously constructed and were demolished; (3) a racially or economically impacted area where PHA plans to preserve existing affordable housing; (4) an area in connection with a HOPE VI or other HUD-funded master planned development; (5) in areas where a needs analysis indicates that subsidized housing represents a low percentage of the total number of housing units in the area; (6) an area with a lower concentration of public housing units; or (7) an area designated by the City of Philadelphia as a blight elimination zone.

- When developing or substantially rehabilitating 6 or more UBV units in a project, PHA will or will require an owner applying for the UBV assistance to advise current residents of the subject properties and representative community groups in the vicinity of the subject property by letter to resident organizations and by public meeting, of the revitalization plan. Documentation that this requirement has been met will be maintained by PHA.

- PHA or an owner applying for the UBV assistance must conduct a housing needs analysis indicating that there is a real need for the housing in the project area.

All units selected for UBV assistance must meet HQS or other local standard developed by PHA.

Environmental Review

PHA activities under the UBV program are subject to HUD environmental regulations in 24 C.F.R. parts 50 or 58. The *responsible entity* is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). PHA will not enter into a HAP

contract until the owner has complied with the environmental review requirements and the review is completed.

Housing Quality Standards

The housing quality standards (HQS) for the tenant-based program or other local standard established by PHA pursuant to its MTW authority, including those for special housing types, generally apply to the UBV program. 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 UBV program. The physical condition standards at 24 C.F.R. 5.703 do not apply to the UBV program.

Lead Based Paint

The lead-based paint requirements for the tenant-based Voucher program do not apply to the UBV 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 C.F.R. part 35, subparts A, B, H, and R, apply to the UBV program.

Housing Accessibility for Persons with Disabilities

Housing selected for the UBV program must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 C.F.R. part 8. Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 C.F.R. 100.205, as applicable.

Inspecting Units

Pre-HAP Contract Inspections

PHA will inspect each contract unit before execution of the HAP contract. PHA will not enter into a HAP contract covering a unit until the unit fully complies with HQS.

Turnover Inspections

Before providing assistance to a new family in a contract unit, PHA will inspect the unit. PHA will not provide assistance on behalf of a family until the unit fully complies with HQS.

Annual Inspections

Annually during the term of the HAP contract, PHA will inspect each unit 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.

Other Inspections

PHA will inspect contract units whenever 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. PHA will take into account complaints and any other information coming to its attention in scheduling inspections.

PHA will conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of

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contractual and other remedies for owner or family violation of HQS. In conducting PHA supervisory quality control HQS inspections, PHA will include a representative sample of both tenant-based and project-based units.

HAP Contract for Rehabilitated or Newly Constructed Units

When selecting a proposal for rehabilitated or newly constructed units, PHA will not enter into a HAP contract until construction of the units is completed and the units have been determined to comply with HQS or such other local standard implemented by PHA pursuant to its MTW authority. Upon selection, and prior to execution of the HAP contract, PHA may send an award letter notifying the owner of the project's selection.

Evidence of Completion

At a minimum, the owner must submit the following evidence of completion to PHA in the form and manner required by PHA:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At PHA's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

PHA Acceptance of Completed Units

Upon notice from the owner that the housing is completed, PHA will inspect to determine if the housing has been completed in accordance with applicable requirements, including compliance with HQS and any additional requirements imposed under the RFP or award letter. PHA must also determine if the owner has submitted all required evidence of completion.

If PHA determines the work has been completed in accordance with the foregoing and that the owner has submitted all required evidence of completion, PHA will execute the HAP contract with the owner.

Housing Assistance Payments Contract

PHA will enter into a HAP contract with an owner for units that are receiving UBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. PHA uses its own HAP contract form which may differ from the HUD standard form to reflect the features of the UBV program.

Execution of the HAP Contract

PHA will not enter into a HAP contract until each contract unit has been inspected and PHA has determined that the unit complies with the Housing Quality Standards (HQS).

Term of HAP Contract

PHA may enter into a HAP contract with an owner for an initial term of no less than one year and no more than fifteen years. The term of all UBV HAP contracts will be negotiated with the owner on a case-by-case basis.

Prior to expiration of the HAP contract, PHA may extend the term of the contract for an additional term of up to fifteen years if PHA 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 PHA at the time of the extension. When determining whether or not to extend an expiring UBV contract, PHA will consider whether such extension is in the interests of PHA and its low-income clients.

Termination by PHA

The term of PHA's contractual commitment is subject to the availability of sufficient appropriated funding. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, PHA may terminate the HAP contract by notice to the owner.

Remedies for HQS Violations

PHA will not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS or comparable local standard established pursuant to PHA's MTW authority. If PHA determines that a contract does not comply with such standard, PHA may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

PHA will abate and terminate UBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based Voucher program. These policies are contained in the section on in Section 8-II.G., Enforcing Owner Compliance.

Amendments to Housing Assistance Payments Contract

Substitution of Contract Units

At PHA's discretion, 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, PHA will inspect the proposed unit and determine the reasonable rent for the unit.

Addition of Contract Units

At PHA's discretion, a HAP contract may be amended to add additional UBV units in the same building. This type of amendment is subject to all UBV program requirements except that a new UBV proposal is not required. PHA may consider adding contract units to the HAP contract when PHA determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

- The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and
- Voucher holders are having difficulty finding units that meet program requirements.

HAP Contract Anniversary and Expiration Dates

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.

Owner Responsibilities under the HAP Contract

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract that:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP is leased to an eligible family referred by PHA or the owner, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and
- The family does not own or have any interest in the contract unit.

Additional HAP Requirements

Housing Quality and Design Requirements

The owner is required to maintain and operate the contract units and premises in accordance with HQS or such other local standard established by PHA pursuant to its MTW authority, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with PHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

PHA may elect to establish additional requirements for quality, architecture, or design of UBV housing. Any such additional requirements must be specified in the agreement to enter into a HAP contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

PHA will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the UBV project. PHA will specify any special design standards or additional requirements in the invitation for UBV proposals, the agreement to enter into HAP contract, and the HAP contract.

Vacancy Payments

PHA will not pay vacancy claims under the UBV program.

Project Based Participants

Many of the provisions of the tenant-based Voucher regulations also apply to the UBV program. This includes requirements related to determining eligibility and selecting applicants from the Waiting List. Even with these similarities, there are requirements that are unique to the UBV program. This section describes the requirements and policies related to eligibility and admission to the UBV program.

Eligibility for UBV Assistance

PHA may select families for the UBV program from those who are participants in PHA's tenant-based Voucher program and from those who have applied for admission to the Voucher program. For Voucher participants, eligibility was determined at original admission to the Voucher program and does not need to be redetermined at the commencement of UBV assistance. For all others, eligibility for admission must be determined at the commencement of UBV assistance.

Applicants for UBV assistance must meet the same eligibility requirements as applicants for the tenant-based Voucher program. Applicants must qualify as a family as defined by HUD and PHA, have income at or below eligible income limits, and qualify on the basis of citizenship or the eligible immigration status of family members. In addition, an applicant family must provide social security information for family members and consent to PHA's collection and use of family information regarding income, expenses, and family composition. An applicant family must also meet PHA's requirements related to current or past criminal activity.

In-Place Families

An eligible family residing in a proposed UBV contract unit on the date a proposal is selected by PHA is considered an "in-place family." These families are afforded protection from displacement. 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 will be placed on PHA's Waiting List. If the family's continued eligibility for UBV assistance is determined (PHA may deny assistance to an in-place family for the grounds specified in this Administrative Plan), the family will be given an absolute selection preference and PHA will refer these families to the project owner for an appropriately sized UBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

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Waiting List

Organization of The Waiting List

PHA uses the same Waiting List for both tenant-based and UBV assistance. PHA may also merge the UBV portion of the Waiting List with a Waiting List for other assisted housing programs offered by PHA. With PHA's prior approval, an owner may elect to receive referrals from PHA's Waiting List or to use a site-based Waiting List for selection of tenants for a site.

Selection from The Waiting List

For owners using PHA's centralized Waiting List, PHA may establish selection criteria or preferences for occupancy of particular UBV units. PHA may place families referred by the UBV owner on its Waiting List. For owners using a site-based Waiting List, owners must refer families to PHA for the eligibility screening described in this chapter.

Units with Accessibility Features

When selecting families to occupy UBV units that have special accessibility features for persons with disabilities, PHA and/or owners must first refer families who require such features to the owner.

Offer of UBV Assistance

Upon leasing of a project-based unit, the participant family relinquishes all rights to a tenant based Voucher. The family will certify that PHA is not required to offer further assistance if the family vacates the selected unit.

Disapproval by Landlord

If a UBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the PHA tenant-based Voucher Waiting List.

Family Briefing

When a family accepts an offer for UBV assistance, PHA will give the family a verbal briefing. The briefing may include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, PHA must provide a briefing packet that explains how PHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Owner Selection of Tenants

The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection.

Leasing

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During the term of the HAP contract, the owner must lease contract units to eligible families that have been deemed eligible by PHA. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on PHA's subsidy standards.

Filling Vacancies

The owner must promptly notify PHA of any vacancy or expected vacancy in a contract unit. After receiving such notice, PHA must make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies. Owners using site-based Waiting Lists must promptly refer families to PHA for screening by PHA to minimize the likelihood and length of any vacancy.

Reduction in HAP Contract Units Due to Vacancies

If any contract units have been vacant for 120 or more days since owner notice of the vacancy, PHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.

Tenant Screening

PHA Responsibility

PHA is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. However, PHA may opt to screen applicants for family behavior or suitability for tenancy and may deny applicants based on such screening. Generally, PHA will not conduct screening to determine a UBV applicant family's suitability for tenancy.

PHA must provide the owner with an applicant family's current and prior address (as shown in PHA records) and the name and address (if known by PHA) of the family's current landlord and any prior landlords.

Owner Responsibility

Owners are responsible for determining the suitability of prospective tenants. The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families the owner may consider a family's background with respect to the following factors:

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

Lease

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Form of Lease

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a PHA tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by PHA. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a PHA model lease. PHA may review the owner's lease form to determine if the lease complies with state and local law. If PHA determines that the lease does not comply with state or local law, PHA may decline to approve the tenancy.

Lease Requirements

The lease for a UBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
- The amount of any charges for food, furniture, or supportive services.

Tenancy Addendum

The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The composition of the household as approved by PHA (the names of family members and any PHA-approved live-in aide); and
- All provisions in the PHA-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

Initial Term and Lease Renewal

The initial lease term must be for at least two years. Upon expiration of the lease, an owner may renew the lease, refuse to renew the lease for "good cause," or refuse to renew the lease without good cause. If the owner refuses to renew the lease without good cause, PHA must provide the family with a tenant-based Voucher and remove the unit from the UBV HAP contract.

Changes in the Lease

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give PHA a copy of all changes.

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The owner must notify PHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by PHA and in accordance with the terms of the lease relating to its amendment.

PHA will redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

Owner Termination of Tenancy

With two exceptions, the owner of a UBV unit may terminate tenancy for the same reasons an owner may in the tenant-based Voucher program. In the UBV 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 unit-based unit because of participation in a supportive services program (i.e., Family Self-Sufficiency), and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

Tenant Absence from the Unit

- The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by PHA policy. According to program requirements, the family's assistance must be terminated if they are absent from the unit for more than 183 calendar days in a calendar year for any reason.

Security Deposits

The owner may collect a security deposit from the tenant. PHA prohibits security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

Subject to state and local law, PHA will allow the owner to collect a security deposit amount the owner determines is appropriate. When the tenant 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 tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant. If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance form the tenant. PHA has no liability or responsibility for payment of any amount owed by the family to the owner.

Overcrowded, Under-Occupied and Accessible Units

If PHA determines that a family is occupying a unit that is the incorrect size, based on PHA'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 such features, PHA will notify the family and the owner of this determination, and PHA will offer the family the opportunity to receive continued housing assistance in another unit.

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PHA will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit. PHA may offer the family the following types of continued assistance, based on the availability of assistance:

- UBV assistance in the same building or project;
- UBV assistance in another project; and
- Tenant-based Voucher assistance.

If PHA offers the family a tenant-based Voucher, PHA must terminate the housing assistance payments for the wrong-sized or accessible unit at expiration of the term of the family's Voucher (including any extension granted by PHA).

When PHA offers a family another form of assistance that is not a tenant-based Voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the UBV unit. If the family does not move out within this 30-day time frame, PHA will terminate the housing assistance payments at the expiration of this 30-day period. PHA may make exceptions to this 30-day period if needed as a reasonable accommodation or for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

Family Lease Termination

The family may terminate the lease at any time after the initial term. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to PHA. Once a family terminates the lease, the family will no longer be part of the HCV or UBV program. Pursuant to PHA's MTW authority, PHA does not provide UBV participant families who want to move with tenant-based assistance with a tenant-based HCV Voucher.

Rent to Owner

The amount of the initial rent to an owner of units receiving UBV assistance is established at the beginning of the HAP contract term.

Rent to Owner for PHA Owned Units

The amount of the initial rent to an owner of units receiving UBV assistance is established at the beginning of the HAP contract term. For PHA owned units, an independent entity approved by HUD must establish the initial contract rents based on an appraisal by a licensed, state-certified appraiser.

Rent Limits

The rent to owner will not exceed the lowest of the following amounts:

- An amount determined by PHA, not to exceed 110 percent of the applicable fair market rent (or any PHA exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent;
- The rent requested by the owner; or

- Such other amount determined by PHA to be appropriate for the unit based upon the nature of the unit and the RFP from which the owner was selected. For example, in certain cases, PHA believes a shallower subsidy is more appropriate.

Use of FMRs, Exception Payment Standards and UAs

When determining the initial rent to owner, PHA will use the most recently determined payment standard in effect and the utility allowance schedule in effect at execution of the HAP contract. When redetermining the rent to owner, PHA will use the most recently determined payment standard and the utility allowance schedule in effect at the time of redetermination. At its discretion, PHA 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 tenant-based Voucher program also applies to the project-based Voucher program. HUD will not approve a different exception payment standard amount for use in the UBV program.

The same utility allowance schedule applies to both the tenant-based and project-based Voucher programs.

Rent Increase

If an owner wishes to request an increase in the rent to owner from PHA, it must be requested at the anniversary of the HAP contract. The request must be in writing and in the form and manner required by PHA. PHA may only approve rent increases in accordance with the rent limits described in this chapter. There are no provisions in the UBV program for special adjustments (i.e. adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates or similar costs).

An owner's request for a rent increase must be submitted to PHA 90 to 120 days prior to the anniversary date of the HAP contract and must include the new rent amount the owner is proposing. PHA may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

Rent Decrease

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment.

Notice of Rent Changes

The rent to owner is redetermined by written notice by PHA to the owner specifying the amount of the redetermined rent. PHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract.

Reasonable Rent

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit will not exceed the reasonable rent for the unit as determined by PHA.

When Rent Reasonable Determinations are Required

PHA will redetermine the reasonable rent for a unit receiving UBV assistance whenever any of the following occur:

- PHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The HAP contract is amended to substitute a different contract unit in the same building; or
- There is any other change that may substantially affect the reasonable rent.

How to Determine Reasonable Rent

The reasonable rent of a unit receiving UBV assistance is determined by comparison to rent for other comparable unassisted units. When making this determination, PHA must 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.

Owner Certification of Reasonable Rent

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, PHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

Housing Assistance Payments

During the term of the HAP contract, PHA will make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment will be paid to the owner on or about the first day of the month for which payment is due, unless the owner and PHA agree on a later date.

PHA may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the housing assistance payment by PHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

Tenant Rent to Owner

The tenant rent is the portion of the contract rent paid by the family. The amount of tenant rent is determined by PHA in accordance with MTW policies and HUD requirements, as applicable. Any changes in the amount of tenant rent will be effective on the date stated in PHA's notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by PHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by PHA. The owner must immediately return any excess payment to the tenant.

Tenant and PHA Responsibilities

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by PHA. Likewise, PHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. PHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. PHA may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

Utility Allowance Payments

If the amount of the utility allowance exceeds the total tenant payment, PHA will pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, or to the utility company on the tenant's behalf after notice to the tenant, and the tenant rent to the owner must be zero.

Other Fees and Charges

Meals and Supportive Services
With the exception of UBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving UBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

Other Charges by Owner
The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

UBV & MTW

In addition to other policies described in this chapter, the following MTW initiatives apply to UBV Units:

- Two Year Recertification; and
- Reasonable Rent policy not to conduct a reasonable rent re-determination when 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 that was in effect one year before the contract anniversary date;

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CHAPTER 24: MODERATE REHABILITATION (MOD REHAB), SINGLE ROOM OCCUPANCY (SRO), & SHELTER PLUS CARE (S+C) MOD REHAB/SRO

Applicable Policies

Participants in the Section 8 Moderate Rehabilitation Program and SROs will be governed by all applicable terms and conditions in the Housing Choice Voucher Program Administrative Policies. A specific set of policies apply to the Shelter Plus Care Mod Rehab/SRO Program and are described later in this chapter.

Waiting List

PHA will refer all eligible applicants on the Waiting List to owners of units assisted through the Section 8 Existing Moderate Rehabilitation Program and SRO Programs. As vacancies occur, the selection of applicants to be referred to these programs will be in accordance with the provisions related to Applicant Selection in PHA's HCV Administrative Plan Policies.

Single Room Occupancy

A single person may reside in an SRO housing unit. PHA will use a separate lease and Housing Assistance Payment contract for each assisted person residing in a SRO.

For SRO units that are not Mod Rehab, PHA's SRO payment standard is 75 percent of the zero bedroom payment standard. While an assisted person resides in SRO housing, the SRO payment standard must be used to calculate the Housing Assistance Payment. The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

PHA ensures that all SRO units approved for the program are in compliance with all HQSs for SROs.

Rent for Mod/Rehab

The Fair Market Rent schedule for Mod Rehab is 120% of the Existing Housing Fair Market Rent (FMR) Schedule. Initial gross rent for Moderate Rehab units will not exceed, by up to 10%, the Mod Rehab FMR applicable to the unit on the date the Agreement is executed. Initial Contract Rents will be computed in accordance with HUD requirements. PHA will compute annual rent adjustments in accordance with the HAP contracts and HUD procedures. Notwithstanding the foregoing, the rent limitation applicable to SRO Mod Rehab units is 75% of the Mod Rehab FMR.

Statement of Family Responsibility

A family who is determined eligible to participate in the Moderate Rehabilitation will be issued a Statement of Family Responsibility. Program participants must comply with all terms and conditions of the Statement of Family Responsibility.

Over-Crowded & Under-Occupied Units

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If PHA determines that the family either is under-utilizing or overcrowding the unit due to a change in the family composition, PHA will assist the family in locating another Moderate Rehabilitation, SRO or UBV Program unit of the appropriate size. If such a unit is not available, PHA may offer continued assistance through other programs administered by PHA. Participants in the Moderate Rehabilitation and UBV Program, including SRO units, understand that assistance is limited to the individual originally occupying the unit. PHA is under no obligation to offer continued assistance through other Section 8 programs if the participant elects to vacate the SRO unit, or if the participant is no longer eligible for the SRO unit.

Termination Of Assistance

In addition to other conditions governing termination of assistance as outlined herein, assistance through the HCV program will terminate when a family voluntarily vacates a Section 8 Moderate Rehabilitation unit.

Mod/Rehab Vacancy Claims – During Rent-Up

If a contracted unit is not leased within fifteen days of the effective date of the Contract for such unit, the Owner will be entitled to housing assistance payments in the amount of eighty percent of the Contract Rent for the unit for a vacancy period not exceeding sixty days from the effective date of the Contract. The owner is entitled to the vacancy claim if the owner has:

- Complied with the requirements of the Agreement concerning vacancies during rent-up;
- Taken and continues to take feasible actions to fill the vacancy; and
- Not rejected any eligible applicant except for good cause acceptable to PHA.

Mod/Rehab Vacancy Claims – After Rent-Up

- If an assisted individual moves from a Contracted Unit after initial occupancy under the Contract (other than as a result of action by the Owner which is in violation of the lease or the Contract or any applicable law), the Owner must be paid the housing assistance payment due under the Contract for the period of the month in which the individual moves from the unit as the unit remains vacant.
- If the Contract Unit continues to remain vacant, PHA will provide the Owner with a housing assistance payment in the amount of eighty percent of the Contract Rent prorated for a vacancy period not exceeding one additional month. If the Owner collects any of the assisted individual's portion of the rent for the additional month, PHA will reduce the payment for the Contract Unit to an amount which when added to the individual's payment, does not exceed eighty percent of the prorated Contract Rent. The Owner must reimburse PHA for any excess payment.
- If the Owner evicts the assisted individual, the Owner is not entitled to any payment for vacancies after rent-up unless PHA determines that the Owner complied with all the requirements of the Contract (including requirements for termination of tenancy and eviction).
- The Owner is NOT entitled to any vacancy claim payment after initial lease-up unless the Owner:
    - Immediately upon learning of the vacancy, has notified PHA of the vacancy or prospective vacancy. PHA defines immediate in this instance to be within 5 business days of learning of the vacancy or prospective vacancy
    - Has taken and continues to take all feasible actions to fill the vacancy; and
    - Has not rejected any eligible applicant, except for good cause acceptable to PHA.

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Mod/Rehab Vacancy Claims – Unpaid Rent/Damages

If the family vacates the unit, the Owner, subject to State and local law, may use the security deposit as reimbursement for any unpaid tenant rent or other amount which the family owes under the Lease. If the security deposit is insufficient to reimburse the Owner for the unpaid tenant rent or other amounts which the family owes under the lease, or if the Owner did not collect a security deposit, the Owner may claim reimbursement from PHA for an amount not to exceed the lower of:

- The amount owed the Owner; or
- Two month's contract rent; minus the greater of the security deposit actually collected or the amount of security deposit the Owner could have collected under the program. Any reimbursement under this section must be applied first toward any unpaid tenant rent due under the lease and then to any other amounts owed. No reimbursement may be claimed for unpaid rent for the period after the family vacates.

Other Claims

PHA will not pay vacancy or damage claims on UBV units or any project based units other than Mod/Rehab and SRO units.

MTW Provisions

The two year recertification cycle and rent simplification do not apply to participants in Mod/Rehab/SRO units

SHELTER PLUS CARE MODERATE REHABILITATION SRO POLICIES

The purpose of this section is to describe the Philadelphia Housing Authority's (PHA's) policies for operating the Shelter Plus Care (S+C) Program. To the extent that an issue is not otherwise explained in this chapter, PHA will follow the appropriate provisions of the S+C regulations and the McKinney-Vento Act. Note that Federal regulations that govern this program are as follows:

- 24 CFR 582 provides regulations pertinent to the S+C program.
- Except where there is a conflict with any requirement under this part or where specifically provided, the SRO component will be governed by the regulations set forth in 24 CFR part 882, subpart H.

This chapter will be updated on a regular basis to reflect both changes in PHA's policies as well as new HUD regulations, notices and other guidance.

Definitions

Participant – An individual that resides in a unit funded in any part by the S+C grant and receives assistance through the care provided by the Recipient.

Grantee – The organization that receives the funding directly from HUD and distributes funds to Recipients. Philadelphia Housing Authority (PHA) is the Grantee indicated in this document.

Sub-Grantee – The person(s) or organization that houses the Participants and coordinates care either through their own service or through a Service Provider.

Service Provider – The person(s) or organization that provides any form of care, (classes, support groups, medical services, etc.) to Participants. The Service Provider may be the Sub-Grantee or may be an independent contractor hired by the Sub-Grantee.

Supportive Services – Assistance activities provided to eligible Participants in the S+C program that:

- Addresses the special needs of eligible persons; and
- Provides appropriate services or assists such persons in obtaining appropriate services, including health care, mental health treatment, alcohol and other substance abuse services, child care services, case management services, counseling, supervision, education, job training, and other services essential for achieving and maintaining independent living.

Program Summary

Overview

S+C is a U.S. Department of Housing and Urban Development (HUD) program funded through the McKinney-Vento Homeless Assistance Act and administered by PHA. S+C was developed to link rental assistance with supportive services for homeless persons with disabilities. S+C housing provides assistance to those with disabilities such as serious mental illnesses, chronic problems with drugs or alcohol, or persons who have AIDS and/or other related diseases. Rental assistance grants are provided to housing facilities that provide these services, and are to be used for permanent housing for homeless persons with disabilities. Rental assistance grants must be matched in the aggregate by supportive services that are equal in value and appropriate to the needs of the population being served. HUD grants S+C funding in the form of tenant-based rental assistance (TRA), sponsor-based rental assistance (SRA), project-based rental assistance (PRA), and single room occupancy-based rental assistance (SRO).

As PHA is a Grantee for the SRO component, the policies in this chapter apply to that element of the program. At such time that PHA receives HUD funding for additional S+C components, these policies will be amended as applicable.

PHA contracts with Project H.O.M.E. as the Sub-Grantee for the following HUD S+C SRO grants:

Grant Number	Project Name	Grant Term
PA0055C3T000802	Kairos House	7/22/2011 – 7/31/2012
PA0038C3T001003	Hope Haven	10/8/2011 – 10/7/2012
PA0007C3T001003	1523 Fairmount	12/22/2011 – 12/21/2012

As these grants were originally funded under the HUD Fiscal Year 2005 Notice of Funding Availability for the Shelter Plus Care program, certain definitions used in this policy comply with the requirements of that grant and may not reflect changes to regulatory definitions published subsequent to the allocation of these grants.

Program Responsibilities

PHA is the Grantee for the S+C Program Single Room Occupancy (SRO) rental assistance component. Under this component, PHA contracts with a Sub-Grantee to provide SRO housing and supportive services to eligible program Participants.

Specifically, PHA is responsible for:

1) Developing and implementing S+C policies and procedures in accordance with HUD's regulations and guidance;
2) Managing most aspects of the Participants' housing assistance, including conducting eligibility determinations, annual recertifications, inspections; calculating tenant rent and HAP payments; and paying landlords;

3) Managing S+C grant funds; and
4) Maintaining relevant data on program participants and compiling PHA's Annual Progress Report (APR) to HUD for each grant.

Each Sub-Grantee is responsible for:
1) Referring applicants to PHA for admission to the S+C/SRO program;
2) Verifying and documenting that each applicant's meets the regulatory definition of "homeless" according to HUD's Homelessness Eligibility and Documentation guide;
3) Maintaining assisted units in compliance with all PHA policies and federal regulations governing the Program;
4) Providing supportive services to S+C Participants, and coordinating with any and all Service Providers sub-contracted to provide relevant supportive services; and
5) Tracking all supportive services provided to S+C Participants, and reporting expenditures to PHA as required or requested.

Eligible Units

Housing may be eligible for the S+C program if it requires an expenditure of at least $3,000 per unit, including the prorated share of rehabilitated common areas, to meet housing quality standards. The structure may be of any type, but when rehabilitation is completed units must meet the definition of SRO housing. SRO housing is a residential property that contains multiple single room dwelling units. Each unit is intended for occupancy by a single individual. The unit need not, but may, contain food preparation or sanitary facilities or both. Efficiency units are also eligible, but the contract rent charged for these units may not exceed the Moderate Rehabilitation SRO fair market rent, minus any applicable allowance for tenant-paid utilities.

Ineligible properties include:
- Units that are receiving Federal funding for rental assistance or operating costs under other HUD programs;
- Nursing homes;
- Penal, reformatory, medical, or mental health institutions;
- Owner- occupied units; and
- Housing located in the Coastal Barrier Resource system designated under the Coastal Barriers Resource Act.

Single-sex facilities are allowable under this program, provided that PHA determines that because of the physical limitations or configuration of the facility, considerations of personal privacy require that the facility (or parts of the facility) be available only to members of a single sex.

Site Standards
In accordance with 24 CFR part 882.803(b)(2), the site on which a structure with assisted units is located must be adequate in size, exposure, and contour to accommodate the number and type of units proposed; adequate utilities and streets must be available to service the site. In accordance with local law, PHA may consider the existence of a private disposal system and private sanitary water supply for the site to be adequate utilities.

The site must be suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d–2000d–4), title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601–19), E.O. 11063 (as amended by E.O. 12259; 3 CFR, 1959–1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307), and HUD regulations issued pursuant thereto.

The site must be accessible to social, recreational, educational, commercial, and health facilities, and other appropriate municipal facilities and services.

Applying for Admission

In order to be eligible for assistance under PHA's S+C Program, applicants must be:

- Homeless;
- Disabled; and
- Low-Income

Homelessness

In general, a person is considered homeless if, without HUD assistance, he or she would have to spend the night in:

- A place not meant for human habitation such as cars, parks, sidewalks and abandoned buildings;
- An emergency shelter; or
- Transition housing for homeless persons who originally came from the streets or emergency shelters.

If a person fits within one of the four categories described above, but most recently spent up to 90 consecutive days in a jail or other institution, he/she continues to qualify as coming from one of these categories.

Sub-Grantees are responsible for verifying the homeless status of all S+C applicants prior to admission according to HUD's Homelessness Eligibility and Documentation guide which is included as Appendix C to this Administrative Plan.

Note that the above homeless definition differs from that provided by 24 CFR 582.5 pursuant to directives from HUD that the definition of homelessness used in the Fiscal Year 2005 Continuum of Care Notice of Funding Availability shall apply to this program. In the event that PHA expands to include additional units to this program, the relevant definition would apply.

Disabled

Persons with disabilities are defined as households comprised as one or more persons, at least one of whom is an adult who has a disability. A homeless household whose sole member with a disability is a minor child is not eligible for S+C assistance.

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

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

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the person attains age 22;
- Is likely to continue indefinitely;
- Results in substantial functional limitations in three or more of the following areas of major life activity:
    - Self-care;
    - Receptive and expressive language;
    - Learning;
    - Mobility;
    - Self-direction;
    - Capacity for independent living; and
    - Economic self-sufficiency; and
- Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated.

Key to the definition of disabled is determining that the impairment is of long-continued and indefinite duration *and* substantially impedes the person's ability to live independently. For example, drug or alcohol abuse or an HIV/AIDS condition that does not substantially impede a person's ability to live independently may not qualify as a disability in the S+C program.

PHA will have written documentation in the tenant file to confirm, that each Participant qualifies as having met the program definition of "disabled." Written documentation that a person's disability meets the program definition must come from a credentialed psychiatric or medical professional trained to make such a determination. The possession of a title such as "case manager" or "substance abuse counselor" does not by itself qualify a person to make that determination. Self-certification is also unacceptable for verification of disability.

Low Income
In order to be eligible for assistance under the S+C program, persons must be the regulatory definition of low income which is defined as having an annual income that does not exceed 80 percent of the median income for the area, adjusted for family size.

When screening applicants for eligibility, PHA will obtain information about the applicant's income and assets to determine if the individual meets the definition of low-income.

Income of Participants will be calculated in accordance with 24 CFR 5.609 and 24 CFR 5.611(a). PHA's rent simplification policy under MTW does not apply.

Eligible Households
As PHA administers the SRO component of the S+C Program, only single adults who meet the homeless, disability, and income requirements detailed above will be admitted to the S+C Program.

Note also PHA has established preferences as defined below.

Tenant Selection

Outreach
PHA requires that all Sub-Grantees undertake outreach efforts to homeless individuals so that they may be brought into the program. The outreach effort should include notification to emergency shelter providers and other organizations that could provide referrals of homeless individuals.

If the procedures that Sub-Grantees intend to use to publicize the availability of this program are unlikely to reach persons of any particular race, color, religion, sex, age, national origin, or mental or physical disability who may qualify for admission to the program, the sub-grantee must establish additional procedures that will ensure such persons are made aware of the availability of the program. The Sub-Grantee must also adopt and implement procedures to ensure that interested persons can obtain information concerning the existence and location of services and facilities that are accessible to persons with disabilities.

Sub-Grantee Selection of Individuals
In accordance with 24 CFR 882.808(a)(2), the Sub-Grantee must rent all vacant units under contract to homeless individual located through outreach efforts and determined by PHA to be eligible. The Sub-Grantee is responsible for tenant selection and may refuse any individual, provided the Sub-Grantee does not unlawfully discriminate. If the Sub-Grantee rejects an individual, and the individual believes that the Sub-Grantees rejection was the result of unlawful discrimination, the individual may request the assistance of PHA in resolving the issue and may also file a complaint with HUD's Office of Fair Housing and Equal Opportunity, in accordance with 24 CFR 103.24. If the individual request the assistance of PHA, and if PHA cannot resolve the complaint promptly, PHA will advise the individual that he or she may

file a complaint with HUD, and provide the individual with the address of the nearest HUD Office of Fair Housing and Equal Opportunity.

Referral
Applicants for the S+C Program will be referred to PHA by the Sub-Grantee. The Sub-Grantee must agree to provide supportive services to the potential participant. There is no waiting list for the S+C Program. Referrals are accepted only when there are spaces available in the program. When referrals are being accepted, the Sub-Grantee may refer a potential participant to the program by completing and forwarding the following documents to PHA:

- S+C Program Referral Form
- Homelessness Eligibility Certification Form
- S+C Program Application
- Copy of the applicant's photo identification
- Copy of the applicant's Social Security Card/documentation of Social Security Number
- Income verification

Pursuant to the 24 CFR 582.330(a), PHA has established a preference for the following statutorily targeted populations:

- Serious mental illness;
- Chronic substance abuse problems;
- Both serious mental illness *and* chronic substance abuse problems;
- HIV/AIDS or related disorders.

In the event that more than one applicant is referred to PHA for a specific unit, if applicable, PHA shall offer the unit to the individual that meets the preference.

Eligibility Determination
Upon receipt of the application materials from the referring Sub-Grantee, PHA will review the packet for completeness and determine the applicant's eligibility. When determining the applicant's eligibility for assistance, PHA will follow all HCV screening requirements, including but not limited to:

- Citizenship – PHA will follow all citizenship screening and verification requirements as required by 24 CFR part 5, subpart E.
- Police Record Check (PRC) – PHA will conduct a criminal background check and sex offender screening for all S+C applicants. Police record checks cannot be a reason for denial or termination of assistance for S+C applicants or participants, with the following exceptions:
    - Persons subject to lifetime sex offender registration; and
    - Persons convicted of manufacturing or producing methamphetamine on the premises of any federally assisted housing.

PHA will not conduct debt screening for S+C applicants.

Applicant Briefing
One an applicant has been determined to be eligible for the S+C program, PHA will schedule a briefing appointment with the applicant, and will notify the referring agency of the briefing appointment date and time.

Housing Quality Standards (HQS)

Housing Quality Standards (HQS) set applicable conditions for interior living space, building exterior, heating and plumbing systems, and general health and safety. All units assisted under the S+C program must be maintained in accordance with physical conditions standards defined under 24 CFR part 882.803(b), 24 CFR 882.404(c)(1), 24 CFR 982.605(b) and 24 CFR part 5, subpart G.

Initial Inspection

All housing units funded with S+C rental assistance must pass an HQS inspection before initial occupancy and must continue to meet all HQS requirements as long as rental payments are made to the Sub-Grantee.

Turnover Inspection
Before any participant can move into a unit, PHA will physically inspect each unit upon turnover to ensure it meets applicable HQS standards. Any HQS deficiency identified at the initial inspection must be corrected within 30 days from the start of the lease. Assistance will not be provided for units that fail to meet the HQS, unless the owner corrects the deficiency.

Annual Inspection
PHA will conduct physical inspections of all units at least annually to ensure that the units continue to meet HQS.

Other Inspections
PHA may also conduct interim HQS inspections if requested by the landlord or S+C Participant, or upon turnover of the unit to a new Participant.

Standard for Repairs
When emergency or non-emergency conditions are discovered during annual or other inspections, PHA will use the applicable time standard for repair detailed in the Administrative Plan, Chapter 11: Housing Quality Standards.

If PHA notifies the Sub-Grantee that the unit(s) are not being maintained in decent, safe and sanitary condition and the Sub-Grantee fails to take corrective action (including corrective action with respect to the Participant where the condition of the unit is the fault of the Participant) within the time prescribed in the notice, PHA may exercise any of its rights or remedies, including abatement of housing assistance payments (even if the Participant continues in occupancy), termination of the Contract on the affected unit(s) and assistance to the Participant in accordance with 24 CFR 882.514(e).

Contract Rent Determination

Initial Rent to Owner Determination
Initial contract rent will be calculated in compliance with 24 CFR 882.408 and 24 CFR 882.805. Contract rents must be no more than the Moderate Rehabilitation SRO FMR minus the allowance for any tenant-paid utilities. To establish the actual Contract Rent, PHA will first establish the Base Rent, which must be reasonable in relation to comparable unassisted units and may not exceed rents currently being charged by the same owner for comparable unassisted units. The Base Rent maximum is 75% of the Section 8 Existing Housing FMR for a 0-bedroom (the SRO FMR) unit minus the allowance for tenant paid utilities. Once the base rent is established, debt service for eligible rehab costs is added to determine the Contract Rent.

Rent to Owner Adjustments
In accordance with 24 CFR 882.410, contract rents will be adjusted upon submittal of a revised rent schedule to PHA by the Owner, provided that the units are in decent, safe, and sanitary condition and that the Owner is otherwise in compliance with the terms of the Lease and Contract.

The amount of any rent increase cannot exceed the amount established by multiplying HUD's Annual Adjustment Factor ("AAF") by the Base Rents according to 24 CFR 882.410(a)(1).

Special rent adjustments may be recommended by PHA for approval by HUD to reflect substantial increases in the actual and necessary expense of owning and maintaining the unit, pursuant to the conditions and procedures described in 24 CFR 882.410(a)(2). Special rent adjustments will only be approved if and to the extent the Owner clearly demonstrates that these increases have caused increases in the owners operating costs which are not adequately compensated for by annual

adjustments. The Owner must submit financial information to PHA which clearly supports the increase. For Contracts of more than twenty units, the Owner must submit audited financial information.

Rent adjustments may not result in material differences between the rents charged for assisted and comparable unassisted units, as determined by PHA (and approved by HUD in the case of special rent adjustments). However, this limitation should not be construed to prohibit differences in rents between assisted and comparable unassisted units to the extent that differences existed with respect to the initial Contract Rents.

Tenant Rent Calculation
All Participants assisted under the S+C program must pay a portion of the contract rent in accordance with section 3(a) of the Housing Act of 1937. Tenant rent in the S+C program may not exceed the highest of:

- 30 percent of the family's monthly adjusted income;
- 10 percent of the family's monthly gross income;
- The portion of the family's welfare assistance, if any, that is designated for the payment of rent; or
- The S+C minimum rent, for eligible Participants.

Minimum Rent
PHA's minimum SRO rent is set at $50.

Leasing

Initial Occupancy
PHA will require Participants to execute an initial occupancy agreement with the Sub-Grantee for a term of at least one month, automatically renewable upon expiration, except with prior notice from the Participant. The occupancy agreement must include all lease provisions required by PHA policy and HUD regulations, and must not include any provisions prohibited by PHA policy or HUD regulations.

The occupancy agreement must provide that drug-related criminal activity engaged in or near the premises by any Participant, family member, or guest, and any such activity engaged in on the premises by another person under the tenant's control is grounds for Sub-Grantee to terminate tenancy. IN addition, the occupancy agreement must provide that the Sub-Grantee may terminate the tenancy of a participant when the Sub-Grantee determines that the participant is illegally using a drug or when the Sub-Grantee determines that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

Service Commitment
All Participants will be required to take advantage of the supportive service component as a condition of assistance.

Occupancy Standards
S+C SRO units are intended for occupancy by only one individual. If at any time during the assisted tenancy PHA or the Sub-Grantee determines that anyone other than, or in addition to, the eligible Participant is occupying an SRO unit assisted under this program, PHA will take action as soon as reasonably feasible, to ensure that the unit is occupied by only one eligible individual.

Security Deposit

If at the time of the initial execution of the occupancy agreement, the Sub-Grantee may collect a security deposit, the maximum amount of which shall be the greater of one months' Total Tenant Payment or $50. However, this amount shall not exceed the maximum amount allowable under State or local law.

The Participant is responsible for paying the security deposit. PHA does not make S+C funds available for this purpose. The Sub-Grantee may assist the participant to access sources of short-term financial assistance that are available in the community.

If a Participant vacates the unit, the Sub-Grantee, subject to State and local law, may use the security deposit as reimbursement or any unpaid Tenant Rent or other amount which the Participant owes under the occupancy agreement. If a Participant vacates the unit owing no rent or other amount under the occupancy agreement consistent with State or local law or if such amount is less than the amount of the security deposit, the Sub-Grantee shall refund the full amount or the unused balance to the Participant, including any interest due under State or local law.

Annual and Interim Recertifications

As required by 24 CFR 582.310(a)(2) PHA will reexamine Participants' income at least annually and make any needed adjustments to the Participants' rent contribution amount in accordance with 24 CFR part 5, subpart F, and verify that only one individual is occupying the unit.

Participants are subject to the PHA non-MTW regular and interim recertification requirements.

Continuation of Housing Assistance Payments

A Participant's eligibility for Housing Assistance Payments shall continue until the Total Tenant Payment equals the Gross Rent in accordance with 24 CFR 882.515(d).

Vacancies

As per 24 CFR 582.105(d), if a unit is vacated before the end of the occupancy agreement, PHA may continue to assist the unit for the remainder of the month in which it is vacated. Additionally, PHA make a housing assistance payment in the amount of 80 percent of the Contract rent for a vacancy period not exceeding an additional month. NO additional assistance will be paid until the unit is occupied by another eligible person.

If the Owner collects any of the assisted individual's portion of the rent for the additional month, PHA will reduce the payment for the Contract Unit to an amount which when added to the individual's payment, does not exceed eighty percent of the prorated Contract Rent. The Owner must reimburse PHA for any excess payment.

If the Owner evicts the assisted individual, the Owner is not entitled to any payment for vacancies after rent-up unless PHA determines that the Owner complied with all the requirements of the Contract (including requirements for termination of tenancy and eviction).

- The Owner is NOT entitled to any vacancy claim payment after initial lease-up unless the Owner:
    - Immediately upon learning of the vacancy, has notified PHA of the vacancy or prospective vacancy. PHA defines immediate in this instance to be within 5 business days of learning of the vacancy or prospective vacancy
    - Has taken and continues to take all feasible actions to fill the vacancy; and
    - Has not rejected any eligible applicant, except for good cause acceptable to PHA.

Vacancy does not include brief periods that the tenant is away from the unit to receive inpatient care (i.e., detoxification, mental health stabilization, health care treatment) provided such absence does not exceed 90 days for each occurrence.

Termination

Generally, PHA will apply their HCV tenant-based termination policy to any Participant who violates program requirements or conditions of occupancy. However, PHA will consider extenuating circumstances to determine when violations are serious enough to warrant termination, so that a Participant's assistance is terminated only in the most severe cases. Reasons for termination may include but are not limited to:

- Nonpayment of rent
- Disturbance of neighbors
- Destruction of property
- Living or housekeeping habits that cause damage to the unit or premises
- Criminal conviction that requires lifetime sex offender registration
- Conviction for manufacture or production of methamphetamine on the premises of any federally assisted housing

When notified by the Sub-Grantee of severe noncompliance by any Participant, PHA will follow the formal termination process described in 24 CFR 582.320(b) which recognizes the Participant's right to due process, including:

- Written notice to the Participant containing a clear statement of the reason for the termination;
- A review of the decision, during which the Participant has the opportunity to present written or verbal objections before someone other than the person (or a subordinate of the person) who made or approved the termination decision; and
- Prompt written notice of the final decision to the Participant.

If a Participant's sex offender criminal record is the basis of the termination, a copy of the record will accompany the notice. A copy of the criminal record also must be provided to the Participant.

When PHA initiates a termination, notice will be sent to both the Participant and the Sub-Grantee at least 30 calendar days prior to the effective date of the termination. However, if a Participant vacates the unit without informing the PHA or the Sub-Grantee, 30 days' notice will not be given and the notice to terminate will be sent at the time PHA learns that the client has vacated the unit.

Informal Hearing

If an applicant is determined to be ineligible at the application stage, or if a Participant is determined to be ineligible after assistance has been provided on their behalf, PHA shall promptly notify the applicant/Participant of their right to request an informal hearing in accordance with 24 CFR 882.514(f) and Chapter 19: Informal Reviews and Hearings of this Administrative Plan. These policies do not preclude the applicant or Participant from exercising its other rights if it believes it is being discriminated against on the basis of race, color, religion, sex, age, handicap, familial status, or national origin.

Unpaid Rent/Damages

If the family vacates the unit, the Owner, subject to State and local law, may use the security deposit as reimbursement for any unpaid tenant rent or other amount which the family owes under the Lease. If the security deposit is insufficient to reimburse the Owner for the unpaid tenant rent or other amounts which

the family owes under the lease, or if the Owner did not collect a security deposit, the Owner may claim reimbursement from PHA for an amount not to exceed the lower of:

- The amount owed the Owner; or

- One month's rent; minus the greater of the security deposit actually collected or the amount of security deposit the Owner could have collected under the program. Any reimbursement under this section must be applied first toward any unpaid tenant rent due under the lease and then to any other amounts owed. No reimbursement may be claimed for unpaid rent for the period after the family vacates.

Supportive Services

Sub-Grantees of S+C rental assistance grants are required to fund supportive services out of other non-S+C resources, at least equal in value to the aggregate amount of rental assistance funded by HUD. For example, if PHA provides a Sub-Grantee with $200,000 in S+C rental assistance over a five-year contract period, then the agency receiving the funds must ensure that $200,000 in services are provided to the program Participants over that five-year period. The supportive services match requirement is overall for the grant period, not year-by-year, and each Participant does not need to receive the same amount of services as rental assistance. Only services provided after the execution of the grant agreement may count toward the match.

Sub-Grantees must give reasonable assurances that supportive services will be available to Participants for the entire term of rental assistance.

Participants residing in S+C housing that is funded by the associated rental assistance grants must participate in supportive services for the term of their occupancy

Sub-Grantees must submit proposed support services activities to PHA on an annual basis as a condition for continued receipt of S+C funding. As part of the yearly reporting process, PHA will require the Sub-Grantee to submit:

- A proposed listing of supportive services that will be offered to Participants; and
- The calculated funds that will be provided to Participants, matching or in excess of the amount required by the original funding contract.

Only supportive services provided after the execution of the grant agreement may count toward the match. Activities that count towards the support services match requirement may include:

- Salaries paid to staff to provide supportive services to Participants;
- The value of supportive services provided to Participants by other organizations or professionals volunteering their professional services;
- The value of time and supportive services provided by volunteers at the rate of $10.00 an hour. This rate will be updated as required under program regulations.
- The value of any lease on a building used for supportive services to program Participants, provided the value included in the match is no more than the prorated share of the building used for the program; and
- The cost of outreach activities after the grant agreement has been executed.

Administration

Record Keeping
PHA and S+C Sub-Grantees must retain and provide access to program records as outlined in 24 CFR 85.42. Program records include all financial and programmatic records, supporting documents, and statistical records.

Generally, the records must be kept for three years after the last expenditure report is submitted. If there is pending litigation, an audit, or other action at the end of the three years, PHA and Sub-Grantees must retain the records until the issues are resolved.

Participation of Homeless Individuals

PHA will require each Sub-Grantee of S+C funding to provide opportunities for at least one (1) current or formerly homeless individual to participate on the board of directors or other policy-making entity, to advise on decisions affecting S+C housing. This requirement may be waived if the Sub-Grantee is unable to meet the requirement and provides an alternate plan, which HUD approves, to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions. If a waiver is sought and approved by HUD, the Sub-Grantee must forward all documentation to PHA.

Sub-Grantee Monitoring

As the S+C Grantee, PHA will ensure that all Sub-Grantees continue to meet their obligations set forth in the yearly application by monitoring required reports and conducting on-site reviews.

PHA requires Sub-Grantees to submit a monthly report by the 5th of each month. Each report must include:

- A list of Participants that are housed at the end of the prior calendar month, noting any Participants who moved-in during the reporting period;
- A list of Participants that moved out during the reporting period
- Supportive Services provided for the reporting period; and
- An accounting of all expenditures to date for supportive services provided to Participants, including the type of supportive services provided to each Participant and the cost of each service.

PHA will ensure that all payments made to the Sub-Grantee are consistent with the occupancy of the site; any payments made for units beyond the allowable vacancy payment period must be recouped. Monthly reports and reconciliation will be maintained on file consistent with record keeping requirements.

Site Visits
PHA will conduct site visits to each Sub-Grantee site. The review will include, but not be limited to a review of:

- The occupancy information provided in the monthly reports;
- The type, level, and amount of services being provided to residents; and
- Participant compliance with service requirements.

Sub-Grantees will be required to produce any necessary documentation PHA requests to confirm compliance with program requirements, including but not limited to:

- Occupancy records;
- Participant files; and
- Documentation of supportive service activities (i.e., invoices, attendance sheets, classroom facilities, etc.)

All documentation collected during the site visit will be reconciled with grant requirements to confirm compliance.

Year-End Review
PHA will require the Sub-Grantee to submit a year-end report to PHA including all information required to complete the Annual Progress Report (APR) and e-SNAPS submission. PHA will review all information submitted by the Sub-Grantee and validate by comparing to the source documentation provided by the Sub-Grantee.

Fair Housing Policy

It is the policy of PHA to comply fully with all Federal, State, and local non-discrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing as 24 CFR part 5.

PHA and Sub-Grantees shall not deny any individual the opportunity to apply for or receive assistance under the S+C Program on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, handicap or disability.

Reasonable Accommodation

It is PHA's policy to provide "reasonable accommodation" for S+C Participants who are individuals with a disability, where reasonable accommodation is necessary to provide Participants with an equal opportunity to use and enjoy the programs and facilities. A "reasonable accommodation" is a modification or change PHA or its Sub-Grantee can make to its procedures and rules which would assist an otherwise eligible person with a disability to benefit from the S+C Program, provided that the change does not pose an undue financial and administrative burden to PHA or the Sub-Grantee or result in a fundamental alteration of its program.

The availability of reasonable accommodations will be made known by including notices on PHA forms and letters to all Participants. These notices shall explain the process whereby a Participant may request an accommodation. All requests will be verified so that PHA and the Sub-Grantee can properly accommodate the need presented by the disability.

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CHAPTER 25: HOMEOWNERSHIP

Homeownership Overview

PHA's Homeownership Program is operated in accordance with its Housing Choice Homeownership Plan.

The Homeownership option is used to assist families with the following types of housing:

- A home that is purchased by family members. One or more family members can hold title to the home.

- One or more family members can purchase a membership share in a Cooperative Housing Corporation.

- A family member or one or more family members can participate in a Lease-to-Purchase Program for a period not to exceed two years in order to achieve the goals that have been set forth in their Individual Action Plan. During the Lease-to-Purchase period, the family will be participating in the Rental Voucher Program.

Eligibility Requirements

The following Homeownership eligibility requirements will be used to determine acceptance into the HCV Homeownership Program. PHA reserves the right to limit the HCV Homeownership Program to those current clients/participants who are currently enrolled in or have completed the FSS program. New and existing HCV families, who wish to participate in the Homeownership Program must first enroll in the Moving to Employment (MTE) program.

- A client/participant must have completed the training courses that are required by PHA under the current program. These Program requirements are furthered discussed in the Counseling and Training section of this plan.

- A variety of economic opportunities are available for participants in the Lease-to-Purchase Program. Once the sales agreement is signed, an escrow account is established. The funds accumulated in the escrow account are available for the buyer's down payment or closing costs.

- The client/participant will be deemed eligible in accordance with the current HCV Voucher eligibility requirements and all current HUD guidelines and those HUD waivers that have been processed and approved.

- The client/participant's income must equal or exceed either (1) the Federal minimum wage multiplied by 2000 hours or (2) for a disabled family, the current Federal SSI benefit for an individual living alone multiplied by 12 (for example, if the Federal SSI benefit is $579, the family must earn at least $579 x 12 = $6,948) must be met. The mortgage qualification calculation will be based on the appraised price of the house, using a household debt/income ratio not to exceed 33%, of the client/participant's gross monthly income. The client/participant will be pre-qualified based on current income.

- The client/participant (unless the family is a disabled or elderly family) must demonstrate that one or more adult family members of the family who will own the home at commencement of homeownership are both:

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- Currently employed on a full-time basis (the term “full-time employment” means not less than an average of 30 hours per week); and
- Has been continuously so employed during the year before commencement of homeownership assistance for the family.

- The Affordability Determination will be calculated using the family’s monthly gross income, calculating 33% of that income and subtracting the estimated amounts below. The utility allowance will be included in the 50058 calculation. Once the deductions are made for the monthly costs, the amount of the 33% that remains, will be used for a first mortgage calculation.

Maintenance Reserves	$ 50.00
Insurance	$ 30.00
Real Estate Taxes	$ 75.00
Mortgage Insurance	$45.00 (if applicable)
Condo Fees	$100.00 (if applicable)

- The client/participant must not have owned a home in the last three years.

- The head of household and any spouse of the head of household that has previously defaulted on a mortgage obtained through the Homeownership option are barred from receiving future HCV Homeownership assistance.

- All clients/participants must certify that neither they, nor anyone in their household, have ever committed fraud involving any Federal program.

The prospective client/participant must:

- Have no criminal convictions within the previous five years;

- Be current on all lease obligations for the past twelve months;

- Have an established source of continuing income that equals the minimum income requirement or more;

- Demonstrate credit worthiness (to be determined by the financial institution);

- Demonstrate ability to work toward mortgagability;

- Be willing to develop and follow a household budget;

- Agree to participate in the required training programs;

- Provide documentation verifying that the participant has not owned a home in the last three years and qualifies as a first time Homebuyer; and

- Have a down payment amount to be determined, based on the financing, of the client/participant’s own money before the closing can be scheduled on the home. The client/participant will have the option of receiving a lump sum payment to be used as a down payment or for closing costs. This payment will be calculated based on the current monthly Voucher subsidy payment multiplied times twelve months (one year). If a client/participant selects the lump sum payment, he/she is not eligible for monthly assistance.

First Time Home Buyer Requirement

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The Homeownership option is designed to promote and support Homeownership by a “first time” Homeowner. To qualify as a “first time” Homeowner:

- The assisted family may not include any person who possessed a “present ownership interest” in the last three years (as defined at 24 CFR 982.4).
    - Such interest includes ownership of title to a home.
- The restriction to “first time” Homeowners is intended to direct Homeownership assistance to “new” Homeowners, who may be unable to purchase a home without this assistance. This rule discourages the use of HCV subsidy on behalf of families who have achieved Homeownership independently without the benefit of the Federal HCV subsidy.
- A “first time” homebuyer includes a single parent or displaced homemaker (as those terms are defined in 12 U.S.C. 12713) who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse.

Economic Self Sufficiency (ESS)/Family Self Sufficiency (FSS) Requirement

Participation in the FSS Program or the ESS program will be a mandatory requirement of the HCV Homeownership Program.

Cooperative Homeowners

Homeownership assistance may be provided to a family that “owns or is acquiring shares in a Cooperative”. The use of the HCV subsidy for Cooperative Homeowners is authorized for both the family that is a first time Cooperative Homeowner and a family that owned their Cooperative unit prior to receiving HCV assistance. Cooperative Homeowners will continue to be eligible for the tenant based assistance regardless of their status as a “first time” Homeowner.

- The client/participant, who chooses the purchase of a Cooperative share, will sign an occupancy agreement.
- This occupancy agreement allows the owner of the share the right to reside in a particular apartment in the Cooperative and the right to participate in the management of the housing.
- A review of the Cooperative’s monthly charges will be completed to ensure all Homeownership costs are covered.
- The Cooperative Homeownership costs will include maintenance, taxes, insurance, etc. An affordability analysis will be completed to ensure that the monthly housing charge, and any other costs that will be above and beyond the monthly housing charge as offered by the Cooperative housing, will not exceed the family’s budgeted housing assistance.
- If the client/participant chooses the Cooperative Housing Corporation as its means of Homeownership, specific classes will be developed for this type of Homeownership to be included in the mandatory Counseling and Training Programs.

Lease to Purchase Option

HCV Homeownership assistance may be provided to a family that purchases a home that the family previously occupied under a Lease-to-Purchase agreement, which is generally a lease with an option to purchase.

- PHA will provide HCV rental assistance for an eligible family to prepare to purchase the unit under a Lease-to-Purchase option. It is anticipated that the client/participant may enter into a Lease-to-Purchase Program, long enough to achieve mortgagability. They can then option out of the Lease-to-Purchase Program by obtaining a mortgage to pay off the remaining amount due on the home.

- The Lease-to-Purchase Program is considered a rental program and all normal tenant based HCV rental rules are applicable.

- The HQS inspection will be completed before the family assumes occupancy, and will be completed on an annual basis, until the actual purchase is completed.

- Once the purchase process is completed, the client/participant will receive a Homeownership Voucher.

- The family will be subject to the Homeownership regulatory and participation requirements at the time the family is ready to exercise the Homeownership option under the Lease-to-Purchase agreement.

- The HCV rental Voucher will be “converted” to a HCV Homeownership Voucher, once the Homebuyer is approved for a mortgage.

Voucher Term

In the Direct Purchase Program, the PHA Homeownership administration team will work with the HCV Department to issue the Homeownership Voucher.

The client/participant will have one hundred and twenty days to identify a unit and complete the closing process on a home that will be included in the Direct Purchase Program.

PHA will work with the client/participant to facilitate a mortgage, complete the loan process, and schedule a closing within the hundred and twenty day period.

If the participating homebuyer does not select a home that meets program requirements within one hundred and twenty days of issue of the Housing Choice Voucher, the homebuyer is bound to follow the same procedures for extension requests as are applicable for the tenant-based HCV program. The maximum closing process will not exceed one hundred twenty days.

Homeownership Program Term

PHA will offer HCV homeownership assistance as follows:

- Maximum period of 15 years if the initial mortgage incurred to finance purchase of the home has a term that is 20 years or longer; or

- Ten years for mortgages with terms of less than twenty years.

The program terms do NOT apply to homeownership program participants who are elderly or disabled. In the case of an elderly family, this exception is only applied if the family qualifies as an elderly family at the commencement of homeownership assistance. In the case of a disabled family, this exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

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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 will be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive a HCV homeownership assistance).

The maximum term for homeownership assistance applies to any member of the household who has an ownership interest in the unit during any time that homeownership payments are made, or to the spouse of any member of the household who has an ownership interest in the unit at the time homeownership payments are made.

Selection of a Home

The family is free to select any home of their choice located within PHA's jurisdiction.

Homes may include one-unit properties, including manufactured homes or a single dwelling unit in a cooperative or condominium. Homes may be not yet under construction, however PHA will not commence homeownership assistance until (1) the unit has passed HQS; (2) construction is completed; and (3) an environmental review has been completed pursuant to 24 C.F.R. part 50 or 58.

PHA may permit a family to use any of the following special housing types in accordance with requirements of the program: single room occupancy (SRO) housing; congregate housing; group home; shared housing; manufactured home when the family owns the home and leases the manufactured home space; cooperative housing; or homeownership option.

In general, PHA is not required to permit families (including families that move into the PHA program under portability procedures) to use any of these special housing types, and may limit the number of families using special housing types.

Disapproval of a Seller

In its administrative discretion, PHA may deny approval to a seller for the same reasons PHA may disapprove an owner under the regular HCV program.

HQS Requirement

Any unit purchased with HCV program homeownership assistance must meet the same initial housing quality standards that apply to units assisted under the HCV tenant-based rental assistance program. The Homeownership option does require an independent pre-purchase inspection in addition to the initial HQS inspection.

Most client/participants may choose to have additional amenities in their home above and beyond the Housing Quality Standards. The inspector must certify the inspection in accordance with the HQS minimum requirements.

The family must also hire an independent professional home inspector to inspect the home selected by the family to identify physical defects in the condition of the major building systems and components. A copy of the independent inspection report must be forwarded to PHA for inclusion in the family's records. The family and PHA will then determine if the seller should be required to complete any pre-purchase repairs. If pre-purchase repairs are required of the seller, the PHA inspector will re-inspect the home after the repairs are completed.

Once the home is included under the Homeownership Assistance Program, annual inspections are not required.

Homeownership Expenses

The HCV housing assistance will help the family meet Homeownership expenses. Homeownership expenses are defined to include the following:

- Principle and interest payments;
- Taxes;
- Mortgage Insurance;
- Homeowner's Insurance;
- Utilities,
- Maintenance expenses;
- Non-routine maintenance expenses. This amount will be reserved for future capital expenditures; and
- Other costs, to include Homeowner's Association fees, if the home is included in a Homeowner's Association or Condominium Association, if the home is a condominium.

If the client/participant chooses to enter into a Cooperative housing situation, the Cooperative housing monthly payment will include the amount set aside for principle, interest, taxes, and insurance. Additional amounts for maintenance reserves and utility reserves will be set aside to complete the affordability analysis for this particular type of Homeownership.

Financing Options

The Homeownership Division will work with area lenders to secure mortgages for applicants of the Program.

The Homeownership Division will work with members of the financial institution consortium to facilitate mortgages to the applicants. In order to complete the Individual Action Plans for the clients/participants, PHA will use this standardized industry underwriting criteria to develop the Plans in accordance with the time lines. The language that refers to the development of the underwriting criteria has been discussed and approved by the actual financial institution consortium.

The Homeownership housing assistance payments will be made directly to the deposit account that is set up by the client/participant. The client will make the mortgage payment directly to the bank using the PHA deposited subsidy as well as the tenant portion.

Down payment

Clients must make a minimum down payment of at least 3% of the first mortgage amount. At least 1% of the purchase price must be paid from the family's personal resources.

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The client/participant may participate in a Down Payment Assistance Program. Down payment in excess of the 1% can be from the client/participant's own funds, assistance programs, or included as a gift, accompanied by a gift letter.

If clients/participants participate in the Family Self Sufficiency Program, the escrow could be used for the down payment and/or closing costs.

Mortgage

The majority of the mortgages will be offered through financial institutions. If the client/participant is interested in seller financing through a land contract, the applicant must bring this option directly to the Homeownership Division for individual approval.

The Homeownership Division does prioritize the use of mortgage financing through an approved lender. The approved lender will issue the mortgage for a thirty-year amortization period at the best interest rate available, and will offer prepayment opportunities to the participants.

PHA will provide the financial institutions with proof of employment and proof of inclusion in the Counseling Programs, and the Family Self Sufficiency Program and/or ESS program. The client/participant's involvement in the FSS program or ESS program will provide the financial institution with an opportunity to project additional earnings in the future.

The Homeownership Division will work with the family to determine the affordability of the financing product. The financing product must meet the affordability guidelines that have been set forth in the Individual Plan.

Monthly Homeownership costs cannot exceed an amount that has been determined to be affordable for the particular client/participant. Homeownership expenses have been identified to include principle, interest, taxes, mortgage insurance, homeowner's insurance, utilities, routine maintenance reserve, non-routine maintenance reserve, and Condominium fees and/or Homeowner's Association fees, if applicable. If the client/participant enters into a Cooperative Housing Program, the same affordability calculation will be used to identify the maximum affordability amount for the client/participant.

Where a member of the family is a person with disabilities, mortgage debt incurred to finance costs for major repairs or replacements can include debt needed for modifications to make the home accessible for the person with the disability, if PHA determines that the allowance is needed as reasonable accommodation.

Refinancing

PHA will not allow participants to refinance except under the following circumstances:

- If the refinance will result in a lower monthly mortgage payment; or
- To allow the participant to take out a limited amount of equity to address health and safety issues in the home.

Participants must request and gain PHA approval in writing before refinancing. PHA will not approve a refinance to allow the homeowner to take cash out.

Housing Assistance Payment Contract

The Homeownership housing assistance payment is the lower of the Voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.

The family is responsible for the monthly Homeownership expenses not reimbursed by the housing assistance payment. The total tenant payment calculation for MTW HO vouchers will be calculated using Rent Simplification methodologies. The total tenant payment for Non-MTW HO vouchers will be calculated using Non-Rent Simp. methodologies. The client/participant will be re-certified on an annual basis during the Homeownership assistance period. As indicated in the description of the Homeownership expense, PHA will use the utility allowance schedule applicable to the HCV Rental Program to complete the client payment portion.

PHA will not issue the family a rental Voucher or execute a housing assistance payment contract with an owner of a rental property on behalf of the family participating in the Homeownership option. Instead, the family and PHA will execute a statement of homeowner obligations (participation agreement).

Contract of Sale

Before commencement of monthly homeownership assistance payments or receipt of a down payment assistance grant, 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 provide PHA a copy of the contract of sale and the Home Inspection Addendum to the Sales Agreement executed by the Seller and Buyer. The contract of sale must:

- Specify the price and other terms of sale by the seller to the purchaser;
- Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser;
- Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser;
- Provide that the purchaser is not obligated to pay for any necessary repairs identified during the inspection; and
- Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under 24 C.F.R. part 24.

Counseling and Training

An extremely important component of the Homeownership program is the development of the counseling and training programs. All Homeownership clients must participate in pre-purchase counseling prior to signing an Agreement of Sale. Further all homeownership clients must complete post purchase counseling once settlement is completed. During these training programs all aspects of Homeownership are discussed with the individual participant before they actually purchase the property through the program. These training sessions generally occur before the actual purchase and continue to be provided after the mortgage is completed. The training is generally geared toward first time Homebuyers and toward the market in which the Plan was developed.

A Homebuyer Club is offered to provide a forum for clients/participants who are purchasing their homes for the first time. The Club provides presentations on various subjects of interest to the first time Homebuyer.

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Homebuyer Training

The Homebuyer training provides clients/participants the “nuts and bolts” information about Homeownership. The training topics cover issues such as budgeting, selecting a home, home financing, insurance, taxes, Homeownership responsibilities and credit.

During training clients/participants learn financial planning skills and develop a personal action plan. The action plan is an assessment of the client/participant’s current financial condition and contains an outline of the required budgetary steps that must be taken to achieve the goal of Homeownership. Credit reports are run in order to analyze the overall credit worthiness of the participant.

The Homebuyer training is required.

Homeownership Counseling

The second part of the home buyer/ownership training and counseling is the Homeownership counseling. This is an important segment since financial capacity and credit worthiness alone may not be enough for some clients/participants to be successful in Homeownership. This segment helps clients/participants overcome their fears of Homeownership by developing positive reinforcements through moral support, and incorporating the use of testimony from past clients/participants who have since become homeowners. Homeownership counseling occurs in a relaxed group setting where clients/participants describe their dream house and identify the obstacles in their lives that act as barriers to obtaining their home.

Cooperative Membership Training

Specific Cooperative membership training is offered for those Voucher clients/participants who make the choice to purchase a Cooperative membership.

The purchase of the Cooperative membership is included in the Homeownership profile, as considered by the Internal Revenue Service. The Voucher can be used for payment of the monthly carrying charges and for assistance with the Cooperative membership.

Specific classes above and beyond the normal Homeownership classes will be offered to the Cooperative member to familiarize the member with the requirements of Cooperative membership. These requirements will include participation of Cooperative management decisions, as well as involvement in Cooperative membership meetings.

Home Maintenance Training

Clients/participants will also be required to successfully complete home maintenance training.

Home Maintenance training is crucial, and based on the theory that “If you don’t know where the water shutoff valve, or the gas line valve, or the fuse box is, then you shouldn’t own a house!” During this training, participants learn the detailed “how-to” of home repair and maintenance through the use of classroom instruction and hands-on practical application in a physical “lab” setting.

Clients/participants can even learn the functional use of hand tools and power machinery by using them. Clients/participants gain the skills to be able to complete their own repairs. The training provides the participants the opportunity to work on carpentry, plumbing, electrical, glass, plaster, and drywall repair projects among others.

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To demonstrate their proficiency in home maintenance and repair, clients/participants must pass written examinations, as well as demonstrate their competence with the tools by passing hands-on tests.

Other Training

The other training programs offered to the clients/participants who are interested in Homeownership include the following:

- Financial Budgeting
  Classes are held regarding the budgeting process of personal finances for the future Homebuyer. The classes include detailed training regarding the understanding of the importance of budgeting, how to budget, how to track expenses, and how to calculate how much is available to service a mortgage.

  The classes use tracking forms that detail the amount of expenses, the debts that are currently outstanding, and allow the participant the opportunity to plan for the changes needed in order to prepare for Homeownership. The budgeting process includes the opportunity to plan for large expenditures as well as the normal monthly expenses.

  These classes may be offered in an individual setting by the training organization that is retained to complete the Homebuyer education courses or through other training institutes, financial institutions, or college affiliated courses.

- Credit Counseling
  Credit counseling is offered to the participants who are in need of assistance in repairing their credit reports in order to prepare for obtaining a first time homeowner mortgage.

  Credit repair classes include learning how to read a credit report, and how to write a letter which will explain any derogatory credit. The client/participant will also learn how to build an alternative credit file that will detail the utility bills, the cable bill, the phone bill, and any other monthly bills that are paid at a certain time each month.

  The credit counseling classes may be offered by the training organization that is offering the Homebuyer training or by a credit counseling agency or individual that is a licensed credit counselor.

- Conflict Resolution
  Conflict resolution courses are held to help prepare clients/participants to prepare them for working within their neighborhoods to specifically learn how to work well together and to handle any resolvable issues.

- Other Classes
  Other classes such as parenting, crises management, landscaping, housekeeping and toolbox training may be offered on an “as requested” basis.

Agencies Used for Training

The Community Development Corporation’s (CDC) that currently offer training may be consulted to develop the HO training materials and classes. The development of a relationship with a CDC will be done through a Memorandum Of Understanding (MOU). Training offered by an outside agency will be enhanced by the training provided by the Homeownership Division in the form of Homebuyer Club meetings and individual training programs. All counseling and training programs must be detailed within the individual plans.

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Participation Agreement

A Participation Agreement will be signed between Philadelphia Housing Authority and the applicant. The Participation Agreement will include specific timelines and will be directly related to the Individual Action Plan that has been completed for the individual family.

The Action Plan that is completed will be included as an Exhibit to the Participation Agreement. The timelines that have been identified for mortgagability and for participation in the Program will be part of the requirements of the Participation Agreement.

The Participation Agreement will also identify the attendance requirements of Counseling and Training Programs, Homebuyer Clubs, participant's meeting, and individual counseling sessions.

The Participant Agreement will include provisions to ensure that the family complies with the following obligations:

- The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
- The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member.
- The family must supply required information to PHA. The family must further supply any information required by PHA concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
- The family must notify PHA before moving out of the home.
- The family must notify PHA if the family defaults on the mortgage used to purchase the home.
- No family member may have any ownership interest in any other residential property.

Continued Assistance Requirement

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, PHA will not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to PHA the homeownership assistance for the month when the family moves out.

Portability

Subject to the restrictions on portability included in PHA policies, a family may exercise portability if the receiving HA is administering a Voucher homeownership program and accepting new homeownership families. The receiving HA may absorb the family into its Voucher program, or bill PHA.

The family must attend the briefing and counseling sessions required by the receiving HA. The receiving HA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving HA must promptly notify PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by PHA.

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Moves with Continued Assistance

A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with Voucher rental assistance or with Voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.

PHA may deny permission to move to a new unit with continued Voucher assistance as follows:

- Lack of funding to provide continued assistance;
- At any time, PHA may deny permission to move with continued rental or homeownership assistance in accordance with the policies herein, regarding denial or termination of assistance;
- In accordance with PHA's policy regarding number of moves within a 12-month period;
- PHA will deny the family permission to move to a new unit with continued Voucher rental assistance if:
    - The family defaulted on an FHA-insured mortgage; and
    - The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and the family has moved, or will move, from the home within the period established or approved by HUD.

Other Homeownership Requirements

Civil Rights Laws applicable to the HCV Programs are applicable to the HCV Homeownership Program. PHA will comply with all equal opportunity and non-discrimination requirements as posed by Federal law.

The "finders-keepers" rule applies to Homeownership assistance. PHA will not steer families to particular units or neighborhoods. Further, as in the Tenant Based HCV Program, PHA will provide assistance to expand housing opportunities.

PHA's briefing for Homeownership families explains where the family may lease or purchase a unit. The briefing may include the advantages of moving to an area that does not have a high concentration of low-income families, if the family is currently living in a high poverty census tract within the jurisdiction of PHA.

If the family includes any person with disabilities, PHA will take the appropriate steps to ensure that the special needs housing requirements are met to meet the disabled person's needs. PHA will also take appropriate steps to ensure effective communications during the briefing.

PHA will approve a live-in aide if needed as a reasonable accommodation, so that the program is readily accessible to and useable by persons with disabilities.

Denial or Termination of Assistance

At any time, PHA may deny or terminate homeownership assistance in accordance with HCV program requirements in 24 C.F.R. 982.552 (Grounds for denial or termination of assistance) or 24 C.F.R. 982.553 (Crime by family members), as may be modified by the policies in this Administrative Plan.

PHA may also deny or terminate assistance for violation of participant obligations in accordance with its own policy.

PHA will terminate Voucher homeownership assistance for any family member 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 the such debt.

Resale Restrictions

A homeownership family may purchase another home under the HCV Assistance Program, if done within the maximum time period, provided there is no mortgage loan default through the HCV Assistance Program. The PHA Homeownership Division must be informed of the sale of the first home and the purchase of the second home. This approval will be based on the performance profile of the family during the assistance period.

Generally, the Homeownership requirements applicable to the first home purchase remain applicable to subsequent purchase. The first home will need to be sold before the second home can be purchased and included in the Homeownership Assistance Program. The family must meet the employment threshold and minimum income requirements. An independent home inspection will be conducted and PHA will determine the accessibility of and must approve the financing. On the purchase of the second home, the family will not be required to meet the first time Homebuyer requirement.

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CHAPTER 26: ECONOMIC SELF SUFFICIENCY/FAMILY SELF SUFFICIENCY

Overview

Both the Economic Self Sufficiency (ESS) and the Family Self-Sufficiency (FSS) Program are designed to promote the development of local strategies to connect eligible families with appropriate public and private support services and resources in the community as needed to move families forward to economic self-sufficiency.

As an MTW agency, PHA is no longer accepting families into the Family Self-Sufficiency (FSS) program. All existing FSS participants (i.e., households accepted into the FSS program prior to the start of the MTW Demonstration) will remain subject to the FSS program requirements and will be afforded services consistent with the FSS program, including establishment and maintenance of escrow accounts. The FSS policies in this document prevail for existing participants and any new participants should PHA resume accepting clients into the FSS program in the future.

Using MTW flexibility, PHA has designed and implemented the MTW Family Program of which ESS services are a part. PHA actively coordinates ESS activities with the Philadelphia County Assistance Office and Philadelphia Workforce Development Corporation to provide participants with supportive services such as job training, job-search assistance, GED programs and others.

Economic Self Sufficiency Program

A primary objective of the MTW demonstration program is to support economic self-sufficiency. PHA, building on its network of social service programs and partners, provides the ESS program in which families and staff develop self-sufficiency and service plans based on their assessed needs.

Participants are able to access ESS services through Service Coordinator staff, referrals from Case Managers and through staff of the One Stop Family Self-Sufficiency centers as well as at other PHA and partner locations.

HCV households work with staff to develop self-sufficiency goals, including full time employment at a living wage and completion of secondary education, if applicable, for all adult family members. Areas of training and support include, but are not limited to:

- Homeownership Counseling;
- Medical Billing Training;
- Certified Nursing Assistant Training;
- Pharmacy Technician Training;
- Resident Home Maintenance Program;
- Employment Services;
- General Education Development (GED);
- Adult Basic Education (ABE);
- Substance and Mental Health Support;
- Human Services Training;
- Entrepreneur and Small Business Development;
- Career and Professional Development;
- Automotive and Driving Related Training;
- Telecommunications Training and Certification;
- Call Center Industry Training;
- Hospitality Industry Training; and
- Education and Training Support.

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Required ESS Participation - FEDAP

PHA has established a tiered hierarchy to identify households that are required to participate in the ESS program as well as households where participation is optional. The table below identifies the Tiers and related requirements. Referrals are made after lease-up. Quarterly reports of clients by Tier are reviewed to identify households where Family Economic Development Action Plans (FEDAPs) are required. Where a MTW Family Responsibilities Form is executed, families must enter into a FEDAP that includes scheduled meetings with Coordinators and establishment of ESS goals.

Completion of the goals specified in the FEDAP is required under the MTW Family Responsibilities Form.. Failure to meet the goals specified in the FEDAP may result in termination from the HCV program. If a family misses two scheduled progress meetings, PHA will send the family a termination letter for program non-compliance.

Tiers	Income	Frequency of ESS Meeting	FEDAP
Tier 1	Zero Income	Every 90 days	Required
Tier 2	Unemployment, Child support and clients employed Part / full time making under $10,500	Every 90 days	Required
Tier 3	DPA Assistance	Every 180 days	Required
Tier 4	Non HOH, 18+, Income < $10,500, non-disabled	Every 180 days	Required
Tier 5	Employed making over $10,500 (this includes Social Security and Social Security Disability)	Optional	Required if attending a program
Tier 6	Other Participants (Any adult that is not head of household that has participated in programming or have signed a FEDAP)	Optional	Required if attending a program

FSS Minimum Program Size

HUD Requirement for FSS: The minimum program size is equal to the total number of certificates and Vouchers reserved in Fiscal Year (FY) 1993 through October 20, 1998, plus the number of certificates and Vouchers reserved in FY 1991 and FY 1992 under the FSS incentive award competitions minus the number of families that have successfully completed the FSS program on or after October 21, 1998 by fulfilling the FSS contract of participation obligations.

Except for renewal of funding that initially carried an FSS program obligation, renewal funding for rental certificates and Vouchers reserved in FY 1993 through October 20, 1998, will not count when determining the FSS minimum program size.

FSS Eligible Program Participants

PHA conducts outreach and solicits participation from current Housing Choice Voucher participants.

- FSS family or participating family means a family who receives assistance under the HCV program who elects to participate in the FSS program and whose designated head has signed the Contract of Participation.

- Head of the FSS family means the adult member of the FSS family who is the head of household for purposes of determining income eligibility and rent.

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- FSS participants may be selected from current tenants of HCV project-based units.

- PHA may refuse to select a family for participation in the FSS program for a second time if that family previously participated and did not meet its FSS obligations and was terminated from the program.

- PHA may deny admission to participants who owe PHA money related to their participation in the HCV or Public Housing programs.

FSS Contract of Participation

Prior to enrollment in the FSS Program, the family and PHA set personal achievable goals and specific interim goals as a means to measure the family's progress toward achieving economic independence. The designated head of each family participating in the FSS Program must execute an FSS Contract of Participation with PHA. The initial term of the Contract is five years. The contract may be extended, in writing, and at the family's request, for up to two additional years for good cause.

The FSS Contract includes:

- Gross Annual Income;

- The amount of earned income in the Gross annual income;

- Family Rent;

- An individual training and services plan for the family;

- Goals for employment and other activities;

- Principal terms and conditions governing FSS participation;

- Specific rights and responsibilities of the FSS family and PHA;

- Services to be provided; and

- Activities to be completed by the head of the FSS family and each adult member of the family who elects to participate in the program.

Completion of the Contract

The family's contract will be considered completed if:

- The FSS family has fulfilled all obligations under the contract before the expiration of the contract term (or extension), or

- The family's monthly adjusted income equals or exceeds the FMR for the size unit for which the family qualifies (Voucher size in the HCV program); and

- The head of household certifies that no household member is receiving Federal, State or local welfare assistance.

The contract may be completed before the five years have expired. The family does not have to be free of housing assistance to have completed the contract.

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Coordination with HCV Program Assistance

Enrollment and participation in the FSS Program are coordinated with the activities of the family's continued eligibility for HCV assistance. FSS families must meet all required family obligations listed on their Housing Choice Voucher and the terms of their Assisted Lease. Families being assisted by the HCV program are not required to participate in the FSS Program if it is offered to them. This decision will not affect their right to continued occupancy in accordance with their HCV program Assisted Lease. PHA will coordinate with participating PHA's and applicable agencies to assist families in identifying housing opportunities in low poverty and non-impacted areas.

Individual Training and Services Plan (ITSP)

The ITSP is a written plan that is prepared for the head of the FSS family (and each adult member of the FSS family who elects to participate) by PHA in consultation with the family member. The Plan includes:

- The supportive services to be provided to the family member;
- The activities to be completed by that family member;
- The agreed upon completion dates for the services and activities;
- A mandatory interim goal for families on welfare to be free of welfare assistance for at least 12 consecutive months prior to the expiration of the Contract;
- As one final goal, maintaining suitable employment; and

Any changes to the Plan will be included as a written revision and will include the item changed, the signatures of the participants and a PHA representative, and the date of the change.

Incentives to Participate

PHA will create an escrow account for each FSS participant who obtains employment.

As the family's earnings increase over time, the escrow account is credited with a portion of the amount of increased rent they pay due to increases in earned income.

- The family may withdraw funds from the escrow account for specific purposes while they are participating in the FSS program, provided they have met certain interim goals as determined by PHA.
- Upon completion of the FSS Contract of Participation, the family may receive the balance of their escrow account. Successful completion requires that the family no longer receive welfare assistance, although they may still receive housing assistance.

FSS participants may receive appropriate supportive services from various community resources. Available supportive services may include: child care; remedial, secondary and post-secondary education; job training, counseling and placement; substance abuse counseling and limited treatment referrals; training in parenting, homemaking, and money management skills; and homeownership counseling.

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The family's Individual Training and Services Plan will designate which resources may be awarded to assist the family in fulfilling the terms of their FSS Contract of Participation. Individual needs of participating families are assessed by PHA staff, and when appropriate resources are available, referrals are made to other agencies that regularly provide job training programs and individualized case management. Examples of such programs are Success through Reaching Individual Development and Employment (STRIDE), Job Opportunity and Basic Skills (JOBS), and Job Training Partnership Act (JTPA) programs.

Escrow Accounts

Generally, as the family's earnings increase over time, the escrow account is credited with a portion of the amount of increased rent they pay due to increases in earned income.

The family's Annual Income, Earned Income, and Family Rent are inserted into the Contract of Participation at execution. These become the baseline figures for future escrow calculations. PHA will take these figures from the last recertification or interim determination before the family's initial participation in the FSS program, unless more than 120 days will pass between the effective date of the recertification and the effective date of the contract. PHA will conduct a new recertification if more than 120 days will have expired. Escrow credits are based on increase of earned income.

Other escrow account features include:

- Increases in income other than earned income do not contribute to the escrow credit.
- If additional family members are approved by PHA, their earned income is counted when computing the escrow regardless of whether they have an individual training and services plan.
- No credits will be made to the family's FSS escrow account after the FSS family has completed the Contract of Participation or when the contract is terminated or otherwise nullified.

Guidelines for Determining the FSS Credit –Very Low Income Families
PHA will determine the escrow credit for very-low-income families who have an increase in earned income using the calculations below:

- Step One: 30% of the current adjusted monthly income minus family rent (TTP or 30%) minus any increases in earned income since contract effective date
- Step Two: Current family rent minus family rent at contract effective date
- Step Three: The lesser result of these two calculations is the escrow credit for a very-low-income family. If the family's adjusted annual income is below the low-income limit, but greater than the very-low-income limit, 30% of the amount by which the adjusted income exceeds the very-low-income limit is deducted from the estimated credit

Guidelines for Determining the FSS Credit –Low Income Families
If the family's adjusted annual income is above the very-low income limit, but within the low-income limit, there is an additional step in the calculation.

- Step One: 30% of the current adjusted monthly income minus family rent (TTP or 30%) minus any increases in earned income since contract effective date
- Step Two: Current family rent minus family rent at contract effective date

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- Step Three: The lesser result of these two calculations is the escrow credit for a very-low-income family. If the family's adjusted annual income is below the low-income limit, but greater than the very-low-income limit, 30% of the amount by which the adjusted income exceeds the very-low-income limit is deducted from the estimated credit

- If the family's adjusted annual income increases to more than 80% of area median income, FSS credits are no longer made.

Timing of the Escrow Credit Calculations

- When the family is selected for the FSS program and executes a contract of participation, PHA will enter the baseline income data into the contract.

- There will not be an escrow calculation until the family has a qualifying increase in earned income after the date of the contract.

- Thereafter, whenever PHA conducts an annual or interim recertification during the contract, PHA will also calculate the monthly escrow credit.

- PHA will follow its Administrative Plan to determine whether an interim recertification should be conducted, and when increases will go into effect.

- If the family has one or more interim recertifications during the year, the monthly escrow amount may change during the year. Otherwise, the monthly escrow credit will be the same for the entire period between annual recertifications.

Crediting the Escrow Account

- PHA will deposit all escrowed credits into a single depository account.

- The IRS does not count the funds or interest on the funds in the escrow account as income for purposes of income taxes, either before or when the family actually receives the escrow.

- The total of the combined FSS account funds for families will be supported in PHA's accounting records by a subsidiary ledger. This ledger will show the balance applicable to each FSS family.

- PHA may either credit the account monthly, since interim adjustments may change the amount of the credit, or the FSS worksheet credit calculations may be added for the 12 month period and PHA may make one adjustment.

- If PHA finds that a family did not report income they were required to report, PHA will not credit the family's escrow account retroactively with any portion of the unreported income.

- In addition, if the family committed program fraud, it is grounds for termination from the HCV and programs, as well as the FSS program.

Investing the FSS Account

PHA will invest funds in the FSS account in HUD-approved investments specified in HUD Handbook 7475.1 REV. The investment income for funds in the FSS account will be prorated and credited to each family's FSS account. The credit will be based on the balance in each family's FSS account at the end of the investment income credit period.

Before applying the interest, PHA will check to see whether:

- The owner has reported that the family has not paid rent or other amounts due under the lease.

- If the family owes these amounts, PHA will reduce the balance in the account by the amount owed before prorating the interest income. This is because the contribution to the escrow account is based on the amount of Family Rent actually paid by the family, not the amount of Family Rent charged.

- PHA will not submit IRS form 1099 to FSS families with escrow account balances or who receive final disbursements. This is not required by the IRS.

Reporting on the FSS Account

- PHA will make a report, at least once annually, to each FSS family on the status of the family's FSS account.
- PHA may opt to provide the report at the recertification date, the HAP contract anniversary date, the end of the calendar year, or any other time selected by PHA.
- At a minimum, the report must include:
    - The balance at the beginning of the reporting period;
    - The amount of the family's rent payment that was credited to the FSS account during the reporting period;
    - Any deductions made from the account for amounts due PHA before interest is distributed;
    - The amount of interest earned on the account during the year; and
    - The total in the account at the end of the reporting period.

Disbursing the FSS Account

The amount in an FSS account, in excess of any amount owed to PHA by the FSS family, is paid to the head of the FSS family:

- When the Contract of Participation has been completed (even if the contract term has not expired); or

- Whenever the family's monthly adjusted income equals or exceeds the FMR for the unit size for which the family qualifies, based on PHA's occupancy standards (even if the five years is not up); and

- When, at contract completion, the head of the family certifies that, to the best of his/her knowledge and belief, no family member receives Federal or State welfare assistance.

Even if the family is welfare free for 12 consecutive months before the contract expiration date, if the family has not met its other FSS obligations (obtained employment) the family is not eligible for the escrow.

An intergenerational family whose head becomes independent of welfare assistance but whose adult daughter with a child continues to receive TANF is not eligible for the escrow because ALL family members must be free of Federal and State welfare assistance.

Use of FSS Funds

The family may use the final disbursement of escrow account funds without restriction.

An FSS family may use its FSS escrow account funds for the purchase of a home, including a home:

- Under one of HUD's homeownership programs; or

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- Under other Federal, State, or local homeownership programs.

Before disbursing the funds, PHA may verify that the family is no longer receiving welfare assistance by:

- Requesting copies of documents; and
- Contacting the welfare agency.

PHA cannot restrict a family's use of FSS escrow account funds withdrawn by the family unless the funds are withdrawn to aid in the completion of an interim goal.

If a family receives an advance payment from their escrow account prior to completing the contract, the advance payment does not have to be repaid to PHA if they drop out of the FSS program, unless the payment was based on fraud or misinformation by the family.

PHA may, at its sole discretion, disburse a portion of the funds from the family's escrow account during the contract period for contract-related expenses if the family:

- Has fulfilled certain interim contract goals; and
- Needs a portion of the FSS account funds for purposes consistent with the contract such as:
    - School tuition (or other school costs);
    - Job training expenses;
    - Business start-up expenses; or
    - Car (when public transportation is unavailable or inaccessible to the family).

Forfeiting the Account
Amounts in the FSS account will be forfeited if:

- The Contract of Participation is terminated, or
- The Contract of Participation is completed but the family is receiving welfare assistance when the contract expires, including extensions.

If the head of the family dies and the remaining members of the family choose not to continue participating in the program and the contract obligations have not been met, the escrow funds would be forfeited.

If families do not pay their rents to the HCV owner, the funds may be forfeited because:

- Compliance with the applicable HCV lease is a family obligation under the contract; and
- Nonpayment of rent is grounds for terminating a family's FSS participation and forfeiture of the escrow.

FSS account funds forfeited by the family will be treated as program receipts for payment of program expenses under PHA's HCV budget.

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The escrow funds may be used by PHA for HUD approved expenses such as HCV housing assistance payments.

Non-Compliance with FSS Requirements

PHA will conduct regular progress reviews with the family and outside-agency case managers. If any member of the family does not meet his or her responsibilities under this contract, the family will not receive the money in its FSS escrow account and PHA may:

- Stop supportive services for the family;
- Terminate the family's participation in the FSS Program; and
- If the family is participating in the Rental Voucher Program, terminate the HCV assistance, when allowed by HUD requirements.

Families may request an Informal Hearing after being notified of a corrective action by PHA.

Change in Family Composition

- If the FSS family head leaves the household during the term of the contract, and the remaining family members want to continue participation in the FSS program, the new HOH will be designated as the FSS head and the Contract will be revised to reflect the new head of the FSS family.
- If the head of the FSS family left the family after the expiration of the Contract, the Contract provides for the remaining family members to designate a family member to receive the escrow.
- If any family member with an individual training and services plan leaves the assisted family during the term of the FSS contract, PHA will delete the individual training and services plan for that family member. PHA will determine whether new or revised individual training and services plans need to be established for the family to continue its participation in the FSS program.
- If the initially designated head of the FSS family or any other family member with an individual training and services plan did not meet the obligations under the contract, PHA may terminate the FSS contract or terminate assistance under the program.

FSS Portability

- A family participating in a HCV FSS program must lease an assisted unit within PHA's jurisdiction for 12 months after the effective date of the FSS contract.
- PHA may approve a family's request to move during this period.
- After the first 12 months, the family may move outside the jurisdiction of PHA.
- FSS families will not be penalized in exercising their right to portability.

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- PHA will not terminate a family's assistance solely because they cannot participate in the FSS program in their new location.

- If a family is subject to termination in the FSS program because of failure to meet a contract obligation, the family will not able to use a portability move to avoid the consequences. In this case, PHA may exercise its authority to terminate the family's HCV assistance.

- After 12 months from the effective date of the contract, a HCV FSS family moves outside of PHA's jurisdiction under portability, PHA may take one of the following actions:

    - PHA may permit the family to continue to participate in its FSS program if the family demonstrates that it can meet its FSS responsibilities in the new location, or

    - The receiving HA may allow the family to participate in its FSS program, or

    - PHA may terminate the contract in cases where the family cannot fulfill its obligations in the new location, or if the receiving HA does not allow the family to participate in its FSS program. In either of these cases, the family would forfeit the funds in the escrow account.

Transfer to the Receiving HA's FSS Program

- A relocating family may participate in the FSS program of the receiving HA if approved by the receiving HA.

- A PHA is not obligated to accept a relocating FSS family in its FSS program.

- If the receiving HA allows the family to participate, the receiving HA enters into a new contract with the family for the term remaining on the initial HA's FSS contract. PHA will terminate its FSS contract with the family.

- The effective date of the contract between the family and the receiving HA is the first day of the month following the date the contract was signed by the family and the PHA's representative.

- The expiration date of the contract between the receiving HA and the family MUST be the same as the expiration date of the contract between PHA and the family.

- The receiving HA must use the amounts listed for Annual Income, Earned Income, and Family Rent (TTP) on the original Contract of Participation between PHA and the family.

Escrow Accounts

- The initial HA must transfer the family's FSS escrow account balance when the family is absorbed by the receiving HA.

- Regardless of whether the relocating FSS family is in the initial or receiving HA's program, there will be a single FSS account.

- The PHA that is responsible to pay the housing assistance for the family will maintain the escrow account.

- If the receiving HA absorbs the family into its Voucher program, Philadelphia Housing Authority will transfer the family's FSS account to the receiving HA, whether or not the receiving HA has an existing FSS program.

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Monitoring Status

- The PHA which is party to the FSS contract will be responsible for monitoring the family's FSS goal attainment, resource needs, and status. This will be PHA if the family remains in PHA's FSS program. It will be the receiving HA if the family becomes a participant in the receiving HA's FSS program.

Termination

- The PHA that is a party to the contract and is monitoring the FSS status is responsible for determining whether the family has violated the FSS contract and whether the family's HCV assistance should be terminated, in accordance with its FSS Action Plan policies.

- Where the family is not absorbed by the receiving HA, but is participating in the receiving HA's FSS program, PHA will abide by the termination decision of the receiving HA.

- If a relocating FSS family is unable to fulfill its obligations under the FSS contract, the PHA which is party to the FSS Contract of Participation may

    - Terminate the family from the FSS program and the family's FSS account will be forfeited, and

    - Terminate the family's HCV assistance since the family failed to meet its obligations under the FSS contract.

- If the family's FSS account is forfeited, the funds in the account will revert to the PHA maintaining the FSS account for the family and will be treated as program receipts.

FSS Reporting Requirements

PHA shall submit to HUD, in the form prescribed by HUD, a report regarding the FSS program. The report will include:

- A description of the activities carried out under the program;

- A description of the effectiveness of the program in assisting families to achieve economic independence and self-sufficiency;

- A description of the effectiveness of the program in coordinating resources of communities to assist families to achieve economic independence and self-sufficiency; and

- Any recommendation by PHA or the local program coordinating committee for legislative or administration action that would improve the FSS program and ensure the effectiveness of the program.

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CHAPTER 27: ENHANCED VOUCHERS

PHA offers tenant-based rental assistance in order to assist eligible residents that are affected by several different types of owner or HUD actions, described as "Housing Conversion Actions". These actions include owners' decisions to opt-out of or not renew Section 8 project-based contracts, including mod rehab contracts (opt-outs), owner pre-payment of the mortgage or voluntary termination of mortgage insurance of a preservation eligible property (preservation pre-payments), HUD enforcement actions against the owner, including termination or non-renewal of a Section 8 project-based Housing Assistance Payments contract and HUD property disposition activities.

When a Housing Conversion Action occurs, depending on the type of conversion action and subject to the availability of appropriations, eligible tenants will receive either regular Voucher assistance or enhanced Voucher assistance.

Overview of Enhanced Vouchers

Enhanced Vouchers are authorized under Section 8(t) of the U.S. Housing Act of 1937. Enhanced Vouchers are normally not provided in the case of HUD enforcement actions against an owner resulting in the termination of a Section 8 contract. In such cases, regular Voucher assistance is usually applicable, particularly if the unit would not meet housing quality standards.

Enhanced Vouchers are replacement Vouchers (*i.e.*, a replacement for the previous HUD subsidy) and so do not come out of a housing authority's regular pool of HCVs but rather from HUD. HUD provides the Vouchers to the housing authority on a one-for-one replacement basis to make up for the loss of affordable housing units in the community, subject to the availability of appropriations. A Voucher is considered "enhanced" only as long as the tenant who received the Voucher remains in the project that was subject to the Housing Conversion Action.

If there are any Vouchers remaining after PHA assists the eligible tenants of the project, PHA may use the Vouchers to assist families on PHA's regular HCV Waiting List. In such a case, the Voucher would be treated as a regular Voucher without any enhanced features.

Individual Covered by Enhanced Voucher Provisions

A person residing in PHA's jurisdiction is eligible for an enhanced Voucher if, on the effective date of the Housing Conversion Action:

- The resident meets the income requirements on the date of the Housing Conversion Action;
- Any rent increase under the Enhanced Voucher program is in accordance with the lease agreement and program regulations;
- The family decides to stay in the unit located in the property that was subject to the Housing Conversion Action instead of moving.

Prior to PHA approving a family to lease a dwelling unit with Enhanced Voucher assistance, the following conditions must be met:

- The unit must be eligible;
- The unit must pass HQS;

- The lease must include the PHA tenancy addendum; and

- PHA must determine that the rent to the owner is reasonable.

Provisions of Enhanced Vouchers

The following requirements apply to Enhanced Voucher assistance. Unless otherwise described in this chapter or applicable requirements, standard PHA HCV requirements generally apply to enhanced Vouchers.

- Enhanced Vouchers provided as a result of housing conversion actions are always tenant-based assistance. Families may move outside of PHA's jurisdiction under the portability provisions of the Voucher program. However, if a family does not remain in the property that was subject to the Housing Conversion Action, the Voucher will not be considered "enhanced" and will instead be governed by standard HCV program rules.

- A higher "enhanced" payment standard will be used to determine the amount of subsidy in cases where the gross rent of the unit (rent to owner plus the utility allowance for any tenant-supplied utilities) exceeds the normally applicable PHA payment standard. In such instances, the gross rent for the unit is used in the subsidy calculation instead of the normally applicable payment standard. This means that the tenant will not have to pay out of pocket if the gross rent is greater than the payment standard, as would be the case with a regular HCV. The enhanced payment standard policy will be applicable to the enhanced Voucher so long as the tenant remains in the unit that was subject to the Housing Conversion Action.

- Notwithstanding the preceding paragraph regarding the enhanced payment standard, PHA will not approve a unit leased with an Enhanced Voucher until a determination is made that the initial rent to the owner is a reasonable rent. If PHA determines that the proposed rent is not reasonable, the landlord will have to lower the rent or the family will have to find another unit in order to benefit from the Enhanced Voucher subsidy.

- PHA maintains its authority to screen potentially eligible families or deny assistance for any grounds described in this Administrative Plan. PHA will maintain the same screening and admissions policies for families assisted with Enhanced Vouchers as it does for regular admissions of families from PHA's Waiting List.

- PHA will provide a family the opportunity for an informal review it if denies the family admission to the Voucher program in accordance with the Housing Choice Voucher regulations.

- PHA will conduct its own income determination and verification for families assisted with Enhanced Vouchers. At its discretion, PHA may use the owner's most recent family income examination if (a) the owner's current certification for the tenant is no more than six months old and (b) PHA determines that the owner certifications are acceptable after reviewing a small sample for accuracy. If PHA uses the owner's certification, PHA will complete the subsequent tenant reexamination within one year (or such other recertification timeframe provided in this Administrative Plan) of the date of the owner certification.

- The owner of the property is required to continue to allow the tenant holding the enhanced Voucher to live at the property after the conversion action, as long as the units are used for rental housing and are otherwise eligible for HCV assistance in accordance with the requirements of this chapter and the Administrative Plan. The owner may not terminate the tenancy of a family that exercises its right to remain except for serious or repeated lease violations or other good cause.

- PHA will conduct a recertification of family income and composition for families assisted with Enhanced Vouchers.

- PHA will issue Enhanced Vouchers according to PHA's established Subsidy Standards, not the actual size of the unit the family is currently occupying. If the bedroom size of the tenant's unit exceeds the number of bedrooms for which the tenant qualifies under the PHA subsidy standards, the tenant is considered to be over-housed.

- An over-housed family must move to an appropriate size unit in the project if one is available in order to receive enhanced Voucher assistance. If an overhoused family refuses to move to the appropriate size unit, PHA will calculate the family's assistance payment for the oversized unit based on the normally applicable Voucher subsidy formula using the applicable payment standard for the appropriate sized unit..

- If an appropriate size unit is not available in the project, for an overhoused family, PHA will execute a HAP contact on behalf of the family for the oversized unit, provided the rent is reasonable and the unit complies with all other Voucher program requirements. The enhanced Voucher subsidy calculation is based on the gross rent for the oversized unit. When an appropriately sized unit becomes available in the project, the enhanced Voucher family residing in the oversized unit must move to the appropriate size unit in order to continue to receive enhanced Voucher assistance. If a decrease in family size or change in family composition results in a tenant becoming over-housed, the same rules will apply.

- If a family chooses to move from the project at any time, the normal PHA HCV tenant-based program rules apply to the subsidy calculation for the new unit; the Voucher will no longer be considered as "enhanced."

- PHA will provide families with search time that is reasonably required to locate housing and will grant exceptions and extensions on a case by case basis.

- PHA will use the same rent reasonable standards regardless of whether the Vouchers are standard HCV Vouchers or Enhanced.

- PHA will not approve any temporary or short-term leases between the owner and family. The initial lease term will be for two years unless PHA determines that a shorter term would improve housing opportunities for the tenant and such shorter term is the prevailing local market practice.

- All units leased with Enhanced Vouchers must meet the HQS standards of the tenant-based Housing Choice Voucher Program regardless of whether the family is residing in a unit that was previously assisted under a Section 8 project-based contract. PHA will not issue any Housing Assistance Payments for any period of time prior to the date that the unit is inspected and meets HQS.

- PHA will execute the HAP contract within 60 calendar days after the beginning of the lease term

- If a family chooses to stay in a unit where a property has undergone a conversion action, the lease term will not be effective prior to the target date of the Housing Conversion Action. PHA may approve a tenancy that begins before the target date of the conversion action for a family that is moving from the property.

- PHA will maintain records of eligibility determinations for families who are income eligible for an Enhanced Voucher, but there is no HAP payment because the family's Total Tenant Payment equals or is greater than the gross rent.

- When a family moves from a project the Voucher will become a regular tenant-based Voucher, thus the Voucher will no longer be enhanced. At that time, PHA will apply the normally applicable payment standards in determining the family's Housing Assistance Payment.

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- The HAP calculation for an enhanced Voucher tenant remaining in the project will be the gross rent of the unit minus the greatest of (1) 30% of adjusted monthly income; (2) 10% of monthly income; (3) the welfare rent in as-paid states; (4) the enhanced Voucher minimum rent; or (5) PHA's minimum rent of $50. "Enhanced Voucher minimum rent" is the amount the family was paying on the date of the eligibility event for the project in question. This minimum rent requirement will be applied to families who remain in the project.

Conversion of Enhanced Vouchers to MTW Vouchers

PHA may convert Enhanced Vouchers to MTW vouchers one year after the voucher is initially issued. When an Enhanced Voucher is converted to an MTW voucher, all MTW policies apply, however the Enhanced Voucher Payment Standard will apply for as long as the family remains in the project.

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GLOSSARY OF ACRONYMS

ACC	Annual Contributions Contract
ADA	Age Discrimination Act of 1975
BR	Bedroom
CDBG	Community Development Block Grant (Program)
CDC	Community Development Corporation
C.F.R.	Code of Federal Regulations (published federal rules that define and implement laws; commonly referred to as “the regulations”)
CIR	Client Information Report
ESS	Economic Self Sufficiency
FEDAP	Family Economic Development Action Plan
FHA	Federal Housing Administration
FMR	Fair Market Rent
FR	Federal Register
FSS	Family Self-Sufficiency (Program)
FY	Fiscal Year
HA	Housing Authority
HAP	Housing Assistance Payment
HCV	Housing Choice Voucher
HQS	Housing Quality Standards.
HUD	Department of Housing and Urban Development
IRS	Internal Revenue Service
ITSP	Individual Training Services & Training Plan
JTPA	Job Training Partnership Act
LEP	Limited English Proficiency
MOU	Memorandum of Understanding
MTW	Moving To Work
MTWFAA	Moving To Work Family Agreement Addendum
NCIC	National Crime Information Center
PB	Project Based
PHA	Public Housing Agency **or** Philadelphia Housing Authority
PIH	(HUD Office of) Public and Indian Housing
PS	Payment Standard
QC	Quality Control
QHWRA	Quality Housing and Work Responsibility Act of 1998 (also known as the Public Housing Reform Act)
RFP	Request For Proposals

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RFTA	Request For Tenancy Approval
SHI	Special Housing Initiative
SRO	Single Room Occupancy
SSA	Social Security Administration
SSI	Supplemental Security Income
TANF	Temporary Assistance For Needy Families
TTP	Total Tenant Payment
UA	Utility Allowance
USCIS	United States Citizenship and Immigration Services
VAWA	Violence Against Women Reauthorization Act of 2005

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GLOSSARY OF SUBSIDIZED HOUSING TERMS

- **Absorption:** In portability (under subpart H of this part 982): the point at which a receiving HA stops billing the initial HA for assistance on behalf of a portability family. The receiving HA uses funds available under the receiving HA consolidated ACC.
- **Accessible:** The facility or portion of the facility can be approached, entered, and used by individuals with physical handicaps.
- **Adjusted Income:** Annual income, less allowable HUD/MTW deductions.
- **Adjusted Annual Income:** Same as Adjusted Income.
- **Administrative Fee:** Fee paid by HUD to the PHA for administration of the program. See §982.152.
- **Administrative Fee Reserve** (formerly "operating reserve"): Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes. See §982.155. Administrative fee reserves from FY 2004 and 2005 funding are further restricted to activities related to the provision of tenant-based rental assistance authorized under Section 8.
- **Administrative Plan:** The plan that describes PHA policies for administration of the tenant-based programs. The Administrative Plan and any revisions must be approved by PHA's board and included as a supporting document to the PHA Plan. See §982.54.
- **Admission:** The point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program.
- **Annual Contributions Contract (ACC):** The written contract between HUD and a PHA under which HUD agrees to provide funding for a program under the 1937 Act, and the PHA agrees to comply with HUD requirements for the program.
- **Annual Income:** The anticipated total income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.
- **Applicant (applicant family):** A family that has applied for admission to a program but is not yet a participant in the program.
- **Area Exception Rent:** An amount that exceeds the published FMR. See §982.504(b).
- **Assets:** (See Net Family Assets.)
- **Budget Authority:** An amount authorized and appropriated by the Congress for payment to HAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.
- **Child:** A member of the family other than the family head or spouse who is under 18 years of age.
- **Child Care Expenses:** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.
- **Citizen:** A citizen or national of the United States.
- **Co-head:** An individual in the household who is equally responsible for the lease with the head of household. A family may have a co-head or spouse but not both. A co-head never qualifies as a dependent. The co-head must have legal capacity to enter into a lease.

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- **Consent Form:** Any consent form approved by HUD to be signed by assistance applicants and participants to obtain income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and retirement income); and return information for unearned income from the IRS. Consent forms expire after a certain time and may authorize the collection of other information to determine eligibility or level of benefits.
- **Congregate Housing:** Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. A special housing type: see §982.606 to §982.609.
- **Continuously Assisted:** An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the Voucher program.
- **Contract:** (See Housing Assistance Payments Contract.)
- **Cooperative** (term includes mutual housing): Housing owned by a nonprofit corporation or association, where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type: see §982.619.
- **Covered Families:** Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for noncompliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.
- **Dating Violence:** Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
    - The length of the relationship;
    - The type of relationship; and
    - The frequency of interaction between the persons involved in the relationship
- **Dependent:** A dependent is a family member who is either 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.
- **Disability Assistance Expenses:** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.
- **Disabled Family:** A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.
- **Disabled Person:** See Person with Disabilities.
- **Displaced Family:** A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
- **Domestic Violence:** Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant

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monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

- **Domicile:** The legal residence of the household head or spouse as determined in accordance with State and local law.
- **Drug-Related Criminal Activity:** As defined in 42 U.S.C. 1437f(f)(5).
- **Drug Trafficking:** The illegal manufacture, sale, or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).
- **Economic Self-Sufficiency Program:** Any program designed to encourage, assist, train or facilitate the economic independence of assisted families, or to provide work for such families. This includes 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 treatment for drug abuse or mental health treatment).This includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). Also see §5.603(c).
- **Employer Identification Number (EIN):** The nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation.
- **Evidence of Citizenship or Eligible Status:** The documents which must be submitted to evidence citizenship or eligible immigration status.
- **Extremely Low Income Family:** A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30 percent of median income if HUD finds such variations are necessary due to unusually high or low family incomes.
- **Facility:** All or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock or other real or personal property or interest in the property.
- **Fair Housing Act:** means Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988
- **Fair Market Rent (FMR):** The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by 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 (non-luxury) nature with suitable amenities. See periodic publications in the Federal Register in accordance with 24 C.F.R. part 888.
- **Family:** Includes but is not limited to the following, and can be further defined in PHA policy:
    - A family with or without children (the temporary absence of a child from the home due to placement in foster care is not considered in determining family composition and family size)
    - An elderly family;
    - A displaced family;
    - The remaining member of a tenant family; or
    - A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.
- **Family Rent to Owner:** In the Voucher program, the portion of rent to owner paid by the family.
- **Family Self-Sufficiency Program (**FSS program): The program established by PHA 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.

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- **Family Unit Size:** The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.
- **Federal Agency:** A department of the executive branch of the Federal Government.
- **Foster Child Care Payment:** Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.
- **Full-Time Student:** A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended).
- **Funding Increment:** Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.
- **Gross Rent:** The sum of the rent to owner plus any utility allowance.
- **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). A special housing type.
- **Handicap:** Any condition or characteristic that renders a person an individual with handicaps.
- **Handicap Assistance Expense:** See "Disability Assistance Expense."
- **HAP Contract:** Housing assistance payments contract. (Contract). A written contract between the PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family.
- **Head of Household:** The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.
- **Housing Assistance Payment:** The monthly assistance payment by a PHA, which includes: (1) A payment to the owner for rent to the owner under the family's lease; and (2) An additional payment to the family if the total assistance payment exceeds the rent to owner.
- **Housing Agency (HA):** A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing. ("PHA" and "HA" mean the same thing.)
- **Housing Quality Standards:** The HUD minimum quality standards for housing assisted under the Voucher program.
- **HUD:** The Department of Housing and Urban Development.
- **Immediate Family Member:** A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or any other person living in the household of that person and related to that person by blood and marriage.
- **Imputed Asset:** Asset disposed of for less than Fair Market Value during two years preceding examination or recertification.
- **Imputed Asset Income:** HUD PHA passbook rate multiplied by the total cash value of assets. Calculation used when net family assets exceed $5,000.
- **Imputed Welfare Income:** An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction, but is included in the family's annual income and therefore reflected in the family's rental contribution.
- **Income:** Income from all sources of each member of the household, as determined in accordance with criteria established by HUD.
- **Income For Eligibility:** Annual Income.

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- **Income Information:** means information relating to an individual's income, including:
    - All employment income information known to current or previous employers or other income sources
    - All information about wages, as defined in the State's unemployment compensation law, including any Social Security Number; name of the employee; quarterly wages of the employee; and the name, full address, telephone number, and, when known, Employer Identification Number of an employer reporting wages under a State unemployment compensation law
    - Whether an individual is receiving, has received, or has applied for unemployment compensation, and the amount and the period received
    - Unearned IRS income and self-employment, wages and retirement income
    - Wage, social security, and supplemental security income data obtained from the Social Security Administration.
- **Individual with Handicaps:** Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment.
- **Initial HA:** In portability, the term refers to both: (1) A housing authority that originally selected a family that later decides to move out of the jurisdiction of that housing authority; and (2) A housing authority that absorbed a family that later decides to move out of the jurisdiction of the absorbing housing authority.
- **Initial Payment Standard:** The payment standard at the beginning of the HAP contract term.
- **Initial Rent to Owner:** The rent to owner at the beginning of the HAP contract term.
- **Jurisdiction:** The area in which the PHA has authority under State and local law to administer the program.
- **Landlord:** Either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.
- **Lease:** A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA.
- **Live-In Aide:** A person who resides with one or more elderly persons or persons, or persons with disabilities, and who:
    - Is determined to be essential to the care and well-being of the persons;
    - Is not obligated for the support of the persons; and
    - Would not be living in the unit except to provide the necessary supportive services.
- **Local Preference:** A preference used by the PHA to select among applicant families.
- **Low Income Family:** A family whose income does not exceed 80% of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80% for areas with unusually high or low incomes.
- **Manufactured Home:** A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. A special housing type: see §982.620 and §982.621.
- **Medical Expenses:** Medical expenses, including medical insurance premiums that are anticipated during the period for which annual income is computed, and that are not covered by insurance. (A deduction for elderly or disabled families only.) These allowances are given when calculating adjusted income for medical expenses in excess of 3% of annual income.

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- **Merger Date:** October 1, 1999.
- **Minor.** A member of the family household other than the family head or spouse, who is under 18 years of age.
- **Mixed Family:** A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.
- **Monthly Adjusted Income:** One twelfth of adjusted income.
- **Monthly Income:** One twelfth of annual income.
- **National:** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.
- **Net Family Assets:** (1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
    - In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under §5.609.
    - In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or recertification, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.
- **Non-citizen:** A person who is neither a citizen nor national of the United States.
- **Notice of Funding Availability (NOFA):** For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.
- **Owner:** Any person or entity with the legal right to lease or sublease a unit to a participant.
- **PHA Plan:** The annual plan and the 5-year plan as adopted by the PHA and approved by HUD.
- **PHA's quality control sample:** An annual sample of files or records drawn in an unbiased manner and reviewed by a PHA supervisor (or by another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to program requirements.
- **Participant** (participant family): A family 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).
- **Payment Standard:** The maximum monthly assistance payment for a family assisted in the Voucher program (before deducting the total tenant payment by the family).

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- **Persons with Disabilities:** A person who has a disability as defined in 42 U.S.C. 423 or a developmental disability as defined in 42 U.S.C. 6001. Also includes a person who is determined, under HUD regulations, to have a physical or mental impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions. For purposes of reasonable accommodation and program accessibility for persons with disabilities, means and "individual with handicaps" as defined in 24 C.F.R. 8.3. Definition does not exclude persons who have AIDS or conditions arising from AIDS, but does not include a person whose disability is based solely on drug or alcohol dependence (for low-income housing eligibility purposes). See "Individual with handicaps"
- **Portability:** Renting a dwelling unit with Section 8 housing choice Voucher outside the jurisdiction of the initial HA.
- **Premises:** The building or complex in which the dwelling unit is located, including common areas and grounds.
- **Project Owner:** The person or entity that owns the housing project containing the assisted dwelling unit.
- **Public Assistance:** Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.
- **Public Housing Agency (PHA):** Any State, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.
- **Reasonable Rent:** A rent to owner that is not more than rent charged: (1) For comparable units in the private unassisted market; and (2) For comparable unassisted units in the premises.
- **Receiving HA:** In portability: A housing authority that receives a family selected for participation in the tenant-based program of another housing authority. The receiving HA issues a Voucher and provides program assistance to the family.
- **Recertification:** Sometimes called recertification. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported.
- **Remaining Member of Tenant Family:** Person left in assisted housing who may or may not normally qualify for assistance on own circumstances (i.e., an elderly spouse dies, leaving widow age 47 who is not disabled).
- **Rent to Owner:** The total monthly rent payable to the owner under the lease for the unit (also known as contract rent). Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.
- **Responsible Entity:** For the public housing and the Section 8 tenant-based assistance, project-based certificate assistance, and moderate rehabilitation programs, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.
- **Section 8:** Section 8 of the United States Housing Act of 1937.
- **Section 8 Covered Programs:** All HUD programs which assist housing under Section 8 of the 1937 Act, including Section 8 assisted housing for which loans are made under section 202 of the Housing Act of 1959.
- **Section 214:** Section 214 of the Housing and Community Development Act of 1980, as amended
- **Section 214 Covered Programs:** is the collective term for the HUD programs to which the restrictions imposed by Section 214 apply. These programs are set forth in §5.500.

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- **Security Deposit:** A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.
- **Shared Housing:** 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. A special housing type: see §982.615 to §982.618.
- **Single Person:** A person living alone or intending to live alone.
- **Single Room Occupancy Housing (SRO):** A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. A special housing type: see §982.602 to §982.605.
- **Social Security Number (SSN):** The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.
- **Special Admission:** Admission of an applicant that is not on the PHA Waiting List or without considering the applicant's Waiting List position.
- **Special Housing Types:** See subpart M of part 982. Subpart M states the special regulatory requirements for: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).
- **Spouse:** The marriage partner of the head of household.
- **Stalking.** To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.
- **State Wage Information Collection Agency (SWICA):** The state agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the state, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.
- **Subsidy Standards:** 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 after the family submits a request for approval of the tenancy. If the PHA decides to allow extensions or suspensions of the Voucher term, the PHA Administrative Plan must describe how the PHA determines whether to grant extensions or suspensions, and how the PHA determines the length of any extension or suspension. This practice is also called “tolling”.
- **Tenancy Addendum:** For the Housing Choice Voucher Program, the lease language required by HUD in the lease between the tenant and the owner.
- **Tenant:** The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.
- **Tenant Rent to Owner:** See “Family rent to owner”.
- **Term of Lease:** The amount of time a tenant agrees in writing to live in a dwelling unit.
- **Total Tenant Payment (TTP):** The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.
- **Unit:** Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero (0) bedrooms to six (6) bedrooms.

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- **Utility Allowance:** If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.
- **Utility Reimbursement:** In the Voucher program, the portion of the housing assistance payment which exceeds the amount of rent to owner.
- **Vacancy Loss Payments:** (Applies only to pre-10/2/95 HAP Contracts in the Rental Certificate Program). When a family vacates its unit in violation of its lease, the owner is eligible for 80% of the contract rent for a vacancy period of up to one additional month, (beyond the month in which the vacancy occurred) if s/he notifies the PHA as soon as s/he learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.
- **Very Low Income Family:** A low-income family whose annual income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the housing choice Voucher program.
- **Violent Criminal Activity:** Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.
- **Voucher** (Housing Choice Voucher): A document issued by a PHA to a family selected for admission to the housing choice Voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The Voucher also states obligations of the family under the program.
- **Voucher Holder:** A family holding a Voucher with an unexpired term (search time).
- **Voucher Program:** The housing choice Voucher program.
- **Waiting List Admission:** An admission from the PHA Waiting List.
- **Welfare Assistance:** Income assistance from Federal or State welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, child care or other services for working families. FOR THE FSS PROGRAM (984.103(b)), “welfare assistance” includes only cash maintenance payments from Federal or State programs designed to meet a family’s ongoing basic needs, but does not include food stamps, emergency rental and utilities assistance, SSI, SSDI, or Social Security.
- **Welfare-To-Work (WTW) family:** A family assisted by a PHA with Voucher funding awarded to the PHA under the HUD welfare-to-work Voucher program (including any renewal of such WTW funding for the same purpose).

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Appendix A: Chart of Offenses – Denial of Admission

CRIMINAL BACKGROUND SCREENING
CRITERIA FOR PUBLIC HOUSING AND HCV ADMISSION

OFFENSE	Felony Conviction (Years)	Other Conviction (Years)
Crimes Against Persons		
Assault-Related Offenses General Definition: An unlawful attack by one person upon another.	10	3
Family-Related Offenses, Nonviolent General Definition: Unlawful, non-violent acts by a family member (or legal guardian) that threatens the physical, mental, or economic well-being morals of another family member that are not classifiable as other offenses, such as Assault, Incest and Statutory Rape etc.	5	3
Homicide-Related Offenses General Definition: The killing of one human being by another.	Lifetime	
Kidnapping/Abduction-Related Offenses General Definition: The unlawful seizure, transportation, and/or detention of a person against his/her will or of a minor without the consent of his/her custodial parent(s) or legal guardian.	10	3
Sex-Related Offenses, Forcible General Definition: Any sexual act directed against another person, forcibly and/or against that person's will, or not forcibly or against the person's will in instances where the victim is incapable of giving consent. (See below for sex offender registration requirements.)	10	3
Sex-Related Offenses, Non-forcible General Definition: Unlawful, nonforcible sexual intercourse, excluding prostitution offenses.	5	3
All Other Person-Related Offenses General Definition: Any offense committed against another person which causes harm to a person which does not meet specific categories previously outlined as person-related offenses.	5	3
Crimes Against Property		
Arson-Related Offenses General Definition: To unlawfully and intentionally damage or attempt to damage any real or personal property by fire or incendiary device.	10	3
Burglary/Breaking And Entering-Related Offenses General Definition: The unlawful entry into a building or other structure with the intent to commit a felony or a theft.	5	3
Motor Vehicle Theft-Related Offenses General Definition: The theft of a motor vehicle	3	
Counterfeiting/Forgery-Related Offenses General Definition: The altering, copying, or imitation of something, without authority or right, with the intent to deceive or defraud by passing the copy or thing altered or imitated as that which is original or genuine or the selling, buying, or possession	5	3

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OFFENSE	Felony Conviction (Years)	Other Conviction (Years)
of an altered, copied, or imitated thing with the intent to deceive or defraud.		
Embezzlement/Bribery-Related Offenses General Definition: The unlawful misappropriation by an offender to his/her own use or purpose of money, property, or some other thing of value entrusted to his/her care, custody, or control.	5	3
Extortion/Blackmail-Related Offenses General Definition: To unlawfully obtain money, property or any other thing of value, either tangible or intangible, through the use or threat of force, misuse of authority, threat of criminal prosecution, threat of destruction of reputation or social standing or through other coercive means.	10	3
Fraud-Related Offenses General Definition: The intentional perversion of the truth for the purpose of inducing another person or other entity in reliance upon it to part with something of value or to surrender a legal right, excluding Counterfeiting/Forgery and Bad Check offenses.	5	3
Robbery-Related Offenses General Definition: The taking or attempting to take anything of value under confrontational circumstances from the control, custody, or care of another person by force or threat of force or violence and/or by putting the victim in fear of immediate harm.	10	3
Stolen Property-Related Offenses General Definition: Receiving, buying, selling, possessing, concealing, or transporting any property with the knowledge that it has been unlawfully taken, as by Burglary, Embezzlement, Fraud, Larceny, Robbery, etc.	5	3
Larceny/Theft-Related Offenses General Definition: The unlawful taking, carrying, leading, or riding away of property from the possession or constructive possession of another person.	5	3
Destruction / Damage / Vandalism Of Property Offenses General Definition: To willfully or maliciously destroy, damage, deface, or otherwise injure real or personal property without the consent of the owner or the person having the custody or control of it, excluding arson offenses.	5	3
All Other Property-Related Offenses General Definition: Any offenses that cause property or monetary damage to another that do not fit into specific categories previously outlined as property-related offenses.	5	3
Crimes Against Society		
Purposely Obstructs, Impairs Or Perverts The Law General Definition: A person who purposely obstructs, impairs or perverts the administration of law or discharge of government duties or the carrying out of other governmental functions.	5	3
Disorderly Conduct-Related Offenses General Definition: Any behavior that tends to disturb the public peace or decorum, scandalize the community, or shock the public sense of morality.	5	

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OFFENSE	Felony Conviction (Years)	Other Conviction (Years)
Drug/Narcotic-Related Offenses General Definition: The violation of laws prohibiting the product, distribution, and/or use of certain controlled substances and the equipment or devices utilized in their preparation and/or use, excluding DUI offenses.	10	3
Drunkenness-Related Offenses General Definition: To drink alcoholic beverages to the extent that one's mental faculties and physical coordination are substantially impaired, excluding DUI offenses.	3	
Driving Under The Influence-Related Offenses General Definition: Driving or operating a motor vehicle or common carrier while mentally or physically impaired as the result of consuming an alcoholic beverage or using a drug or narcotic.	3	
Liquor Law-Related Offenses General Definition: The violation of laws or ordinances prohibiting the manufacture, sale, purchase, transportation, possession, or use of alcoholic beverages, excluding DUI and drunkenness offenses.	3	
Manufacturing Methamphetamine in Federally Assisted Housing* General definition: Conviction for drug-related criminal activity for the production or manufacture of methamphetamine on the premises of Federally-assisted housing.	Lifetime ban	Lifetime ban
Pornography/Obscene Material-Related Offenses General Definition: The violation of laws or ordinances prohibiting the manufacture, publishing, sale, purchase, or possession of sexually explicit material, e.g. literature or photographs.	5	3
Prostitution-Related Offenses General Definition: To unlawfully engage in or promote sexual activities for profit.	3	3
Sex Offender Registrant* General Definition: Identification of a registration by the applicant as a registered sex offender in one or more jurisdictions covered by the search. (Note that requirements for registration vary by locale and may require the individual to actively register themselves by law in some states. Some states prohibit discrimination on the basis of registration as a sex offender.).	Lifetime ban	Lifetime ban
Trespass of Real Property-Related Offenses General Definition: To unlawfully enter land, a dwelling, or other real property.	3	3
Weapons Law-Related Offenses General Definition: The violation of laws or ordinances prohibiting the manufacture, sale, purchase, transportation, possession, concealment, or use of firearms, cutting instruments, explosives, incendiary devices, or other deadly weapons.	10	3
Drug/Narcotic-Related Offenses: Manufacture or Distribution Indicated General Definition: The violation of laws prohibiting the production, distribution, or trafficking of certain controlled	10	3

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OFFENSE	Felony Conviction (Years)	Other Conviction (Years)
substances and the equipment or devices utilized in their preparation and/or use. Offenses contained in this category specifically indicate manufacture or distribution.		

* Unless a person can demonstrate that his/her record is incorrect (e.g., the person was never convicted of the manufacture of methamphetamine or is not subject to lifetime registration requirements, as applicable), mitigating factors will not be considered for a person whose records indicate this offense. A household with a member whose record indicates an offense with an asterisk ("*") may only be admitted to the HCV program if the member whose record indicates the offense is no longer a member of the household.

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Appendix B: Chart of Offenses - Termination

CRIMINAL BACKGROUND SCREENING
CRITERIA FOR HCV TERMINATION

OFFENSE	Previous # of Years to Review
Crimes Against Persons	
Felony Aggravated Assault	10
Family-Related Offenses, Nonviolent Endangering the Welfare of a Child - Felony Bigamy Incest	10
Homicide-Related Offenses Murder Manslaughter, Voluntary or Involuntary Conspiracy to Commit Murder	Lifetime Ban
Kidnap	10
Sex-Related Offenses Rape Deviate Sexual Intercourse Aggravated Sexual Assault Statutory Rape, Felony	10
Robbery-Related Offenses General Definition: The taking or attempting to take anything of value under confrontational circumstances from the control, custody, or care of another person by force or threat of force or violence and/or by putting the victim in fear of immediate harm.	10
Crimes Against Property	
Arson General Definition: To unlawfully and intentionally damage or attempt to damage any real or personal property by fire or incendiary device.	10
Burglary/Breaking And Entering-Related Offenses General Definition: The unlawful entry into a building or other structure with the intent to commit a felony or a theft.	10
Destruction / Damage / Vandalism Of Property Offenses General Definition: To willfully or maliciously destroy, damage, deface, or otherwise injure real or personal property without the consent of the owner or the person having the custody or control of it, excluding arson offenses.	5

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Crimes Against Society	
Felony Drug/Narcotic-Related Offenses General Definition: The violation of laws prohibiting the product, distribution, and/or use of certain controlled substances and the equipment or devices utilized in their preparation and/or use, excluding DUI offenses.	10
Misdemeanor Drug/Narcotic-Related Offenses	3
Manufacturing Methamphetamine in Federally Assisted Housing* General definition: Conviction for drug-related criminal activity for the production or manufacture of methamphetamine on the premises of Federally-assisted housing.	Lifetime Ban
Lifetime Sex Offender Registrant* General Definition: Identification of a registration by the applicant as a registered sex offender in one or more jurisdictions covered by the search. (Note that requirements for registration vary by locale and may require the individual to actively register themselves by law in some states. Some states prohibit discrimination on the basis of registration as a sex offender.).	Lifetime Ban
Weapons Law-Related Offenses General Definition: The violation of laws or ordinances prohibiting the manufacture, sale, purchase, transportation, possession, concealment, or use of firearms, cutting instruments, explosives, incendiary devices, or other deadly weapons.	10

* Unless a person can demonstrate that his/her record is incorrect (e.g., the person was never convicted of the manufacture of methamphetamine or is not subject to lifetime registration requirements, as applicable), mitigating factors will not be considered for a person whose records indicate this offense. A household with a member whose record indicates an offense with an asterisk ("*") may only be admitted to the HCV program if the member whose record indicates the offense is no longer a member of the household.

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Appendix C: Federally Mandated Income Exclusions

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(i) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017(b));

(ii) Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(f)(1), 5058);

(iii) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c));

(iv) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);

(v) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));

(vi) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04);

(vii) The first $2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first $2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407- 8);

(viii) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under Federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, the exception found in [Section] 237 of Public Law 109-249 applies and requires that the amount of financial assistance in excess of tuition shall be considered income in accordance with the provisions codified at 24 CFR 5.609(b)(9), except for those persons with disabilities as defined by 42 U.S.C. 1437a(b)(3)(E) (Pub. L. 109-247);

(ix) Payments received from programs funded under Title V of the Older Americans Act of 1965 (42 U.S.C. 3056g);

(x) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange liability litigation, M.D.L. No. 381 (E.D.N.Y.) (Pub. L. 101-201 and 101-39);

(xi) Payments received under the Maine Indian Claims Settlement Act of 1980 (Public Law 96-420, 25 U.S.C. 1721) pursuant to 25 U.S.C. 1728(c);

(xii) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q);

(xiii) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(l));

(xiv) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433);

(xv) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));

(xvi) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602);

(xvii) Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931);

(xviii) Any amount received under the School Lunch Act and the Child Nutrition Act of 1966 (42 U.S.C. 1780(b)), including reduced-price lunches and food under the Special Supplemental Food Program for Women, Infants, and Children (WIC);

(xix) Payments, funds or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b));

(xx) Payments from any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts as provided by an amendment to the definition of annual income in the U.S. Housing Act of 1937 (42 U.S.C. 1437) by Section 2608 of the Housing and Economic Recovery Act of 2008 (Pub. L. 110-289, 42 U.S.C. 4501);

(xxi) Compensation received by or on behalf of a veteran for service- connected disability, death, dependency, or indemnity compensation as provided by an amendment by the Indian Veterans Housing Opportunity Act of 2010 (Pub. L. 111-269) to the definition of income applicable to programs authorized under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101) and administered by the Office of Native American Programs; and

(xxii) A lump sum or a periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case entitled Elouise Cobell et al. v. Ken Salazar et al., United States District Court, District of Columbia, as provided in the Claims Resolution Act of 2010 (Pub. L. 111-291).

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