

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Housing Authority

Of County Of Stanislaus

PHA Plans

5 Year Plan for
Fiscal Years 2000 - 2004

Annual Plan for
Fiscal Year 2000

PHA Plan Agency Identification

PHA Name: Housing Authority County of Stanislaus

PHA Number: CA-026

PHA Fiscal Year Beginning: 10/1/2000

Public Access to Information:

Information regarding any activities outlined in this plan can be obtained by contacting:

- Main administrative office of the PHA
- PHA development management offices
- PHA local offices

Display Locations For PHA Plans and Supporting Documents:

The PHA Plans (including attachments) are available for public inspection at:

- Main administrative office of the PHA
- PHA development management offices: Patterson, Westley, and Riverbank.
- PHA local offices
- X Main administrative office of the local government (Modesto, Ceres, Turlock, Oakdale, Hughson, Patterson, and Newman)
- Main administrative office of the County government
- Main administrative office of the State government
- Public library (Stanislaus County Main)
- PHA website
- Other (list below)

PHA Plan Supporting Documents are available for inspection at:

- Main business office of the PHA
- PHA development management offices (Patterson, Westley, and Riverbank)
- Other:

- ◆ Main administrative office of the local government (Modesto, Ceres, Turlock, Oakdale, Hughson, Patterson, and Newman)
- ◆ Main administrative office of the County government
- ◆ Public library (Stanislaus County Main)

5-YEAR PLAN
PHA FISCAL YEARS 2000 - 2004

A. Mission Statement :

The Housing Authority of The County of Stanislaus is a non-profit, public corporation committed to addressing the unmet needs of the residents and communities of Stanislaus County. The Authority is governed by a Housing Commission appointed by the Board Of Supervisors.

Mission:

- _ Provide decent, safe, and affordable rental and home ownership housing
- _ Provide and promote service opportunities that encourage and support individuals and families achieving greater independence and self-sufficiency
- _ Provide opportunities for conserving and upgrading affordable housing stock, improving infrastructure, stabilizing and creating desirable neighborhoods

In carrying out its mission the Authority is committed to provide a high quality service by:

- _ Being sensitive to clients needs while treating clients with dignity and respect
- _ Utilizing the talents and skills of our staff
- _ Fostering partnerships
- _ Utilizing resources in the most efficient and effective manner

Annual PHA Plan PHA Fiscal Year 2000

B. Goals

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

X **PHA Goal:** Increase the inventory of affordable rental housing in Stanislaus County and expand home ownership opportunities for first time home buyers:

Objectives:

- X Apply for additional rental vouchers: If federal funding becomes available expand the inventory of rental housing vouchers by 15 % over the next 5 years:
- X Reduce public housing vacancies: Achieve a 98% Lease-up Rate in the Public Housing Program by October 1, 2001
- X Leverage private or other public funds to create additional housing opportunities
- X Subject to the availability of funding, develop or acquire 300 affordable rental housing units over the next 5 years
- X Other:
 1. Utilize the Authority's Mortgage Credit Certificate Program and Section 8, Home Ownership Down Payment Assistance Program to assist 100 first time home buyers in acquiring a home over the next 5 years
 2. Achieve and sustain a Section 8 program utilization rate of 95 % by October 1, 2001
 3. Utilize marketing and out reach efforts to attract new landlord participants to the Section 8 program by October 1, 2001

X **PHA Goal:** Conserve and Upgrade the Affordable Housing Inventory in Stanislaus County:

Objectives:

- X Improve public housing management: (PHAS score) achieve and maintain High Performer status in the Public Housing Program by October 1, 2001
- X Improve voucher management: (SEMAP score) achieve and maintain High Performer status in the Voucher and Section 8 programs by October 1, 2001
- X Increase customer satisfaction:
 1. Improve Communications with Residents and Program Participants through the Use of News Letters and Resident Meetings
 2. Implement a Customer Service Evaluation system by October 1, 2001
 3. Provide staff training opportunities which support improvements in the quality of the Authority's housing programs
- X Concentrate on efforts to improve specific management functions: (list; e.g., public housing finance; voucher unit inspections)
 1. Conduct Annual Housing Choice Voucher Program inspections no less than 90 days prior to the anniversary date
 2. Conduct quality control audits of annual eligibility determinations for no

less than 8% of Housing Choice Voucher Program files.

3. Conduct initial unit inspections for the Housing Choice Voucher Program within a 7 - 10 day time period

Renovate or modernize public housing units: Complete Public Housing Modernization Activities in a Timely Manner

Demolish or dispose of obsolete public housing:

Provide replacement public housing:

Provide replacement vouchers:

Other:

1. Partner with county and/or city efforts to improve housing stock and create stable, viable neighborhoods

2. Plan and Coordinate Authority's housing stock modernization efforts with county and/or city infrastructure improvement efforts

3. The Authority shall reduce the level of crime in its high vacancy complexes by not less than 20 % by October 1, 2002

4. The Authority shall improve the curb appeal of its complexes through completion of common area landscape improvements and other physical improvements by October 1, 2002

PHA Goal: Increase assisted housing choices

Objectives:

Provide voucher mobility counseling at initial family briefings and during annual re-examinations

Conduct outreach efforts to potential voucher landlords by conducting annual owner workshops to encourage Voucher Program participation

Increase voucher payment standards

Implement voucher home ownership program- Upon HUD issuance of final regulations, implement a Housing Choice Voucher Home ownership program by October 1, 2002

Implement public housing or other home ownership programs:

Implement public housing site-based waiting lists: The Authority shall implement project based waiting lists for complexes where such lists improve marketability

Convert public housing to vouchers:

Other:

HUD Strategic Goal: Improve community quality of life and economic vitality

PHA Goal: Provide an improved living environment

Objectives:

Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments:

Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:

Implement public housing security improvements:

Designate developments or buildings for particular resident groups (elderly, persons with disabilities)

Other: (list below)

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

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

Objectives:

Increase the number and percentage of employed persons in assisted housing families:

Provide or attract supportive services to improve assistance recipients' employability:

_____ Provide or attract supportive services to increase independence for the elderly or families with disabilities.

Other:

1. Maintain Section 8 Family Self-sufficiency program enrollment of at least 150 participants by October 1, 2001
2. Initiate and enroll 100 families in New Focused Self-sufficiency Program in the Public Housing Program by October 1, 2002
3. Expand and enter into partnerships which will provide Self-sufficiency Services in the Authority's Community Centers by October 1, 2001
4. Initiate and individual development account program for public housing residents by October 1, 2001
5. Apply for IDEA Program funds annually which will allow up to \$10,000 in down payment assistance for graduating Family Self-Sufficiency Families.
6. Establish Working/Educational local Preference for Applicants on the Section 8 waiting list on or before 10/01/01

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

PHA Goal: Ensure equal opportunity and affirmatively further fair housing

Objectives:

_____ Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability through dissemination of information to program participants and follow-up with HUD on potential discrimination complaints.

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

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

Other:

1. The Authority shall achieve an ethnic, racial and income mix in its housing developments to the extent possible
2. The Authority shall investigate and resolve any fair housing issues affecting its programs, or program participants in a responsible manner

Other PHA Goals and Objectives: Reduce The Authority's Dependency on Federal

Funding:

1. Expand the Authority's financial base to include additional funding from non-federal financial funding sources

Annual Plan Type:

Streamlined Plan:

- High Performing PHA
- Small Agency (<250 Public Housing Units)
- Administering Section 8 Only
- Troubled Agency Plan

EXECUTIVE SUMMARY

HOUSING AUTHORITY OF

THE COUNTY OF STANISLAUS

The Housing Authority of the County of Stanislaus has prepared our *Agency Plan* in compliance with Section 511 of the *Quality Housing and Work Responsibility Act (QHWRA)* of 1998 and the ensuing HUD requirements. The *Plan* describes the Housing Authority, its mission and strategy for addressing the housing needs of low-income and very-low income families in Stanislaus County.

The Housing Authority of the County of Stanislaus shares an Executive Director and staff with the Housing Authority of the City of Riverbank. Both Housing Authorities are public housing agencies as defined in the *United States Housing Act of 1937*, as amended, and in 24 *C.F.R. Chapter VIII*. Both agencies have been organized under *Section 31000, et a seq.*, of the *California Health and Safety Code*.

The primary objective of the Housing Authority of the County of Stanislaus is to provide decent, safe and sanitary housing to low income families at an affordable price. Our mission is to provide this housing within an environment that fosters the advancement of low income families from a position of dependency to one of self -sufficiency.

The Housing Authority has the responsibility for planning, financing, constructing, purchasing and managing properties using a variety of affordable housing programs. As the manager of rental properties, the Housing Authority performs all the functions of a private owner, including selection of residents, rent collection and property maintenance.

In Stanislaus County, the Housing Authority manages 647 Public Housing units, 2750 certificates, 750 vouchers, 55 MOD Rehabilitation, 356 farm labor units, 219 migrant housing units, and administers 102 local programs.

Federal and state laws establish the rent structure of the housing programs administered by the Housing Authority and most require annual income verification from tenants. Federal Regulations also impact the selection of program participants, occupancy, lease and grievance procedures. This *Agency Plan* deals with federal policies and procedures for Public Housing and Section 8 that have been modified as a result of *QHWRA*.

In our *Five Year Plan*, the Housing Authority recognizes the need for more affordable housing in the County of Stanislaus. Our goal of developing additional affordable housing has been established to address this need. However, our goals are based on the availability of funding and political will.

Information taken from the Comprehensive Housing Affordability Strategy (CHAS) Data Book was utilized in assessing these housing needs.

Annual Plan

Table of Contents

	<u>Page #</u>
Executive Summary	
i. Table of Contents	
Housing Needs	
1. Financial Resources	12
2. Policies on Eligibility, Selection and Admissions	13
3. Rent Determination Policies	23
4. Operations and Management Policies	27
5. Grievance Procedures	28
6. Capital Improvement Needs	28
7. Demolition and Disposition	30
8. Designation of Housing	31
9. Conversions of Public Housing	33
10. Homeownership	34
11. Community Service Programs	36
12. Crime and Safety	39
13. Pets (Inactive for January 1 PHAs)	41
14. Civil Rights Certifications (included with PHA Plan Certifications)	41
15. Audit	41
16. Asset Management	41
17. Other Information	42

Attachments

Required Attachments:

- A Admissions Policy for Deconcentration (CA026a01)
- B FY 2000 Capital Fund Program Annual Statement (CA026b01)
- C Most recent board-approved operating budget (CA026c01)

Optional Attachments:

- D PHA Management Organizational Chart (CA026d01)
- E FY 2000 Capital Fund Program 5 Year Action Plan (CA026e01)
- F Public Housing Drug Elimination Program (PHDEP) Plan (CA026f01)
- G Comments of Resident Advisory Board or Boards (CA026g01)
- Other (List below, providing each attachment name)
- H Audit (CA026h01)
- I Resolutions (CA026i01)
- J Certificates (CA026j01)
- K Public Housing Occupancy Policy (CA026k01)
- L Public Housing Grievance Policy (CA026l01)
- M Section 8, Admin Policy (CA026m01)
- N Section 8, Grievance Policy (CA026n01)

Annual Plan FY 2000

List of Supporting Documents Available for Review
--

Applicable & On Display	Supporting Document	Applicable Plan Component
X	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan	5 Year and Annual Plans
X	Fair Housing Documentation: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing that require the PHA's involvement.	5 Year and Annual Plans
X	Consolidated Plan for the jurisdiction/s in which the PHA is located (which includes the Analysis of Impediments to Fair Housing Choice (AI)) and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
X	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources;
X	Public Housing Admissions and (Continued) Occupancy Policy (A&O), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public Housing Deconcentration and Income Mixing Documentation: PHA board certifications of compliance with deconcentration requirements (section 16(a) of the US Housing Act of 1937, as implemented in the 2/18/99 <i>Quality Housing and Work Responsibility Act Initial Guidance; Notice</i> and any further HUD guidance) and 18. Documentation of the required	Annual Plan: Eligibility, Selection, and Admissions Policies

Applicable & On Display	Supporting Document	Applicable Plan Component
	deconcentration and income mixing analysis	
X	Public housing rent determination policies, including the methodology for setting public housing flat rents <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Schedule of flat rents offered at each public housing development <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Rent Determination
X	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation)	Annual Plan: Operations and Maintenance
X	Public housing grievance procedures <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures check here if included in Section 8 Administrative Plan	Annual Plan: Grievance Procedures
X	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for the active grant year	Annual Plan: Capital Needs
N/A	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grant	Annual Plan: Capital Needs
X	Most recent, approved 5 Year Action Plan for the Capital Fund/Comprehensive Grant Program, if not included as an attachment (provided at PHA option)	Annual Plan: Capital Needs
N/A	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization	Annual Plan: Capital Needs

Applicable & On Display	Supporting Document	Applicable Plan Component
	Plans or any other approved proposal for development of public housing	
N/A	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
N/A	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing
N/A	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act	Annual Plan: Conversion of Public Housing
N/A	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
N/A	Policies governing any Section 8 Homeownership program check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
In Process	Any cooperative agreement between the PHA and the TANF agency	Annual Plan: Community Service & Self-Sufficiency
X	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency
N/A	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency
X	The most recent Public Housing Drug Elimination Program (PHDEP) semi-annual performance report for any open grant and most recently submitted PHDEP application (PHDEP Plan)	Annual Plan: Safety and Crime Prevention
X	The most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U. S.C. 1437c(h)), the results of that audit and the PHA's response to any findings	Annual Plan: Annual Audit
N/A	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
X	Other supporting documents: "RASS" Survey Action Plan	RASS Action Plan

Applicable & On Display	Supporting Document	Applicable Plan Component
------------------------------------	----------------------------	----------------------------------

1. Statement of Housing Needs:

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Affordability	Supply	Quality	Accessibility	Size	Location
Income <= 30% of AMI	10,768	5	5	5	5	5	5
Income >30% but <=50% of AMI	16,595	5	5	5	5	5	5
Income >50% but <80% of AMI	18,260	1	5	4	3	3	5
Elderly	8,707	5	5	5	5	5	5
Families w/ Disabilities	N/A*	N/A	N/A	N/A	N/A	N/A	N/A
Afro-American	1,030	5	5	5	5	5	5
Hispanic	6579	5	5	5	5	5	5
Other (non-Hispanic and non-Afro-American)	2,699	5	5	5	5	5	5

* Not Available

What sources of information did the PHA use to conduct this analysis? (Check all that apply; all materials must be made available for public inspection.)

___ Consolidated Plan of the Jurisdiction/s. Indicate year: ___

___ U.S. Census data: the Comprehensive Housing Affordability Strategy ("CHAS") dataset

___ American Housing Survey data. Indicate year: ___

___ Other housing market study. Indicate year: ___

___ Other sources: (list and indicate year of information)

A. Housing Needs of Families on the Public Housing and Section 8 Tenant- Based Assistance Waiting Lists

Public Housing Program - Housing Needs of Families on the Waiting List			
Waiting list type:			
___ Section 8 tenant-based assistance			
<input checked="" type="checkbox"/> Public Housing			
___ Combined Section 8 and Public Housing			
___ Public Housing Site-Based or sub-jurisdictional waiting list (optional)			
If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	2383		103
Extremely low income <=30% AMI	1522	64	

Very low income (>30% but <=50% AMI)	672	28	
Low income (>50% but <80% AMI)	189	8	
Families with children	1543	65	
Elderly families	290	12	
Families with Disabilities	372	16	
Race/ethnicity White	883	37	
Race/ethnicity Hispanic	1109	47	
Race/ethnicity Black	211	9	
Race/ethnicity Indian	58	2	
Race/ethnicity Asian	122	5	

Characteristics by Bedroom Size (Public Housing Only)			
1BR	832	35	8
2 BR	1107	46	40
3 BR	345	14	44
4 BR	78	3	11
5 BR	18	1	0
5+ BR	1	0	0

Is the waiting list closed? No - Our waiting list is always open.
 If yes:
B. How long has it been closed (# of months)? - N/A
 Does the PHA expect to reopen the list in the PHA Plan year? No Yes
 Does the PHA permit specific categories of families onto the waiting list, even if generally closed? No Yes

Section 8, Program - Housing Needs of Families on the Waiting List
Waiting list type: (select one) <input checked="" type="checkbox"/> Section 8 tenant-based assistance <input type="checkbox"/> Public Housing

Section 8, Program - Housing Needs of Families on the Waiting List

____ Combined Section 8 and Public Housing
 ____ Public Housing Site-Based or sub-jurisdictional waiting list (optional)
 If used, identify which development/subjurisdiction:

	# of families	% of total families	Annual Turnover
Waiting list total	4028		360
Extremely low income <=30% AMI	2158	54%	
Very low income (>30% but <=50% AMI)	71	2%	
Low income (>50% but <80% AMI)	1,799	45%	
Families with children	2,812	70%	
Elderly families	340	8%	
Families with Disabilities	859	21%	
Race - White (non-hispanic)	1,903	47%	
Race - Black	545	14%	
Race - Hispanic	1,254	31%	
Race - Asian	223	6%	
Race - Am. Indian	103	3%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

Is the waiting list closed (select one)? No YES

If yes:

B. How long has it been closed (# of months)? ONE YEAR

Does the PHA expect to reopen the list in the PHA Plan year? NO Yes

Does the PHA permit specific categories of families onto the waiting list, even if

generally closed? <u>NO</u> Yes

C. Strategy for Addressing Needs:

Need: Shortage of affordable housing for all eligible populations

Strategy 1. Maximize the number of affordable units available to the PHA within its current resources by:

- Employ effective maintenance and management policies to minimize the number of public housing units off-line
- Reduce turnover time for vacated public housing units
- Reduce time to renovate public housing units
- Seek replacement of public housing units lost to the inventory through mixed finance development
- Seek replacement of public housing units lost to the inventory through section 8 replacement housing resources
- Maintain or increase section 8 lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction
- Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required
- Maintain or increase section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration
- Maintain or increase section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program
- Participate in the Consolidated Plan development process to ensure coordination with broader community strategies
- Other (list below)

Strategy 2: Increase the number of affordable housing units by:

- Apply for an additional 500 "freestanding", 100 Vouchers for the disabled population, and 20 Shelter plus Care Vouchers in Fiscal Year 99-2000
- Leverage affordable housing resources in the community through the creation of mixed finance housing
- Pursue housing resources other than public housing or Section 8 tenant-based assistance.
- Other: (list below)

Need: Specific Family Types: Families at or below 30% of median

Strategy 1: Target available assistance to families at or below 30 % of AMI

- Exceed HUD federal targeting requirements for families at or below 30% of AMI in public housing
- Exceed HUD federal targeting requirements for families at or below 30% of AMI in tenant-based section 8 assistance
- Employ admissions preferences aimed at families with economic hardships
- Adopt rent policies to support and encourage work
- Other: (list below)

Need: Specific Family Types: Families at or below 50% of median

Strategy 1: Target available assistance to families at or below 50% of AMI

- Employ admissions preferences aimed at families who are working
- Adopt rent policies to support and encourage work
- Other: (list below)
Adopt Housing Choice Voucher Program admissions policies that encourage training and or employment

B. Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:

- Seek designation of public housing for the elderly
- Apply for special-purpose vouchers targeted to the elderly, should they become available
- Other: (list below)

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:

- Seek designation of public housing for families with disabilities
- Carry out the modifications needed in public housing based on the section 504 Needs Assessment for Public Housing
- Apply for special-purpose vouchers targeted to families with disabilities, should they become available
- Affirmatively market to local non-profit agencies that assist families with disabilities
- Other: (list below)

Need: Specific Family Types: Races or ethnicities with disproportionate housing needs

Strategy 1: Increase awareness of PHA resources among families of races and ethnicities with disproportionate needs:

- Affirmatively market to races/ethnicities shown to have disproportionate housing needs
- Other: (list below)

Strategy 2: Conduct activities to affirmatively further fair housing

- Counsel section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units
- Market the section 8 program to owners outside of areas of poverty /minority concentrations
- Other: (list below)

Other Housing Needs & Strategies: (list needs and strategies below)

(2) Reasons for Selecting Strategies

Of the factors listed below, select all that influenced the PHA's selection of the strategies it will pursue:

- Funding constraints
- Staffing constraints

- Limited availability of sites for assisted housing
- Extent to which particular housing needs are met by other organizations in the community
- Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the PHA
- Influence of the housing market on PHA programs
- Community priorities regarding housing assistance
- Results of consultation with local or state government
- Results of consultation with residents and the Resident Advisory Board
- Results of consultation with advocacy groups
- Other: (list below)

Statement of Financial Resources

[24 CFR Part 903.7 9 (b)]

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
1. Federal Grants (FY 2000 grants)		
a) Public Housing Operating Fund	\$ 509,660	
b) Public Housing Capital Fund	1,698,977	
c) HOPE VI Revitalization		
d) HOPE VI Demolition		
e) Annual Contributions for Section 8 Tenant-Based Assistance	\$ 14,583,021	
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)	\$ 144,501	
g) Resident Opportunity and Self-Sufficiency Grants		
h) Community Development Block Grant		
i) HOME		
Other Federal Grants (list below)		
2. Prior Year Federal Grants (unobligated funds only) (list below)		
CGP CA39P02670798	\$ 238,224	CAPITAL FUND
3. Public Housing Dwelling Rental	\$ 1,890,300	P.H. OPERATION

Sources	Planned \$	Planned Uses
Income		
4. Other income (list below)		
INTEREST	\$ 146,820	P.H. OPERATION
OTHER INCOME	19,950	P.H. OPERATION
4. Non-federal sources (list below)		
Total resources	\$19,231,453	

3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.7 9 (c)]

A. Public Housing

(1) Eligibility

- a. When does the PHA verify eligibility for admission to public housing? (select all that apply)
- When families are within a certain number of being offered a unit: (state number)
- When families are within a certain time of being offered a unit: (state time)
- Other: When the family submits an application, eligibility begins and continues until the family is found either "eligible" or "ineligible". Eligible families are placed on an "Eligible" Waiting list.
- b. Which non-income (screening) factors does the PHA use to establish eligibility for admission to public housing?
- Criminal or Drug-related activity
- Rental history
- Housekeeping
- Other: Credit History, Home Visit, and required Orientation Session
- c. Yes No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?
- d. Yes No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?
- e. Yes No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)

(2)Waiting List Organization

- a. Which methods does the PHA plan to use to organize its public housing waiting list ?

- Community-wide list
- Sub-jurisdictional lists
- Site-based waiting lists
- Other (describe)

b. Where may interested persons apply for admission to public housing?

- PHA main administrative office
- PHA development site management office
- Other: Interested families can call 557-2046, and an application will be mailed to the family, upon request

c. If the PHA plans to operate one or more site-based waiting lists in the coming year, answer each of the following questions; if not, skip to subsection **(3) Assignment**

1. How many site-based waiting lists will the PHA operate in the coming year? - One

2. Yes No: Are any or all of the PHA's site-based waiting lists new for the upcoming year (that is, they are not part of a previously-HUD-approved site based waiting list plan)?

If yes, how many lists? - One

3. Yes No: May families be on more than one list simultaneously
If yes, how many lists? Any and all area or site based waiting lists that the family selects to apply for.

4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists?

- PHA main administrative office
- All PHA development management offices
- Management offices at developments with site-based waiting lists
- At the development to which they would like to apply
- Other: Interested families can call 557-2046, and an application will be mailed to the family, upon request.

(3) Assignment

a. How many vacant unit choices are applicants ordinarily given before they fall to the bottom of or are removed from the waiting list?

- One
- Two
- Three - For "Area Wide" Waiting Lists

b. Yes No: Is this policy consistent across all waiting list types?

c. If answer to b is no, list variations for any other than the primary public housing waiting list/s for the PHA: The Housing Authority has established one, "Single Site" Waiting List for Cal-

26-3, Modesto Low Rent. This list is unique to this complex and only provides one offer before the applicant is canceled. The applicant remains on all other waiting lists that may apply.

(4) Admissions Preferences

a. Income targeting:

Yes No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 40% of all new admissions to public housing to families at or below 30% of median area income?

b. Transfer policies:

In what circumstances will transfers take precedence over new admissions? (list below)

- Emergencies
- Overhoused
- Underhoused
- Some Medical justification
- Administrative reasons determined by the PHA (e.g., to permit modernization work)
- Resident choice: (state circumstances below)
- Other: (list below)

a. Preferences

1. Yes No: Has the PHA established preferences for admission to public housing (other than date and time of application)? (If "no" is selected, skip to subsection **(5) Occupancy**)

1. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing
- Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden (rent is > 50 percent of income)

Other preferences: (select below)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in the jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs

- Victims of reprisals or hate crimes
- Other preference(s) (list below)

3. If the PHA will employ admissions preferences, please prioritize by placing a "1" in the space that represents your first priority, a "2" in the box representing your second priority, and so on.

If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

Date and Time

Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing
- Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden

Other preferences:

- 2 Working families and those unable to work because of age or disability
- 1 Veterans and veterans' families
- Residents who live and/or work in the jurisdiction
- 2 Those enrolled currently in educational, training, or upward mobility programs
- 1 Households that contribute to meeting income goals (broad range of incomes)
- 1 Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

4. Relationship of preferences to income targeting requirements:

The PHA applies preferences within income tiers

Not applicable: the pool of applicant families ensures that the PHA will meet income targeting requirements

(5) Occupancy

a. What reference materials can applicants and residents use to obtain information about the rules of occupancy of public housing (select all that apply)

- The PHA-resident lease
- The PHA's Admissions and (Continued) Occupancy policy
- PHA briefing seminars or written materials
- Other source (list)

b. How often must residents notify the PHA of changes in family composition?

- At an annual reexamination and lease renewal
- Any time family composition changes
- At family request for revision
- Other: - Within 10 days of a change, unless the change is from a birth or adoption.

(6) Deconcentration and Income Mixing

a. Yes No: Did the PHA's analysis of its family (general occupancy) developments to determine concentrations of poverty indicate the need for measures to promote deconcentration of poverty or income mixing?

b. Yes No: Did the PHA adopt any changes to its **admissions policies** based on the results of the required analysis of the need to promote deconcentration of poverty or to assure income mixing?

c. If the answer to b was yes, what changes were adopted?

Adoption of site-based waiting lists

If selected, list targeted developments below:

Employing waiting list "skipping" to achieve deconcentration of poverty or income mixing goals at targeted developments

If selected, list targeted developments below: Cal 26-1, 2, 3, 4, 5, 6, 7, 8, 10, 17, 18, 19, 26 and 27

Employing new admission preferences at targeted developments

If selected, list targeted developments below: Cal 26-1, 2, 3, 4, 5, 6, 7, 8, 10, 17, 18, 19, 26, and 27

Other (list policies and developments targeted below)

d. Yes No: Did the PHA adopt any changes to **other** policies based on the results of the required analysis of the need for deconcentration of poverty and income mixing?

e. If the answer to d was yes, how would you describe these changes?

Additional affirmative marketing

Actions to improve the marketability of certain developments

Adoption or adjustment of ceiling rents for certain developments

Adoption of rent incentives to encourage deconcentration of poverty and income-mixing

Other: - Adoption of other program incentives to encourage deconcentration of poverty and income-mixing

f. Based on the results of the required analysis, in which developments will the PHA make special efforts to attract or retain higher-income families?

Not applicable: results of analysis did not indicate a need for such efforts

List (any applicable) developments below: Cal 26-1, 2, 3, 5, 6, 7, 10, 17, 18, 19, and 26

g. Based on the results of the required analysis, in which developments will the PHA make special efforts to assure access for lower-income families? (select all that apply)

Not applicable: results of analysis did not indicate a need for such efforts

List (any applicable) developments below: Cal 26-4, 8, and 27

B. Section 8:

(1) Eligibility:

a. What is the extent of screening conducted by the PHA? (select all that apply)

- Criminal or drug-related activity only to the extent required by law or regulation
 Criminal and drug-related activity, more extensively than required by law or regulation
 More general screening than criminal and drug-related activity (list factors below)
 Other (list below)

b. Yes No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?

c. Yes No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?

d. Yes No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)

e. Indicate what kinds of information you share with prospective landlords? (select all that apply)

- Criminal or drug-related activity
 Other (describe below)

1. Evictions and/or damage claims paid out over past five years
2. Name of prior landlords who rented to family under the Section 8 Program and prior addresses rented under the Section 8 Program

(2) Waiting List Organization

a. With which of the following program waiting lists is the section 8 tenant-based assistance waiting list merged? (select all that apply)

None

- Federal public housing
- Federal moderate rehabilitation
- Federal project-based certificate program
- Other federal or local program (list below)

1. Shelter Plus Care Program
2. Family Unification Program

b. Where may interested persons apply for admission to section 8 tenant-based assistance?
(select all that apply)

- PHA main administrative office
- Other (list below)

(3) Search Time

a. Yes No: Does the PHA give extensions on standard 60-day period to search for a unit?

If yes, state circumstances below:

1. Section 8 Voucher Holders are give up to 120 days in which to locate a unit when the family has made a reasonable effort to locate a unit, including seeking the assistance of the Housing Authority, throughout the initial sixty-day time period. A search record may be requested.
2. The family was unable to locate housing due to a disability accessibility requirement or needed to locate a large bedroom sized unit.

(4) Admissions Preferences

a. Income targeting

Yes No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 75% of all new admissions to the section 8 program to families at or below 30% of median area income?

b. Preferences

1. Yes No: Has the PHA established preferences for admission to section 8 tenant-based assistance? (other than date and time of application) (if no, skip to subcomponent **(5) Special purpose section 8 assistance programs**)

2. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)

- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden (rent is > 50 percent of income)

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in your jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

1. Applicant families who have been readmitted to the waiting list under the "Family Absence Rule" which states that the Housing Authority will terminate a HAP Contract when a family is absent from the unit for more than 90 days due to being institutionalized or needing medical care. If the family, within one year from the date of absence, is ready to return to an independent living situation, the Housing Authority will allow the family to be readmitted to the waiting list
2. Moderate rehabilitation participants who are presently on the Section 8 waiting list who are living in overcrowded housing according to HQS standards where no other Moderate Rehabilitation unit is available for the family to move into.

3. If the PHA will employ admissions preferences, please prioritize by placing a "1" in the space that represents your first priority, a "2" in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

 2 Date and Time

Former Federal preferences

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden

Other preferences (select all that apply)

- 2 Working families and those unable to work because of age or disability
- Veterans and veterans' families

- Residents who live and/or work in your jurisdiction
- 2 Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- 1 Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- 1 Other preference(s) (list below)
 1. Moderate Rehabilitation "Overcrowded" families
 2. Families readmitted under the "Family Absence Rule"

4. Among applicants on the waiting list with equal preference status, how are applicants selected? (select one)

- X Date and time of application
- Drawing (lottery) or other random choice technique

5. If the PHA plans to employ preferences for "residents who live and/or work in the jurisdiction" (select one) Not Applicable

- This preference has previously been reviewed and approved by HUD
- The PHA requests approval for this preference through this PHA Plan

6. Relationship of preferences to income targeting requirements: (select one)

- X The PHA applies preferences within income tiers
- Not applicable: the pool of applicant families ensures that the PHA will meet income targeting requirements

(5) Special Purpose Section 8 Assistance Programs

a. In which documents or other reference materials are the policies governing eligibility, selection, and admissions to any special-purpose section 8 program administered by the PHA contained? (select all that apply)

- X The Section 8 Administrative Plan
- X Briefing sessions and written materials
- Other (list below)

a. How does the PHA announce the availability of any special-purpose section 8 programs to the public?

- X Through published notices
- X Other (list below)

Notification to Local Service Providers

4. PHA Rent Determination Policies

[24 CFR Part 903.7 9 (d)]

A. Public Housing

(1) Income Based Rent Policies

a. Use of discretionary policies:

The PHA will not employ any discretionary rent-setting policies for income based rent in public housing. Income-based rents are set at the higher of 30% of adjusted monthly income, 10% of unadjusted monthly income, the welfare rent, or minimum rent (less HUD mandatory deductions and exclusions). (If selected, skip to sub-component (2))

---or---

The PHA employs discretionary policies for determining income based rent (If selected, continue to question b.)

b. Minimum Rent:

1. What amount best reflects the PHA's minimum rent? (select one)

- \$0
- \$1-\$25
- \$26-\$50

2. Yes No : Has the PHA adopted any discretionary minimum rent hardship exemption policies?

3. If yes to question 2, list these policies below:

a. Rents set at less than 30% than adjusted income

1. Yes No: Does the PHA plan to charge rents at a fixed amount or percentage less than 30% of adjusted income?

2. If yes to above, list the amounts or percentages charged and the circumstances under which these will be used below:

d. Which of the discretionary (optional) deductions and/or exclusions policies does the PHA plan to employ- **None**

- For the earned income of a previously unemployed household member
- For increases in earned income
- Fixed amount (other than general rent-setting policy)

If yes, state amount/s and circumstances below:

Fixed percentage (other than general rent-setting policy)

If yes, state percentage/s and circumstances below:

For household heads

- For other family members
- For transportation expenses
- For the non-reimbursed medical expenses of non-disabled or non-elderly families
- Other (describe below)

e. Ceiling rents:

1. Do you have ceiling rents? (rents set at a level lower than 30% of adjusted income)

Yes for all developments

Yes but only for some developments

No

2. For which kinds of developments are ceiling rents in place? (select all that apply)

For all developments

For all general occupancy developments (not elderly or disabled or elderly only)

For specified general occupancy developments

For certain parts of developments; e.g., the high-rise portion

For certain size units; e.g., larger bedroom sizes

Other (list below) Residents paying Ceiling Rents will be "phased into" the new Flat Rent at their next scheduled re-exam. All Ceiling Rents will then terminate.

3. Select the space or spaces that best describe how you arrive at ceiling rents (select all that apply)

Market comparability study

Fair market rents (FMR)

95th percentile rents

75 percent of operating costs

100 percent of operating costs for general occupancy (family) developments

Operating costs plus debt service

The "rental value" of the unit

Other (list below)

f. Rent re-determinations:

1. Between income reexaminations, how often must tenants report changes in income or family composition to the PHA such that the changes result in an adjustment to rent?

Never

At family option

Any time the family experiences an income increase

Any time a family experiences an income increase above a threshold amount or percentage: (if selected, specify threshold) _____

Other: Any time a family experiences an income increase or decrease

g. Yes No: Does the PHA plan to implement individual savings accounts for residents (ISAs) as an alternative to the required 12 month disallowance of earned income and phasing in of rent increases in the

next year?

(2) Flat Rents

1. In setting the market-based flat rents, what sources of information did the PHA use to establish comparability?

- The section 8 rent reasonableness study of comparable housing
- Survey of rents listed in local newspaper
- Survey of similar unassisted units in the neighborhood
- Other (list/describe below)

B. Section 8 Tenant-Based Assistance

(1) Payment Standards

a. What is the PHA's payment standard? (select the category that best describes your standard)

- At or above 90% but below 100% of FMR
- 100% of FMR
- Above 100% but at or below 110% of FMR
- Above 110% of FMR (if HUD approved; describe circumstances below)

b. If the payment standard is lower than FMR, why has the PHA selected this standard? (select all that apply)

- FMRs are adequate to ensure success among assisted families in the PHA's segment of the FMR area
- The PHA has chosen to serve additional families by lowering the payment standard
- Reflects market or submarket
- Other (list below)

c. If the payment standard is higher than FMR, why has the PHA chosen this level? (select all that apply)

- FMRs are not adequate to ensure success among assisted families in the PHA's segment of the FMR area
- Reflects market or submarket
- To increase housing options for families
- Other (list below)

d. How often are payment standards reevaluated for adequacy? (select one)

- Annually
- Other (list below)

e. What factors will the PHA consider in its assessment of the adequacy of its payment standard? (select all that apply)

- Success rates of assisted families
- Rent burdens of assisted families
- Other (list below)
 - 1. Local Rent Surveys to Determine if the Benefit Payment Standard adequately reflects market rents

(2) Minimum Rent

a. What amount best reflects the PHA's minimum rent? (select one)

- \$0
- \$1-\$25
- \$26-\$50

b. Yes No: Has the PHA adopted any discretionary minimum rent hardship exemption policies? (if yes, list below)

5. Operations and Management

[24 CFR Part 903.7 9 (e)]

A. PHA Management Structure:

- An organization chart showing the PHA's management structure and organization is attached.
- A brief description of the management structure and organization of the PHA follows:

The PHA is headed by the Board of Commission. The Executive Director of the Housing Authority of the County of Stanislaus manages, on a day to day basis, the Housing Authority. Department Heads manage departments within the agency.

B. HUD Programs Under PHA Management:

Program Name	Units or Families Served at Year Beginning	Expected Turnover
Public Housing	647	130 Units
Section 8 Vouchers	500	54
Section 8 Certificates	2,636	263
Section 8 Mod Rehab	44	4
Section 8 FUP	241	24
Section 8 Aftercare	66	6
Shelter Plus Care Program	15	2
Public Housing Drug Elimination Program (PHDEP)	1100 Families	330 Families (30%)
Other Federal Programs(list individually) Rural Development Pro	356 Families	30 units

C. Management and Maintenance Policies:

1. PERSONAL POLICY
2. HARASSMENT POLICY
3. PROCUREMENT POLICY & PROCEDURE
4. FAIR HOUSING & EQUAL OPPORTUNITY POLICY

- 5. LEASE- INCOME BASED RENT
- 6. LEASE- FLAT RENT
- 7. MAINTENANCE POLICY
- 8. PEST CONTROL POLICY
- 9. CAPITAL NEEDS ASSESSMENT

6. PHA Grievance Procedures

[24 CFR Part 903.7 9 (f)]

A. Public Housing:

1. Yes No: Has the PHA established any written grievance procedures in addition to federal requirements found at 24 CFR Part 966, Subpart B, for residents of public housing?

If yes, list additions to federal requirements below:

2. Which PHA office should residents or applicants to public housing contact to initiate the PHA grievance process?

- PHA main administrative office
 PHA development management offices
 Other (list below)

B. Section 8 Tenant-Based Assistance:

1. Yes No: Has the PHA established informal review procedures for applicants to the Section 8 tenant-based assistance program and informal hearing procedures for families assisted by the Section 8 tenant-based assistance program in addition to federal requirements found at 24 CFR 982?

If yes, list additions to federal requirements below:

2. Which PHA office should applicants or assisted families contact to initiate the informal review and informal hearing processes? (select all that apply)

- PHA main administrative office
 Other (list below)

7. Capital Improvement Needs :

[24 CFR Part 903.7 9 (g)]

A. Capital Fund Activities

(1) Capital Fund Program Annual Statement

Select one:

The Capital Fund Program Annual Statement is provided as an attachment to the PHA Plan at Attachment (CA026b01)

-or-

The Capital Fund Program Annual Statement is provided below: (if selected, copy the CFP Annual Statement from the Table Library and insert here)

(2) Optional 5-Year Action Plan

a. Yes No: Is the PHA providing an optional 5-Year Action Plan for the Capital Fund? (if no, skip to sub-component 7B)

b. If yes to question a, select one:

The Capital Fund Program 5-Year Action Plan is provided as an attachment to the PHA Plan at Attachment (CA026e01)

-or-

The Capital Fund Program 5-Year Action Plan is provided below: (if selected, copy the CFP optional 5 Year Action Plan from the Table Library and insert here)

B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund)

Yes No: a) Has the PHA received a HOPE VI revitalization grant? (if no, skip to question c; if yes, provide responses to question b for each grant, copying and completing as many times as necessary)
b) Status of HOPE VI revitalization grant (complete one set of questions for each grant)

1. Development name:
2. Development (project) number:
3. Status of grant: (select the statement that best describes the current status)
 - Revitalization Plan under development
 - Revitalization Plan submitted, pending approval
 - Revitalization Plan approved
 - Activities pursuant to an approved Revitalization Plan underway

Yes No: c) Does the PHA plan to apply for a HOPE VI Revitalization grant in the Plan year?
If yes, list development name/s below:

Yes No: d) Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year?

If yes, list developments or activities below:

Yes No: e) Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement?

If yes, list developments or activities below:

8. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

1. Yes No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437p)) in the plan Fiscal Year? (If "No", skip to component 9; if "yes", complete one activity description for each development.)

2. Activity Description:

Yes No: Has the PHA provided the activities description information in the optional Public Housing Asset Management Table? (If "yes", skip to component 9. If "No", complete the Activity Description table below.)

Demolition/Disposition Activity Description	
1a. Development name:	
1b. Development (project) number:	
2. Activity type: <input type="checkbox"/> Demolition <input type="checkbox"/> Disposition	
3. Application status (select one) <input type="checkbox"/> Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application	
4. Date application approved, submitted, or planned for submission: (DD/MM/YY)	
5. Number of units affected: Coverage of action (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development	
7. Timeline for activity: a. Actual or projected start date of activity: b. Projected end date of activity:	

9. Designation of Public Housing for Occupancy by Elderly Families or Families with Disabilities or Elderly Families and Families with Disabilities:

[24 CFR Part 903.7 9 (i)]

1. Yes No: Has the PHA designated or applied for approval to designate or does the PHA plan to apply to designate any public housing for occupancy only by the elderly families or only by families with disabilities, or by elderly families and families with disabilities or will apply for designation for occupancy by only elderly families or only families with disabilities, or by elderly families and families with disabilities as provided by section 7 of the U.S. Housing Act of 1937 (42 U.S.C. 1437e) in the upcoming fiscal year? (If "No", skip to component 10. If "yes", complete one activity description for each development, unless the PHA is eligible to complete a streamlined submission; PHAs completing streamlined submissions may skip to component 10.)

2. Activity Description:

Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If "yes", skip to component 10. If "No", complete the Activity Description table below.

Designation of Public Housing Activity Description
1a. Development name: Hughson Low Rent 1b. Development (project) number: Cal 26-10
2. Designation type: <input type="checkbox"/> Occupancy by only the elderly <input type="checkbox"/> Occupancy by families with disabilities <input checked="" type="checkbox"/> Occupancy by only elderly families and families with disabilities
3. Application status (select one) <input checked="" type="checkbox"/> Approved; included in the PHA's Designation Plan <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application
4. Date this designation approved, submitted, or planned for submission: (9/1977)
5. If approved, will this designation constitute a (select one) <input type="checkbox"/> New Designation Plan <input checked="" type="checkbox"/> Revision of a previously-approved Designation Plan?
1. Number of units affected: 12 Units 7. Coverage of action: <input checked="" type="checkbox"/> Part of the development <input type="checkbox"/> Total development

Designation of Public Housing Activity Description	
1a. Development name: Ceres Low Rent 1b. Development (project) number: Cal 26-7	
2. Designation type: <input type="checkbox"/> Occupancy by only the elderly <input type="checkbox"/> Occupancy by families with disabilities <input checked="" type="checkbox"/> Occupancy by only elderly families and families with disabilities	
3. Application status (select one) <input checked="" type="checkbox"/> Approved; included in the PHA's Designation Plan <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application	
4. Date this designation approved, submitted, or planned for submission: (12/1965)	
5. If approved, will this designation constitute a (select one) <input type="checkbox"/> New Designation Plan <input checked="" type="checkbox"/> Revision of a previously-approved Designation Plan?	
1. Number of units affected: 6 Units 7. Coverage of action (select one) <input checked="" type="checkbox"/> Part of the development <input type="checkbox"/> Total development	

10. Conversion of Public Housing to Tenant-Based Assistance

[24 CFR Part 903.7 9 (j)]

A. Assessments of Reasonable Revitalization Pursuant to section 202 of the HUD FY 1996 HUD Appropriations Act

1. Yes No: Have any of the PHA's developments or portions of developments been identified by HUD or the PHA as covered under section 202 of the HUD FY 1996 HUD Appropriations Act? (If "No", skip to component 11; if "yes", complete one activity description for each identified development, unless eligible to complete a streamlined submission. PHAs completing streamlined submissions may skip to component 11.)

2. Activity Description
 Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If "yes", skip to component 11. If "No", complete the Activity Description table below.

Conversion of Public Housing Activity Description	
1a. Development name:	
1b. Development (project) number:	
2. What is the status of the required assessment?	<input type="checkbox"/> Assessment underway <input type="checkbox"/> Assessment results submitted to HUD <input type="checkbox"/> Assessment results approved by HUD (if marked, proceed to next question) <input type="checkbox"/> Other (explain below)
3. <input type="checkbox"/> Yes <input type="checkbox"/> No: Is a Conversion Plan required? (If yes, go to block 4; if no, go to block 5.)	
4. Status of Conversion Plan (select the statement that best describes the current status)	<input type="checkbox"/> Conversion Plan in development <input type="checkbox"/> Conversion Plan submitted to HUD on: (DD/MM/YYYY) <input type="checkbox"/> Conversion Plan approved by HUD on: (DD/MM/YYYY) <input type="checkbox"/> Activities pursuant to HUD-approved Conversion Plan underway
5. Description of how requirements of Section 202 are being satisfied by means other than conversion (select one)	<input type="checkbox"/> Units addressed in a pending or approved demolition application (date submitted or approved:) <input type="checkbox"/> Units addressed in a pending or approved HOPE VI demolition application (date submitted or approved:) <input type="checkbox"/> Units addressed in a pending or approved HOPE VI Revitalization Plan (date submitted or approved:) <input type="checkbox"/> Requirements no longer applicable: vacancy rates are less than 10 percent <input type="checkbox"/> Requirements no longer applicable: site now has less than 300 units <input type="checkbox"/> Other: (describe below)

B. Reserved for Conversions pursuant to Section 22 of the U.S. Housing Act of 1937

C. Reserved for Conversions pursuant to Section 33 of the U.S. Housing Act of 1937

11b. Homeownership Programs Administered by the PHA:
[24 CFR Part 903.7 9 (k)]

A. Public Housing:

1. Yes No: Does the PHA administer any homeownership programs administered by the PHA under an approved section 5(h) homeownership program (42 U.S.C. 1437c(h)), or an approved HOPE I program (42 U.S.C. 1437aaa) or has the PHA applied or plan to apply to administer any homeownership programs under section 5(h), the HOPE I program, or section 32 of the U.S. Housing Act of 1937 (42 U.S.C. 1437z-4). (If "No", skip to component 11B; if "yes", complete one activity description

for each applicable program/plan, unless eligible to complete a streamlined submission due to small PHA or high performing PHA status. PHAs completing streamlined submissions may skip to component 11B.)

2. Activity Description:

Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? (If “yes”, skip to component 12. If “No”, complete the Activity Description table below.)

Public Housing Homeownership Activity Description (Complete one for each development affected)
1a. Development name: 1b. Development (project) number:
2. Federal Program authority: <input type="checkbox"/> HOPE I <input type="checkbox"/> 5(h) <input type="checkbox"/> Turnkey III <input type="checkbox"/> Section 32 of the USHA of 1937 (effective 10/1/99)
3. Application status: (select one) <input type="checkbox"/> Approved; included in the PHA’s Homeownership Plan/Program <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application
4. Date Homeownership Plan/Program approved, submitted, or planned for submission: (DD/MM/YYYY)
5. Number of units affected: 6. Coverage of action: (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development

B. Section 8 Tenant Based Assistance:

1. Yes No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If “No”, skip to component 12; if “yes”, describe each program using the table below (copy and complete questions for each program identified), unless the PHA is eligible to complete a streamlined submission due to high performer status. High performing PHAs may skip to component 12.)

2. Program Description:

a. Size of Program

Yes No: Will the PHA limit the number of families participating in the section 8 homeownership option?

If the answer to the question above was yes, which statement best describes the number of participants? (select one)

- 25 or fewer participants
- 26 - 50 participants
- 51 to 100 participants
- more than 100 participants

b. PHA-established eligibility criteria:

Yes No: Will the PHA's program have eligibility criteria for participation in its Section 8 Homeownership Option program in addition to HUD criteria?

If yes, list criteria below:

12. PHA Community Service and Self-sufficiency Programs:

[24 CFR Part 903.7 9 (l)]

A. PHA Coordination with the Welfare (TANF) Agency

1. Cooperative agreements:

Yes No: Has the PHA entered into a cooperative agreement with the TANF Agency, to share information and/or target supportive services (as contemplated by section 12(d)(7) of the Housing Act of 1937)?

A. If yes, what was the date that agreement was signed? DD/MM/YY

2. Other coordination efforts between the PHA and TANF agency:

- Client referrals
- Information sharing regarding mutual clients (for rent determinations and otherwise)
- Coordinate the provision of specific social and self-sufficiency services and programs to eligible families
- Jointly administer programs
- Partner to administer a HUD Welfare-to-Work voucher program
- Joint administration of other demonstration program
- Other (describe)

B. Services and programs offered to residents and participants

(1) General

a. Self-Sufficiency Policies

Which, if any of the following discretionary policies will the PHA employ to enhance the economic and social self-sufficiency of assisted families in the following areas?

- Public housing rent determination policies
- Public housing admissions policies
- Section 8 admissions policies
- Preference in admission to section 8 for certain public housing families
- Preferences for families working or engaging in training or education programs for non-housing programs operated or coordinated by the PHA
- Preference/eligibility for public housing homeownership option participation
- Preference/eligibility for section 8 homeownership option participation
- Other policies

1. Transfer Policy Preferences

b. Economic and Social self-sufficiency programs

Yes No: Does the PHA coordinate, promote or provide any programs to enhance the economic and social self-sufficiency of residents? (If "yes", complete the following table; if "no" skip to sub-component 2, Family Self Sufficiency Programs. The position of the table may be altered to facilitate its use.)

Services and Programs				
Program Name & Description (including location, if appropriate)	Estimated Size	Allocation Method (waiting list/random selection/specific criteria/other)	Access (development office / PHA main office / other provider name)	Eligibility (public housing or section 8 participants or both)
Money Sense - Personal Finance	varies	open enrolment	H.A. main office	Public Housing
PAL Programs	varies	open enrolment	Pat, Westely, Mod, Turlock, and Oakdale - Community Centers	Community
Community Services Centers (education, health, and community programs and resources)	varies	referrals/enrol	Pat, Westely, Mod, Turlock, and Oakdale	Community
Daycare services	varies	enrolment	Pat and Westely center	Community
Resident Work Exp Program	varies	enrolment	Modesto Com Center	Public Housing
Block House Program	varies	enrolment	Modesto Com Center	Community

Free Lunch Program/s	varies	open enrolment	Modesto /Westly/Pat	Community

(2) Family Self Sufficiency program/s

a. Participation Description

Family Self Sufficiency (FSS) Participation		
Program	Required Number of Participants (start of FY 2000 Estimate)	Actual Number of Participants (As of: DD/MM/YY)
Public Housing	N/A	N/A
Section 8	140	150 As of 3/30/00

b. ____ Yes ____ No: If the PHA is not maintaining the minimum program size required by HUD, does the most recent FSS Action Plan address the steps the PHA plans to take to achieve at least the minimum program size?
If no, list steps the PHA will take below:

C. Welfare Benefit Reductions

1. The PHA is complying with the statutory requirements of section 12(d) of the U.S. Housing Act of 1937 (relating to the treatment of income changes resulting from welfare program requirements) by: (select all that apply)

- Adopting appropriate changes to the PHA's public housing rent determination policies and train staff to carry out those policies
- Informing residents of new policy on admission and reexamination
- Actively notifying residents of new policy at times in addition to admission and reexamination.
- Establishing or pursuing a cooperative agreement with all appropriate TANF agencies regarding the exchange of information and coordination of services
- Establishing a protocol for exchange of information with all appropriate TANF agencies
- ____ Other: (list below)

D. Reserved for Community Service Requirement pursuant to section 12(c) of the U.S. Housing Act of 1937
13. PHA Safety and Crime Prevention Measures
 [24 CFR Part 903.7 9 (m)]

A. Need for measures to ensure the safety of public-housing residents.

1. Describe the need for measures to ensure the safety of public housing residents (select all that apply)

- High incidence of violent and/or drug-related crime in some or all of the PHA's developments
- High incidence of violent and/or drug-related crime in the areas surrounding or adjacent to the PHA's developments
- Residents fearful for their safety and/or the safety of their children
- Observed lower-level crime, vandalism and/or graffiti
- People on waiting list unwilling to move into one or more developments due to perceived and/or actual levels of violent and/or drug-related crime
- Other (describe below)

2. What information or data did the PHA use to determine the need for PHA actions to improve safety of residents (select all that apply).

- Safety and security survey of residents
- Analysis of crime statistics over time for crimes committed "in and around" public housing authority
- Analysis of cost trends over time for repair of vandalism and removal of graffiti
- Resident reports
- PHA employee reports
- Police reports
- Demonstrable, quantifiable success with previous or ongoing anticrime/anti drug programs
- Other (describe below)

3. Which developments are most affected? 26-1,2, 3, 6, and 8.

B. Crime and Drug Prevention activities the PHA has undertaken or plans to undertake in the next PHA fiscal year:

1. List the crime prevention activities the PHA has undertaken or plans to undertake: (select all that apply)

- Contracting with outside and/or resident organizations for the provision of crime- and/or drug-prevention activities
- Crime Prevention Through Environmental Design
- Activities targeted to at-risk youth, adults, or seniors
- Volunteer Resident Patrol/Block Watchers Program
- Other (describe below)

2. Which developments are most affected? (list below) 26-1,2, 3, 6, and 8.

C. Coordination between PHA and the police:

1. Describe the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities: (select all that apply)

- Police involvement in development, implementation, and/or ongoing evaluation of drug-elimination plan
 - Police provide crime data to housing authority staff for analysis and action
 - Police have established a physical presence on housing authority property (e.g., community policing office, officer in residence)
 - Police regularly testify in and otherwise support eviction cases
 - Police regularly meet with the PHA management and residents
 - Agreement between PHA and local law enforcement agency for provision of above-baseline law enforcement services
- Other activities (list below) Monthly Crime reports from all areas.

2. Which developments are most affected? (list below)- 26-1,2, 3, 6, and 8.

D. Additional information as required by PHDEP/PHDEP Plan

- Yes ___ No: Is the PHA eligible to participate in the PHDEP in the fiscal year covered by this PHA Plan?
- Yes ___ No: Has the PHA included the PHDEP Plan for FY 2000 in this PHA Plan?
- Yes ___ No: This PHDEP Plan is an Attachment. (Attachment Filename: Ca026f01)

14. RESERVED FOR PET POLICY
[24 CFR Part 903.7 9 (n)]

15. Civil Rights Certifications
[24 CFR Part 903.7 9 (o)]
Civil rights certifications are included in the PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations.

16. Fiscal Audit
[24 CFR Part 903.7 9 (p)]

- 1. : Yes ___ No: Is the PHA required to have an audit conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c(h))? (If no, skip to component 17.)
- 2. : Yes ___ No: Was the most recent fiscal audit submitted to HUD?
- 3. ___ Yes No: Were there any findings as the result of that audit?
- 4. ___ Yes No If there were any findings, do any remain unresolved?
If yes, how many unresolved findings remain? ___
- 5. ___ Yes No: Have responses to any unresolved findings been submitted to HUD?
If not, when are they due (state below)? **No findings due.**

17. PHA Asset Management
[24 CFR Part 903.7 9 (q)]

1. ___ Yes No: Is the PHA engaging in any activities that will contribute to the long-term asset management of its public housing stock , including how the Agency will plan for long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs that have **not** been addressed elsewhere in this PHA Plan?

2. What types of asset management activities will the PHA undertake? (select all that apply)

- Not applicable
 Private management
 Development-based accounting
 Comprehensive stock assessment
 Other: (list below)

3. ___ Yes No: Has the PHA included descriptions of asset management activities in the **optional** Public Housing Asset Management Table?

18. Other Information

[24 CFR Part 903.7 9 (r)]

A. Resident Advisory Board Recommendations :

1. Yes ___ No: Did the PHA receive any comments on the PHA Plan from the Resident Advisory Board/s?

2. If yes, the comments are: (if comments were received, the PHA **MUST** select one)

- Attached as Attachment (File name) (CA026g01)
 Provided below:

3. In what manner did the PHA address those comments? (select all that apply)

- Considered comments, but determined that no changes to the PHA Plan were necessary.
 The PHA changed portions of the PHA Plan in response to comments
 List changes below:
 Other: (list below)

Elimination of Min Rent, Changes to Pet Policy, and Recommendations to be made to HUD on Community Service requirements.

B. Description of Election process for Residents on the PHA Board

1. ___ Yes No: Does the PHA meet the exemption criteria provided section 2(b)(2) of the U.S. Housing Act of 1937? (If no, continue to question 2; if yes, skip to sub-component C.)

2. ___ Yes X No: Was the resident who serves on the PHA Board elected by the residents? (If yes, continue to question 3; if no, skip to sub-component C.)

3. Description of Resident Election Process: **Note:** From the inception of our Housing Authority, All Commissioners (including two resident commissioners) have been appointed by the Board of Supervisors of our county and therefore elections are not held. In addition, we have not provided for resident commissioner elections in our Agency Plan, therefore their election is not required.

a. Nomination of candidates for place on the ballot: (select all that apply)

- Candidates were nominated by resident and assisted family organizations
- Candidates could be nominated by any adult recipient of PHA assistance
- Self-nomination: Candidates registered with the PHA and requested a place on ballot
- Other: (describe) **Note:** From the inception of our Housing Authority, All Commissioners (including two resident commissioners) have been appointed by the Board of Supervisors of our county and therefore elections are not held. In addition, we have not provided for resident commissioner elections in our Agency Plan, therefore their election is not required.

b. Eligible candidates: (select one)

- Any recipient of PHA assistance
- Any head of household receiving PHA assistance
- Any adult recipient of PHA assistance
- Any adult member of a resident or assisted family organization
- Other (list)

c. Eligible voters: (select all that apply)

- All adult recipients of PHA assistance (public housing and section 8 tenant-based assistance)
- Representatives of all PHA resident and assisted family organizations
- Other (list)

C. Statement of Consistency with the Consolidated Plan:

1. Consolidated Plan jurisdiction: City of Modesto and City of Turlock. State of California and County of Stanislaus.

2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)

- The PHA has based its statement of needs of families in the jurisdiction on the needs expressed in the Consolidated Plan/s.
- The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.

X Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)

X Other: (list below)

Development of additional units, Fair Housing, and special population programs

4. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: All jurisdictions reviewed and approved the 5 Year Plan without comment.

D. Other Information Required by HUD

DEFINITION OF SUBSTANTIAL DEVIATION:

Substantial deviations, significant amendments, and/or modifications are considered discretionary changes in the plans or policies of the Housing Authority that fundamentally change the mission, goals, objectives, and/or plans of the Agency. This manner of change requires formal approval from the Board of Commissioners.

FOLLOW-UP PLAN ADDRESSING AREAS IDENTIFIED IN THE RASS RESIDENT SURVEY:

Our Housing Authority will implement the following plan to address areas identified in HUD's "RASS Resident Satisfaction Survey". It should be noted here that the Housing Authority only received relevant survey data from HUD after submitting a request for "general data" under the Freedom of Information Act. Prior to this request, HUD refused to release any data that would allow the Housing Authority to address the areas identified. It should further be noted here that the following plan was developed from the general data released by HUD and resident comments at various resident meetings and events.

Areas to be Addressed:

1. Communication:

The Housing Authority will implement a services and communication "quality control" system that will provide the Housing Authority with immediate customer feedback and identify areas that may need improvement by 10/01/2000

The Housing Authority will implement a systematic resident education program with regularly scheduled meetings and written communications on agency policy, rules, and leases etc by 10/01/2000

The Housing Authority will strive to create an "agency culture" emphasizing customer satisfaction and communication by 10/01/2000

2. Safety:

The Housing Authority will implement a systematic resident education program with regularly scheduled meetings and written communications on agency crime

prevention programs by 10/01/2000

COMMUNITY SERVICE REQUIREMENTS:

As a High Performing PHA, we are not required to submit this section. It should be noted here however that our agency's plan to fulfil the Community Service requirements is addressed in our Occupancy Policy that is being submitted as an attachment with this plan. Please see attachment CA026k01.

Attachments

Required Attachments:

- A Admissions Policy for Deconcentration (CA026a01)
- B FY 2000 Capital Fund Program Annual Statement (CA026b01)
- C Most recent board-approved operating budget (CA026c01)

Optional Attachments:

- D PHA Management Organizational Chart (CA026d01)
- E FY 2000 Capital Fund Program 5 Year Action Plan (CA026e01)
- F Public Housing Drug Elimination Program (PHDEP) Plan (CA026f01)
- G Comments of Resident Advisory Board or Boards (CA026g01)
- Other (List below, providing each attachment name)
 - H Audit (CA026h01)
 - I Resolutions (CA026i01)
 - J Certificates (CA026j01)
 - K Public Housing Occupancy Policy (CA026k01)
 - L Public Housing Grievance Policy (CA026l01)
 - M Section 8, Admin Policy (CA026m01)
 - N Section 8, Grievance Policy (CA026n01)

**PHA Plan
Component 7
Table Library
Capital Fund Program Annual Statement
Parts I, II, and III**

**Annual Statement
Capital Fund Program (CFP) Part I: Summary**

Line No.	Summary by Development Account	Total Estimated
1	Total Non-CGP Funds	
2	1406 Operations	
3	1408 Management Improvements	
4	1410 Administration	
5	1411 Audit	
6	1415 Liquidated Damages	
7	1430 Fees and Costs	
8	1440 Site Acquisition	
9	1450 Site Improvement	
10	1460 Dwelling Structures	
11	1465.1 Dwelling Equipment-Nonexpendable	
12	1470 Nondwelling Structures	
13	1475 Nondwelling Equipment	
14	1485 Demolition	
15	1490 Replacement Reserve	
16	1492 Moving to Work Demonstration	

17	1495.1 Relocation Costs	
18	1498 Mod Used for Development	
19	1502 Contingency	
20	Amount of Annual Grant (Sum of lines 2-19)	
21	Amount of line 20 Related to LBP Activities	
22	Amount of line 20 Related to Section 504 Compliance	
23	Amount of line 20 Related to Security	
24	Amount of line 20 Related to Energy Conservation	

Annual Statement

Capital Fund Program (CFP) Part II: Supporting Table

Development Number/Name	General Description of Major Work Categories	Development Account Number	Total Estimated Cost
HA Wild Activities			

--	--	--	--	--

Table Library

Annual Statement

Capital Fund Program (CFP) Part III: Implementation Schedule

Development Number/Name HA-Wide Activities	All Funds Obligated (Quarter Ending Date)	All Funds Expended (Quarter Ending Date)

--	--	--	--

Optional Table for 5-Year Action Plan for Capital Fund (Component 7)

Complete one table for each development in which work is planned in the next 5 PHA fiscal years. Complete a table for any PHA-wide physical or management improvements planned in the next 5 PHA fiscal year. Copy this table as many times as necessary. Note: PHAs need not include information from Year One of the 5-Year cycle, because this information is included in the Capital Fund Program Annual Statement.

Optional 5-Year Action Plan Tables				
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development	
Description of Needed Physical Improvements or Management Improvements			Estimated Cost	Planned Start Date (HA Fiscal Year)
Total estimated cost over next 5 years				

DECONCENTRATION AND INCOME MIX POLICY

INCOME MIX:

TARGETING:

Not less than 30 and not more than 40 percent of all available vacant units in any given fiscal year shall be made available and occupied by families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income, as determined by HUD for any given year.

PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES:

PROHIBITION:

The Housing Authority shall not, in complying with the requirements herein, concentrate very low-income families (or other families with relatively low incomes) in public housing dwelling units in any Public Housing complex or buildings within any complex.

DECONCENTRATION EFFORTS:

The Housing Authority will achieve deconcentration of poverty and income-mixing in all of its complexes by bringing higher income families into lower income complexes and lower income families into higher income complexes. Complexes will be designated either higher or lower income on a yearly basis. The designation will be based on resident income and income "mix" data within each complex, gathered on a yearly basis. Complexes with a mix of resident incomes that are predominately higher will be designated higher income complexes and those with a resident income mix that are predominately lower will be designated lower income complexes.

The Housing Authority in implementing its deconcentration efforts will not impose or require any specific income or racial quota for any of its complexes.

NEW ADMISSIONS:

DECONCENTRATION AND INCOME MIXING: of "Lower Income Public Housing complexes" will be furthered by providing higher waiting list preference and other "incentives" to higher income applicants (above 50% of Area Median Income Limit), in descending order of income within each area waiting list, within each income category. No "incentives" will be offered to applicants at or below the 50% of Area Median Income Limit.

DECONCENTRATION AND INCOME MIXING: of "Lower Income Public Housing complexes" will be furthered by providing waiting list preference to those families within the 30 or 50% of Area Median Income Limit categories who have the highest income in descending order of income and who are employed or enrolled and successfully participating in an employment/training or educational program.

DECONCENTRATION AND INCOME MIXING: of "Lower Income Public Housing complexes" will be furthered by outreach and marketing efforts aimed at attracting applicants, to each waiting list, with incomes above the 50% of Area Median Income Limit.

EXISTING RESIDENTS:

FOR RESIDENT FAMILIES AT OR BELOW THE 50% OF THE AREA MEDIAN INCOME LIMIT:

These families shall be encouraged to participate in and will be given preference in all Housing Authority sponsored work or educational programs.

FOR RESIDENT FAMILIES WITH HIGHER INCOMES:

The Housing Authority has established a system of very competitive ceiling rents that are made available to all residents with higher incomes. In addition, a "Flat Rent" option will soon be made available.

INCENTIVES:

The Housing Authority will offer the following incentives to eligible families having higher incomes to occupy dwelling units in projects predominantly occupied by eligible families having lower incomes.

FAMILY CHOICE:

The Incentives referred to above will be made available by the Housing Authority only in a manner that allows for each eligible family to have the sole discretion in determining whether to accept the incentive. The Housing Authority shall not take any adverse action toward any eligible family for choosing not to accept an incentive and occupancy of an offered complex. The skipping of a family on a waiting list to reach another family to implement the policy under this section shall not be considered an adverse action and shall not be contestable.

THREE HOUSING OFFER AND CANCELLATION RULE:

In order for the Housing Authority to maintain its "Three Housing Offer and Cancellation" rule for applicant families, the Housing Authority will only offer the above incentives to an eligible family on the first housing offer which shall be considered an offer outside of the three housing offer rule. If the family rejects the incentives and complex offered, the family will remain eligible for three additional offers, without incentives, each of these offers will count under the Three Offer Rule.

Annual Statement
Capital Fund Program (CFP) Part: I Summary

Capital Fund Grant Number: CA39PO2650100 FFY of Grant Approval: 2000

Original Annual Statement
 The Housing Authority of the County of Stanislaus _____

Line No.	Summary by Development Account	Total Estimate Cost
1	Total Non-CGP Funds	
2	1406 Operations	-0-
3	1408 Management Improvements	326,000.00
4	1410 Administration	158,000.00
5	1411 Audit	
6	1415 Liquidated Damages	
7	1430 Fees and Costs	90,000.00
8	1440 Site Acquisition	
9	1450 Site Improvement	290,000.00
10	1460 Dwelling Structures	500,000.00
11	1465.1 Dwelling Equipment-Non-expendable	45,000.00
12	1470 Non Dwelling Structures	
13	1475 Non Dwelling Equipment	25,000.00
14	1485 Demolition	
15	1490 Replacement Reserve	
16	1492 Moving to Work Demonstration	

17	1495.1 Relocation Costs	
18	1498 Mod Used for Development	
19	1502 Contingency	147,238.00
20	Amount of annual Grant (Sum of lines 2-19)	1,581,238
21	Amount of line 20 Related to LBP activities	0
22	Amount of line 20 Related to Section 504 Compliance	0
23	Amount of line 20 Related to Security	0
24	Amount of line 20 Related to Energy Conservation Measures	0

**Annual Statement
Capital Fund Program (CFP) Part II: Supporting Table**

Development	General Description of Major Work	Development	
Total Number/Name HA-Wide Activities	Categories	Account Number	Estimated Cost
CA26-10	Replace range and refrigerators	1465.1	\$45,000
CA26-18/19	Replace HVAC UNITS	1460	\$200,000
CA26-03	Exterior Modification	1460	\$400,000
CA26-1	Install Solar sprinkler clock controls	1450	\$10,000
CA26-2	Install Solar sprinkler clock controls	1450	\$10,000

CA26-3	Replace sprinkler lines/system, install Parking area.	1450	\$180,000
--------	--	------	-----------

Annual Statement
Capital Fund Program (CFP) Part III: Implementation Schedule

Development Number/Name	All Funds Obligated (Quarter Ending Date)	All Funds Expended (Quarter Ending Date)
<hr/> HA-Wide Activities <hr/>		
CA26-10	3/30/2002	9/30 /2002
CA26-3	3/30/2002	9/30/2002
CA26-2	3/30/2002	9/30/2002
CA26-1	3/30/2002	9/30/2002

CA26-18
CA26-19

3/30/2002
3/30/2002

9/30/2002
9/30/2002

**CONVENTIONAL LOW RENT BUDGET
FISCAL YEAR ENDING 9/30/2001**

ITEM	AMOUNT
OPERATING RECEIPTS:	
DWELLING RENTAL	\$1,892,485
INTEREST	209,218
OTHER RECEIPTS	20,000
TOTAL RECEIPTS	\$2,121,703
OPERATING EXPENDITURES:	
ADMINISTRATION:	
SALARIES	\$ 564,660
OTHER ADMIN. EXP.	150,940
TOTAL ADMIN. EXP.	\$ 715,600
TENANT SERVICES:	
SALARIES	\$ 72,010
TOTAL TENANT SERVICES	\$ 72,010
UTILITIES	\$ 448,330
ORDINARY MAINTENANCE:	
LABOR	\$ 528,787
MATERIALS	204,000
CONTRACT COSTS	186,320
TOTAL ORDINARY MAINT.	\$ 919,107
PROTECTIVE SERVICES	\$ 5,900
GENERAL EXPENSE:	
INSURANCE	\$ 94,310
P.I.L.O.T.	144,420
EMPLOYEE BENEFITS	399,050
COLLECTION LOSSES	40,000
TOTAL GENERAL EXPENSE	\$ 677,780

TOTAL ROUTINE EXPENSES	\$ 2,838,727	
EXTRAORDINARY MAINTENANCE	\$ 22,800	
CAPITAL EXPENDITURES:		
REPLACEMENT EQUIPMENT	\$ 61,000	
PROPERTY BETTERMENTS	13,200	
TOTAL CAPITAL EXPENDITURES	74,200	
TOTAL EXPENDITURES	\$ 2,935,727	
GAIN OR LOSS	\$ (814,024)	
PERFORMANCE FUNDING	\$ 794,283	
CGP ADMIN. FEE	134,440	
	NET GAIN OR LOSS	\$
	114,699	

Optional 5-Year action Plan Tables

Development Number	Development Name (Or indicate PHA Wide)	Number vacant Units	Number % Vacancies in Development
-	<u>PHA-WIDE</u>		
	Description of Needed Physical Improvements or Management Improvements	Estimated Costs	Planned start date (HA fiscal year)
	1. Resident Training Program	400,000	2001,2002,2003,2004
	2. Staff Training	80,000	“
	3. Security, PAL, City School	400,000	“
	4. Contract with school	10,000	
	5. Computer software upgrade	250,000	2001
	6. Consultant services for computer operations	30,000	2001
	7. CA26-3 Sprinkler and parking upgrade	400,000	2001
	8. Exterior Modification		
	CA26-7 (30) Ceres	600,000	2002
	CA26-6a&b (30) Patterson	600,000	2002,2003
	CA26-8(20)	400,000	2002,2003
Total estimated cost over next 5 years		2,576,000	

Public Housing Drug Elimination Program Plan

Note: THIS PHDEP Plan template (HUD 50075-PHDEP Plan) is to be completed in accordance with Instructions located in applicable PIH Notices.

Annual PHDEP Plan Table of Contents:

1. General Information/History
2. PHDEP Plan Goals/Budget
3. Milestones
4. Certifications

Section 1: General Information/History:

- A. Amount of PHDEP Grant \$ 150, 600.00
- B. Eligibility type (Indicate with an "x") N1 X N2 _____ R _____
- C. FFY in which funding is requested - 2000
- D. Executive Summary of Annual PHDEP Plan

In the space below, provide a brief overview of the PHDEP Plan, including highlights of major initiatives or activities undertaken. It may include a description of the expected outcomes. The summary must not be more than five (5) sentences long

BRIEF PROGRAM DESCRIPTION: The Authority's Drug Elimination Program will use on-site law enforcement, community organization, resident involvement and community support services to build an environment (in each targeted complex) that will reduce drug related crime and provide sound alternatives to low income families in their quest to acquire the better life they seek. Outreach to scattered site complexes will be a priority. The Authority will combine law enforcement, intervention, physical improvements and prevention program components to help residents and their families become drug and gang free.

E. Target Areas

Complete the following table by indicating each PHDEP Target Area (development or site where activities will be conducted), the total number of units in each PHDEP Target Area, and the total number of individuals expected to participate in PHDEP sponsored activities in each Target Area(s)

PHDEP Target Area (Name of development(s) or site)	Total # of Units within the PHDEP Target Area(s)	Total Population to be Served within the PHDEP Target Area(s)
Cal-26-1, 2, 3, 4, 5, 6, 7, 10, 17, 18, 19, 26, and 27	647 Units	3325 persons

F. Duration of Program

Indicate the duration (number of months funds will be required) of the PHDEP Program proposed under this Plan (place an "x" to indicate the length of program by # of months. For "Other", identify the # of months).

6 Months _____ 12 Months X 18 Months _____ 24 Months _____ Other _____

G. PHDEP Program History

Indicate each FY that funding has been received under the PHDEP Program (place an "x" by each applicable Year) and provide

Fiscal Year of Funding	PHDEP Funding Received	Grant #s	Amount and Balance as of Date of this Submission	Grant Extensions or Waivers	Anticipated Completion Date
FY 1995	X	CA39DEP0260195	\$249,992.00	n/a	03/31/97
FY 1996	X	CA39DEP0260196	\$250,000.00	n/a	04/25/99
FY 1997	X	CA39DEP0260197	\$194,100.00	n/a	12/31/99
FY1998	X	CA01DEP0260198	\$194,100.00	n/a	12/31/00
FY 1999	X	CA39DEP0260199	\$144,501.00	n/a	06/31/01

Section 2: PHDEP Plan Goals and Budget

A. PHDEP Plan Summary

In the space below, summarize the PHDEP strategy to address the needs of the target population/target area(s). Your summary should briefly identify: the broad goals and objectives, the role of plan partners, and your system or process for monitoring and evaluating PHDEP-funded activities. This summary should not exceed 5-10 sentences.

B. PHDEP Budget Summary

Enter the total amount of PHDEP funding allocated to each line item.

FYFY	
Budget Line Item	Total Funding
9110 - Reimbursement of Law Enforcement	\$ 46,099.00
9120 - Security Personnel	n/a
9130 - Employment of Investigators	n/a
9140 - Voluntary Tenant Patrol	n/a
9150 - Physical Improvements	n/a
9160 - Drug Prevention	\$103,501.00
9170 - Drug Intervention	n/a
9180 - Drug Treatment	n/a
9190 - Other Program Costs	\$1,000.00
TOTAL PHDEP FUNDING	\$150,600.00

A. PHDEP Plan Goals and Activities

In the tables below, provide information on the PHDEP strategy summarized above by budget line item. Each goal and objective should be numbered sequentially for each budget line item (where applicable). Use as many rows as necessary to list proposed activities (additional rows may be inserted in the tables). PHAs are not required to provide information in shaded boxes. Information provided must be concise—not to exceed two sentences in any column. Tables for line items in which the PHA has no planned goals or activities may be deleted.

9110 - Reimbursement of Law Enforcement					Total PHDEP Funding: \$40,000.00		
Goal(s)	Reduce Resident and Outsider Related Crime						
Objectives	#1) Reduction Resident Caused crime of 10%. #2)Reduction Outsider caused crime of 10%. #3) Reduction of 5% in FBI I and FBI II criminal data. (Reductions will be observed by HA and Law Enforcement at the end of the funded year of implementation.)						
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount/Source)	Performance Indicators
1.Modesto Police Services			1/1/01	12/31/01	\$23,049.50	\$39,486.50	#1-10% Reduction #2-10% Reduction #3-5% Reduction
2.Stanislaus Cty. Sheriff Services			1/1/01	12/31/01	\$23,049.50	\$39,486.50	#1-10% Reduction #2-10% Reduction #3-5% Reduction

9160 - Drug Prevention					Total PHDEP Funding: \$103,501.00		
Goal(s)	Reduction and Prevention of Juvenile Crime through Recreation and Youth Development Activities.						
Objectives	#1)Reduction of juvenile contacts with law between hours of 3pm-6pm by 10%. #2)Reduction in recidivism of 15% for all youth participating in PAL activities. #3) Increase activity participation rates by 10%. (Results of all activities will be observed by the end of the funded implementation year.)						
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount/Source)	Performance Indicators
1.Contractual			1/1/01	12/31/01	\$87,725	\$42,387	#1-10% Reduction #2-15% Reduction #3-10% Increase
2.Staffing			1/1/01	12/31/01	\$ 00.00	\$60,000	
3.Equipment & Supplies			1/1/01	12/31/01	\$15,776	\$ 00.00	

9190 - Other Program Costs					Total PHDEP Funds: \$1,000.00		
Goal(s)	Improvement in resident and Community Quality of Life						

Objectives	#1) Stan HA will observe improvements in resident quality of life, empowerment, and relations between residents and HA staff through positive responses in resident survey's and interviews with resident initiatives staff..						
Proposed Activities	# of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1. Modesto City Schools-Block House Coordinator			1/1/01	12/31/01	\$ 00.00	\$ 10,000	#1
2. Modesto City Schools-Healthy Start Programs			1/1/01	12/31/01	\$ 00.00	\$ 25,000	#1
3. Modesto City Schools-Even Start Program			1/1/01	12/31/01	\$1,000	\$ 00.00	#1
4. Department of Employment Training			1/1/01	12/31/01	\$ 00.00	\$100,000	#1

Section 3: Expenditure/Obligation Milestones

Indicate by Budget Line Item and the Proposed Activity (based on the information contained in Section 2 PHDEP Plan Budget and Goals), the % of funds that will be expended (at least 25% of the total grant award) and obligated (at least 50% of the total grant award) within 12 months of grant execution.

Budget Line Item #	25% Expenditure of Total Grant Funds By Activity #	Total PHDEP Funding Expended (sum of the activities)	50% Obligation of Total Grant Funds by Activity #	Total PHDEP Funding Obligated (sum of the activities)
<i>e.g Budget Line Item # 9120</i>	<i>Activities 1, 3</i>		<i>Activity 2</i>	
9110	75 %	\$34,574.25	100 %	\$46,099.00
9120	n/a	n/a	n/a	n/a
9130	n/a	n/a	n/a	n/a
9140	n/a	n/a	n/a	n/a
9150	n/a	n/a	n/a	n/a
9160	75 %	\$77,625.75	100 %	\$103,501.00
9170	n/a	n/a	n/a	n/a
9180	n/a	n/a	n/a	n/a
9190	75 %	\$750.00	100 %	\$1,000.00
TOTAL		\$112,950.00		\$150,600.00

Section 4: Certifications

A comprehensive certification of compliance with respect to the PHDEP Plan submission is included in the “PHA Certifications of Compliance with the PHA Plan and Related Regulations.”

June 27, 2000

Dear Mr. Chubon,

We are the members of the Resident Advisory Committee for the Stanislaus County Housing Authority. We request the Board of Commissioners to take under consideration the following suggestions and comments regarding the Housing Authority's proposed Agency Plan:

FLAT RENTS

The committee confirms the adoption of the Flat Rent policy as proposed by the Housing Authority.

AGENCY RENTS

The committee recommends rejection of the Agency Rents policy, concurring with the Housing Authority's position, due to potential rent losses.

CEILING RENTS

The Committee concurs with the Housing Authority's decision to eliminate the ceiling rents.

MINIMUM RENTS

The Committee agrees with the Housing Authority's recommendation to change the Agency minimum rent from \$50.00 to \$0.00 for Public Housing.

AGENCY ESTABLISHED SAVINGS ACCOUNT

The Committee agrees with the Housing Authority's recommendation to institute an agency established savings account as an option to phased-in rent increases for Public Housing.

AGENCY ESTABLISHED DISALLOWANCE

The Committee agrees with the Housing Authority's proposal to delay instituting this proposition until impacts are determined.

COMMUNITY SERVICE

The Committee agrees with the Housing Authority's recommendation to utilize Public Housing residents as volunteers to assist other residents in complying with the community service requirement.

The Committee wishes the Board of Commissioners to address with HUD the issue of possible exemption for parent(s) of small children (under school age).

DECONCENTRATION

The Committee concurs with the Housing Authority's adoption of the deconcentration policy.

DECONCENTRATION INCENTIVES

The Committee concurs with the Housing Authority's adoption of the deconcentration incentives policy.

WAIT LIST LOCAL PREFERENCES

The Committee recommends approval of the Housing Authority's proposed policy on local preferences.

We as a committee request that the Board of Commissioners take into consideration all of the comments and suggestions that we have provided.

Respectfully submitted,

Renata Saing

Cynthia King

Linda Hernandez

Sara Gutierrez

**UNQUALIFIED OPINION ON GENERAL-PURPOSE FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS -- GOVERNMENTAL ENTITY**

Independent Auditor's Report

**Board of Commissioners
Housing Authority of the
County of Stanislaus
Modesto, California**

We have audited the accompanying financial statements of the Housing Authority of the County of Stanislaus, as of and for the year ended September 30, 1999, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of the County of Stanislaus' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the County of Stanislaus as of September 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated February 7, 2000 on our consideration of the Housing Authority of the County of Stanislaus' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Housing Authority of the County of Stanislaus taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

COUNTY OF STANISLAUS

HOUSING AUTHORITY OF THE

MODESTO, CALIFORNIA

NOTES TO FINANCIAL

STATEMENTS

SEPTEMBER 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Housing Authority of the County of Stanislaus (the Authority) conform to generally accepted accounting principals as applicable to government entities and to the accounting policies of the Department of Housing and Urban Development. The following is a summary of the more significant of such accounting policies.

a. Fund Accounting

The programs of the Authority are organized as separate accounting entities. The operations of each program is accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenue and expenditures. Most expenditures are paid through the revolving fund checking account. Expenditures are allocated to the appropriate program through use of offsetting interfund receivables and payables.

The Authority operates the following programs under separate accounting systems.

Programs	Account	Funding Source	Fiscal Year End	Number of Units
Conventional Housing	SF-212	HUD	9-30	647
Section 8 & Renewed	SF-470	HUD	9-30	2,641
Section 8 Voucher	SF-470V	HUD	9-30	625
Section 8 Mod Rehab.	SF-470MR	HUD	9-30	60
Modesto Farm Labor	FmHA	9-30	91	
Westley, Ceres & Patterson	Farm Labor	FmHA	9-30	265
Migrant Farm Labor	HCD-OMS	6-30	213	
Revolving Fund		9-30	0	
Local Fund		9-30	0	
Conant Place		9-30	81	

The financial statements for the Migrant Farm Labor Program included in this report are as of the end of its fiscal year, June 30, 1999.

GOVERNMENTAL FUND TYPES

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than debt service funds) that are legally restricted to expenditures for specified purposes.

-5-

Notes to Financial Statements
September 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Debt Service Funds – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt obligation principal, interest and related costs.

FIDUCIARY FUND TYPES

Trust and Agency Funds – Trust and Agency Funds are used to account for assets held by the Authority in a trustee capacity or as an agent for individuals, private organization, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

ACCOUNT GROUPS

General Fixed Assets Account Group – This group of accounts is established to account for recorded fixed assets of the Authority.

General Long-Term Debt Account Group – This group of accounts is established to account for all general long-term obligations of the Authority.

b. Basis of Accounting

Governmental fund types are accounted for using the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become available and measurable; expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for unmatured interest in general long-term debt which is recognized when due. Significant revenue sources that have been treated as susceptible to accrual under the modified accrual basis include interest on investments and grants. The revenues from grants which are received as reimbursement for specific expenditures are recognized based upon the expenditures recorded.

c. Fixed Assets

General fixed assets are valued at historical cost. Contributed general fixed assets are recorded at fair market value at the time received. Interest expense incurred during the development period is capitalized. The Authority records capital outlays in its respective funds as expenditures during the year and annually records the total capital outlay in the General Fixed Assets Account Group. No depreciation has been provided on the general fixed assets.

Maintenance, minor repairs and replacements are expenses; extraordinary replacements of property resulting in property betterment are charged to the property accounts.

The Authority's land, structures, and equipment mainly consists of multi-family dwelling units located throughout Stanislaus County. Details of the Authority's land, structures and equipment were as follows:

Conventional

The Conventional Program has a total of 647 units; 26 in Oakdale, 30 in Turlock, 30 in Patterson, 16 in Newman, 45 in Hughson, 20 in Westley, 48 in the Ceres area, and 432 in the Modesto area.

-6-

Notes to Financial Statements
September 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Housing Assistance

The Section 8 Program's land, structures, and equipment consisted of automotive, computer, and office equipment.

Farm Labor

The Farm Labor Housing Program has 91 dwelling units located in Modesto, and a total 265 units in Ceres, Patterson and Westley.

Other

Migrant Farm Labor Program's assets are owned by the State of California. The cost of the Migrant Program's assets are not included in these financial statements. The Authority's local fund's land, structures, and equipment consisted of land and office equipment. The Leased Housing Revolving Fund has no land, structures, or equipment.

d. Federal and California Income Tax

The Authority is exempt from all federal and California income and/or franchise taxes.

e. Accumulated Vacation and Sick Leave

All regular employees are allowed to accumulate accrued vacation time up to 30 days. At separation from service, employees are compensated for all accrued vacation time.

Sick leave benefits are accumulated without limit for each employee. At separation from service, employees are compensated for accumulated sick leave, depending on years of employment. Employees who have worked at least 5 years receive 25% of accumulated sick leave, 35% for 10 years, and 50% for 20 years of service. The amount of accrued vacation and sick leave 100% as of September 30, 1999 was \$304,436.

f. Collection Losses

The direct write-off method has been adopted for providing for uncollectible accounts.

g. Total Columns on Combined Statements

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position or results or operations in conformity with generally accepted accounting principles nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregate of this data.

-7-

**Notes to Financial Statements
September 30, 1999**

NOTE 2: CASH AND INVESTMENTS

All cash and investments held by the Authority are maintained in checking or savings account, certificates of deposits, and the State of California Local Agency Investment Fund (L.A.I.F.). The California Government Code requires California banks and savings and loan associations to secure the Authority's deposits not covered by federal deposit insurance by pledging mortgages or government securities as collateral.

Cash in Banks	\$ 4,781,313
Investments in L.A.I.F.	<u>11,316,216</u>
TOTAL	<u>\$16,097,529</u>

NOTE 3: PAYMENT IN LIEU OF TAXES

The Authority is obligated to make annual payments in lieu of property taxes. At September 30, 1999, \$267,336 had been accrued.

NOTE 4: INTERFUND RECEIVABLE AND PAYABLE

The Conventional, Section 8 and Farm Labor Housing Programs have advanced \$55,000, \$40,000, and \$45,000 respectively, to the Revolving Fund. The Revolving Fund uses the \$140,000 as working capital to finance the Authority's joint recurring expenditures.

NOTE 5: FUND TRANSFERS

The Authority's Housing Assistance Payments Programs (Section 8) transferred \$287,441 to the Authority's local account during the current year to purchase housing units in Modesto. Restrictions are attached to the use of these funds.

NOTE 6: LONG-TERM DEBT

Long-term debt consisted of the following:

Conventional

Federal Financing Bank Note at 6.6% requiring annual payment of \$107,483 until November 1, 2016 \$ 1,112,711

Bonds Payable 270,000

Brighton Village

City of Modesto 30 year note at 3% interest. Both principal and interest deferred 30 years. 225,000

Notes to Financial Statements
September 30, 1999

NOTE 6: LONG-TERM DEBT (continued)

Conant Place

California Housing Finance Agency 30 year note @ 6.8% requiring monthly payments of \$6,673.50 beginning February 1, 1995. 979,603

Farm Labor

Farmer's Home Administration at 1.0% 3,599,649

City of Patterson, 30 year note at 0% interest 290,000

\$ 6,476,963

Future principal payments on the Federal Financing Bank Note and California Housing Note are as follows:

<u>Year Ending September 30,</u>	<u>F.F.B. Note</u>	<u>C.H.F.A. Note</u>
2000	\$ 34,044	\$ 15,135
2001	36,096	16,197
2002	38,673	17,334
2003	41,226	18,550
2004	43,946	19,851
Thereafter	<u>918,726</u>	<u>892,536</u>
	<u>\$ 1,112,711</u>	<u>\$ 979,603</u>

Amortization on the Farmer's Home Administration is calculated by the FHA and future maturities cannot be scheduled. This amortization approximates \$195,000 per year.

Changes in Bonded Debt and Future Maturities are as follows:

<u>Issue Subsequent Years Years #</u>	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Outstanding 9-30-99</u>	<u></u>
2	9-1-63	3.500%	\$ 515,000	\$ 105,000	2000
\$ 40,000					
3	9-1-65	3.875%	<u>560,000</u>	<u>165,000</u>	2001
45,000					
			<u>\$1,075,000</u>	<u>\$ 270,000</u>	
2002	45,000				2003
45,000					
					2004
40,000					
					2005
25,000					
					2006
<u>30,000</u>					—
<u>00</u>					<u>\$270,0</u>

**Notes to Financial Statements
September 30, 1999**

NOTE 6: LONG-TERM DEBT (continued)

The Consolidated Omnibus Budget Act of 1986 (COBRA) authorized the Secretary of the Department of Housing and Urban Development to forgive all permanent notes held by the U.S. Treasury. In the event that the notes are not forgiven by HUD, the Conventional Programs Annual Contributions Contract (ACC) states that all debt service requirements related to the notes will be HUD's responsibility. It is management's opinion, that the Authority is not liable for these notes unless the federal government fails to honor the ACC, therefore, they should not be included on the Authority's financial statements. Accordingly, \$11,397,106 of permanent notes, and interest on those notes, recorded on the Authority's books of accounts as of September 30, 1999 have not been reflected on the Authority's current financial statements.

NOTE 7: CONTINGENCIES

State and Federal Allowances, Awards and Grants

The Authority has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

The Housing Authority acts as an intermediary between the County of Stanislaus and other cities within the County of Stanislaus in regards to certain Community Development Block Grant Programs. The Housing Authority receives C.D.B.G. funds from the various governmental entities and distributes the funds to the approved recipients in the form of loans. Monthly repayments are received from the recipients, which are remitted back to the grantor agencies.

NOTE 8: INTERGOVERNMENTAL COOPERATION AGREEMENT

The Authority of the County of Stanislaus participates in the Housing Authority's Risk Retention Pool (HARRP). Housing Authority's Risk Retention Pool (the Pool) was established by public housing authorities participating in an Intergovernmental Cooperating Agreement pursuant to specific statutes in Oregon, Washington, and California, for the purpose of operating and main-training a cooperative program of risk management and loss indemnification. The Pool offers property general liability and officials' liability insurance to participants.

NOTE 9: EMPLOYEE RETIREMENT SYSTEMS

The Authority of the County of Stanislaus contributes to the California Public Employees' Retirement System (PERS), an agent multiple-employer public employee

retirement system that acts as a common investment and administrative agent for participating public entities with the State of California.

Plan Description and Provisions

All full-time employees participate in the PERS, an agent multiple-employer contributory public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. The Authority of the County of Stanislaus is part of a "cost sharing" pool within PERS. One actuarial valuation is performed for those employers participating in the pool, and the same contribution rate applies to each.

-10-Notes to Financial Statements
September 30, 1999

NOTE 9: EMPLOYEE RETIREMENT SYSTEMS (continued)

Employees are eligible for retirement at the age of 60 and are entitled to a monthly benefit of 2 percent of final compensation for each year of service credit. Retirement compensation is reduced if the plan is coordinated with Social Security. Retirement may begin at age 50 with a reduced benefit rate, or after age 60 to 63 with an increased rate. The Plan also provides death and disability benefits. Retirement benefits fully vest after 5 years of credited service. Upon separation from the fund, members' accumulated contributions are refundable with interest credited through the date of separation. Benefit provisions for PERS are established by the Public Employees Retirement Law (Part 3 of the California Government Code, Sec. 20000 et seq.).

Funding Status and Progress

The "pension benefit obligation" reported below is a standardized disclosure of the present value of pension benefits adjusted for the effects of projected salary increases and any step-rate benefits estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the retirement plans' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among retirement systems and employers. The measure is independent of the funding method used to determine contributions to the retirement systems.

Development of Accrued and Unfunded Liabilities for the Retirement Program as of June 30, 1998

1. Present Value of Projected Benefits	
2. a) Active Members	\$ 6,471,081
b) Transfers	50,720
c) Vested Terminations	127,030

d) Receiving Payments	<u>3,474,732</u>
e) Total	\$ 10,123,563
2. Present Value of Future Employer Costs	\$ 666,094
3. Present Value of Future Employee Contributions	—
<u>1,251,700</u>	
4. Entry Age Normal Accrued Liability	\$ 8,205,769
5. Actuarial Value of Assets	
a) Employer Reserves	\$ 8,907,957
b) Active Employee Account Balances	<u>2,086,973</u>
c) Total Valuation Assets	\$ 10,994,930
6. Unfunded Accrued Liability/(Excess Assets) [(4) –(5c)]	\$(2,789, 161)

-11-

Notes to Financial Statements
September 30, 1999

NOTE 9: EMPLOYEE RETIREMENT SYSTEMS (continued)

Determination of Superfunded Status for the Fiscal Year Ending June 30, 2001

1. Present Value of Projected Benefits	\$ 10,123,563
2. Actuarial Value of Assets	<u>10,994,930</u>
3. Superfunded Amount [(2) – (1)]	\$ 871,367
4. Superfunded Status [Yes if (3) is greater than 0, No if (3) is less than or equal to 0]	Yes

Contributions Required and Contributions Made

PERS uses the Entry Age Normal Actuarial Cost Method which is a projected benefit cost method. That is, it takes into account those benefits that are expected to be earned in the future as well as those already accrued.

According to this cost method, the normal cost for an employee is the level amount which would fund the projected benefit if it were paid annually from date of employment until retirement. PERS uses a modification of the Entry Age Cost Method in which the employer's total normal cost is expressed as a level percentage of payroll. PERS also

uses the level percentage of payroll method to amortize any funded actuarial liabilities.

The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the pension benefit obligation, as previously described.

The Authority's employer contributions to PERS met the required contribution rate and satisfied the plan's funding requirements as determined by the PERS actuary. The funded contribution included amortization of the unfunded actuarial liability through the year 2000.

The 1999 contribution of \$200,404 consisted of \$185,936 by the Authority and \$14,468 by employees.

-12-

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**Board of Commissioners
Housing Authority of the
County of Stanislaus
Modesto, California**

We have audited the financial statements of the Housing Authority of the County of Stanislaus as of the year ended September 30, 1999, and have issued our report thereon dated February 7, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Housing Authority of the County of Stanislaus' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance

with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly we do not express such as opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the County of Stanislaus' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

KOFTINOW, POLKINGHORNE & SERENO
Certified Public Accountants
February 7, 2000

-17-

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

**Board of Commissioners
Housing Authority of the
County of Stanislaus
Modesto, California**

Compliance

We have audited the compliance of the Housing Authority of the County of Stanislaus with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended September 30, 1999. The Housing Authority of the County of Stanislaus' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of expenditures of federal awards. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Housing Authority of the County of Stanislaus' management. Our responsibility is to express an opinion on the Housing Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United State; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the County of Stanislaus' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority of the County of Stanislaus' compliance with those requirements.

In our opinion, the Housing Authority of the County of Stanislaus complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 1999.

Internal Control Over Compliance

The management of the Housing Authority of the County of Stanislaus is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the Housing Authority of the County of Stanislaus as of and for the year ended September 30, 1999, and have issued our report thereon dated February 7, 2000. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

**KOFTINOW, POLKINGHORNE & SERENO
Certified Public Accountants
February 7, 2000**

HOUSING AUTHORITY OF THE COUNTY OF STANISLAUS
MODESTO, CALIFORNIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 1999

PROGRAM REVENUES					
Federal Catalogue Number	Program Entitlement	Cash Received	A/R (A/P)	Total	
Program Expenditures					
-----	-----	-----	-----	-----	
FEDERAL GRANTOR:					
Department of Housing and Urban Development:					
Housing Assistance Payments Program	14.856*	\$ 14,680,028	\$ 16,726,560	\$(2,046,532)	\$
14,680,028	\$ 14,222,255				
Low Income Housing Program; Operations	14.850*	643,918 643,918	-	643,918 643,918	
Comprehensive Grant Program	14.852*	4,295,130	1,216,252	-	1,216,252
1,206,686					
Drug Elimination Program	14.854	388,200 140,252	-	140,252 133,696	
Community Development Block Grant Program	14.219		7,921 7,921	-	7,921 7,921
Department of Agriculture:					
Rural Rental Housing Programs; Operations	10.415		167,956	167,956	
-	167,956	167,956			
Total Federal Financial Assistance Program Expenditures			\$ 20,183,153	\$ 18,902,859	
\$(2,046,532)	\$ 16,856,327	\$ 16,382,432			

*Major Federal Financial Assistance Program

The accompanying notes are an integral part of these financial statements

-20-

HOUSING AUTHORITY OF THE COUNTY OF STANISLAUS
MODESTO, CALIFORNIA
SEPTEMBER 30, 1999

FINDINGS AND RECOMMENDATIONS

NONE

-21-

HOUSING AUTHORITY OF THE COUNTY OF STANISLAUS
MODESTO, CALIFORNIA
SEPTEMBER 30, 1999

STATUS OF PRIOR YEAR AUDIT FINDINGS

NONE

RESOLUTION NO. 99-00-58

RESOLUTION APPROVING SECTION 8 EXISTING HOUSING ASSISTANCE PAYMENTS PROGRAM OPERATING BUDGET FOR FISCAL YEAR 2000-2001

WHEREAS, the Housing Authority of the county of Stanislaus is administering and will continue to administer a Section 8 Existing Housing Assistance Payments Program, consisting of projects designated as CA39-E026, 016, 017, and providing rental assistance to families living throughout Stanislaus County; and

WHEREAS, it is necessary in the operation of said project that a Section 8 Housing Existing Housing Assistance Program Operating Budget, therefore, be adopted, subject to approval of the Department of Housing and Urban Development; and

WHEREAS, a budget has been prepared for said projects.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Stanislaus, that:

- 1. Proposed expenditures are necessary in the efficient and economical operation of the Housing Authority for the purpose of serving low income families.*
- 2. The financial plan is reasonable in that:*
 - a. It indicates a source of funding adequate to cover all proposed expenditures.*
 - b. It does not provide for funding in excess of income.*
- 3. All proposed charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract.*
- 4. The Section 8 Existing Housing Payments Program Operating Budget as herein designated be, and the same is hereby ratified, confirmed and approved.*
- 5. Said Section 8 Existing Housing Payments Program Operating Budget is submitted to the Department of Housing and Urban Development for consideration and approval.**
- 6. Said Section 8 Existing Housing Payments Program Operating Budget is filed in the office of the Housing Authority of the County of Stanislaus and is more particularly identified as follows:*

<i>TERM</i>	<i>PROGRAM</i>	<i>AMOUNT</i>
<i>10/01/00 thru 9/30/01</i>	<i>Section 8 Existing Housing Payments Program</i>	<i>\$289,770.00</i>

DULY AND REGULARLY ADOPTED by the Board of Commissioners of the Housing Authority of the County of Stanislaus this 20th day of June, 2000.

On motion of Commissioner _____, seconded by Commissioner _____, and on the following roll call vote:

AYES:

NAYS:

ABSENT:

**Approved: _____
Chairman**

Attest: _____

Secretary

RESOLUTION NO. 99-00-57

**RESOLUTION APPROVING CONVENTIONAL LOW RENT
OPERATING BUDGET FOR FISCAL YEAR 2000-2001**

WHEREAS, the Housing Authority of the County of Stanislaus is administering and will continue to administer Low Rent Housing designated as CA026-001, 002, 003, 004, 005, 006A, 006B, 007, 008, 010, 017, 018, 019, 026 and 027 located at Oakdale, Turlock, Modesto, Ceres, Newman, Patterson Westley and Hughson; and

WHEREAS, in the operation of said project that a Conventional Low Rent Operating Budget has been adopted, and approved by the Department of Housing and Urban Development; and

WHEREAS, a budget has been prepared for said projects.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Stanislaus, that:

1. Proposed expenditures are necessary in the efficient and economical operation of the Housing Authority for the purpose of serving low income families.
2. The financial plan is reasonable in that:
 - a. It indicates a source of funding adequate to cover all proposed expenditures.
 - b. It does not provide for funding in excess of income.
3. All proposed charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract.
4. That no PHA employee reflected in the Operating Budget is serving in a variety of positions which will exceed a 100% allocation of his/her time.
5. The Conventional Low Rent Operating Budget as herein designated be, and the same is hereby ratified, confirmed and approved.
6. Said Low Rent Operating Budget is submitted to the Department of Housing and Urban Development for consideration and approval.
7. Said Low Rent Operating Budget is filed in the office of the Housing Authority of the County of Stanislaus and is more particularly identified as follows:

TERM	PROGRAM	AMOUNT
10/01/00 thru 9/30/01	Conventional Low Rent	\$2,935,727.00

DULY AND REGULARLY ADOPTED by the Board of Commissioners of the Housing Authority of the County of Stanislaus this 20th day of June, 2000.

On motion of Commissioner _____, seconded by Commissioner _____, and on the following roll call vote:

AYES:

NAYS:

ABSENT:

Approved: _____
Chairman

Attest: _____
Secretary

RESOLUTION NO. 98-99-50

**RESOLUTION APPROVING THE ADOPTION OF A
DECONCENTRATION POLICY FOR THE HOUSING
AUTHORITY OF THE COUNTY OF STANISLAUS**

WHEREAS, the Housing Authority of the County of Stanislaus is required by the Quality Housing and Work Responsibility Act to establish a "deconcentration" policy; and

WHEREAS, the purpose of such a policy is to avoid concentrating very low income households in public housing units; and

WHEREAS, THE Board of Commissioners has reviewed and discussed a proposed deconcentration attached as Exhibit A of this resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Stanislaus, that:

1. The Deconcentration policy attached as Exhibit A of the resolution is approved, and
2. This the resolution shall be effective June 16, 1999

DULY AND REGULARLY ADOPTED by the Board of Commissioners of the Housing Authority of the County of Stanislaus this 26th day of July, 1999.

On motion of Commissioner Avila, seconded by Commissioner Hoek, and on the following roll call vote:

AYES: Commissioner Avila, Hoek, Courtney and Edwards

NAYS: None

ABSENT: Commissioners Iniguez, Haile and Estacio

**Approved: _____
Chairman**

Attest: _____
Secretary

RESOLUTION NO. 99-00-65

RESOLUTION APPROVING THE HOUSING AUTHORITY OF THE COUNTY OF STANISLAUS AGENCY PLAN AND AUTHORIZING IT SUBMISSION TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, the Housing Authority of the County of Stanislaus HAS PREPARED AN Agency Plan as provided by the Department of Housing and Urban Development's regulations, and

WHEREAS, the Agency Plan was made available to the public for review during the required 45 day period, and

WHEREAS, the Board of Commissioners did conduct a public hearing on the Plan in order to receive public input, and

WHEREAS, the Resident Advisory Committee did provide its input into the Plan in the form of its own recommendations, and

WHEREAS, the Board of Commissioners did consider the recommendations of the resident Advisory Committee in its own review and discussion of the Plan, and

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Housing Authority of the County of Stanislaus, that

4. *The proposed Agency Plan is hereby approved, and*
5. *The Executive Director is authorized to submit the Plan along with all required certifications to the Department of Housing and Urban Development, and*
3. *This resolution shall take effect immediately.*

DULY AND REGULARLY ADOPTED by the Board of Commissioners of the Housing Authority of the County of Stanislaus this 11th day of July, 2000.

On motion of Commissioner _____, seconded by Commissioner _____, and on the following roll call vote:

AYES:

NAYS:

ABSENT:

Approved: _____
Chairman

Attest: _____
Secretary

DULY AND REGULARLY ADOPTED by the Board of Commissioners of
the Housing Authority of the County of Stanislaus this 24th day of August, 1999.

On motion of Commissioner _____, seconded by Commissioner
_____, and on the following roll call vote:

AYES:

NAYS:

ABSENT:

Approved: _____
Chairman

Attest: _____
Secretary

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan

I, Cathy Creswell the Acting Deputy Director certify

that the Five Year and Annual PHA Plan of the County of Stanislaus Housing Authority IS
consistent with the Consolidated Plan of

pursuant to 24 CFR Part 91.

**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing**

**Certification by State or Local Official of PHA Plans Consistency with
the Consolidated Plan**

I, Steve Kyte the City Manager City of Turlock, certify that the Five Year and Annual PHA Plan of the Housing Authority of the County of Stanislaus, is consistent with the Consolidated Plan of the City of Turlock, prepared pursuant to 24 CFR Part 91.

Date

**U. S. Department of Housing and Urban Development
Office of Public and Indian Housing Development**

**Certification by State or Local Official of PHA Plans Consistency with
the Consolidated Plan**

I, Miguel A. Galvez, certify that the Five year and Annual PHA Plan of the Housing Authority of the County of Stanislaus, is consistent with the Consolidated Plan of the City of the City of Modesto prepared pursuant to 24 CFR Part 91.

**U. S. Department of Housing and Urban Development
Office of Public and Indian Housing**

**Certification by State or Local Official of PHA Plans Consistency with
the Consolidated Plan .**

I, James S. Duval the Stanislaus County Housing Programs Manager certify that the Five Year and Annual PHA of the Housing Authority of the County of Stanislaus is consistent with the Consolidated Plan of the County of Stanislaus, prepared pursuant to 24 CFR Part 91.

U.S. Department of Housing and Urban Development Office of Public and Indian Housing

PHA Certifications of Compliance with the PHA Plans and Related Regulations Board Resolution to Accompany the PHA Plan

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the 5- Year Plan and Annual Plan for PHA fiscal year beginning , hereinafter referred to as the Plan of which this document is a part and make the following certifications and agreements with the Department of Housing Development (HUD) in connection with the submission of the Plan and implementation thereof:

- 1. The Plan is consistent with the applicable comprehensive housing afford ability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.**
- 2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA 's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.**
- 3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.**
- 4. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.**
- 5. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.**
- 6. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction 's initiatives to affirmatively further fair housing that require the PHA 's involvement and maintain records reflecting these analyses and actions.**

7. For PHA Plan that includes a policy for site based waiting lists:

.The PBA regularly submits required data to BUD's MTCS in an accurate, complete and timely manner (as specified in PIB Notice 99-2);

.The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;

.Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;

.The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;

.The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(I).

U. S. Department of Housing and Urban Development Office of Public and Indian Housing

8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.

9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.

10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low- or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.

II. The PHA has submitted with the Plan a certification with regard to a drug free workplace required by 24 CFR Part 24, Subpart F .

12. The PHA has submitted with the Plan a certification with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

13. For PHA Plan that includes a PHDEP Plan as specified in 24 CFR 761.21: The PHDEP Plan is consistent with and conforms to the "Plan Requirements" and "Grantee Performance Requirements" as specified in 24 CFR 761.21 and 761.23 respectively and the PHA will maintain and have available for review/inspection (at all times), records or documentation of the following:

.Baseline law enforcement services for public housing developments assisted under the PHDEP plan;

.Consortium agreements between the PHAs participating in the consortium and a copy of the payment agreement between the consortium and HUD (applicable only to PHAs participating in a consortium as specified under 24 CFR 761.15);

.Partnership agreements (indicating specific leveraged support) with agencies/organizations providing funding, services or other in-kind resources for PHDEP-funded activities;

.Coordination with other law enforcement efforts;

.Written agreement(s) with local law enforcement agencies (receiving any PHDEP funds); and .All crime statistics and other relevant data (including Part I and specified Part II crimes) that

establish need for the public housing sites assisted under the PHDEP Plan.

14. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation

Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

15. The PHA will take appropriate affirmative action to award contracts to minority and women 's business enterprises under 24 CFR 5.105(a).

16. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.

17. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.

18. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

19. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.

20. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.).

21. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.

PHA Certifications of Compliance with the PHA Plans and Related Regulations 12/99 Page 2 of 3

**U. S. Department of Housing and Urban Development
Office of Public and Indian Housing -**

22. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and attachments at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.

Housing Authority of the County of Stanislaus CAO26 PHA Name PHA Number

&/71/ --- ~,

official A. R. Chubon

Executive Director

HA Certifications of Compliance with the PI-IA Plans :and Itcl:lled Itc. regulations 12/99 Page3of3

Instructions for Completion of SF-LLL, Disclosure of Lobbying Activities

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal Action for which lobbying activity is an/or has been secured to influence the outcome of a covered Federal Action
2. Identify the status of the covered Federal Action
3. Identify the appropriate classification of this report. If this is a follow up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action
9. For a Covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal Amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (A) Enter the full name, address, city, state, and zip code of the registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item4) to the lobbying

4. Enter the full name address, city, state and zip code of the reporting entity. Include Congressional District, if known, 'check the appropriate classification to the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants

5. If the organization filing the report in item 4 checks "Subawardee", then enter the full name address, city, state and zip code of the prime Federal recipient, Include Congressional District, if known.

6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For Example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1) If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; the contract, grant, or loan award number; the application proposal control number assigned by the Federal agency) Include prefixes, e.g. "RFP-DE-90-001."

entity (item 10). Indicate whether the payment has been made (Actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.

12. Check the appropriate box(es). Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.

13. Check the appropriate box(es). Check all boxes that apply. If other, specify.

14. Provide specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory And related activity, not just the time spent in actual contact with Federal officials. Identify the Federal officials(s) or employee(s) contacted or the officer(s), employees(s) or Member(s) of Congress that were contacted.

15. Check whether or not a continuation sheet(s) are attached

16. The certifying official shall sign and date the form, print he/her name, title, and telephone number.

Public Reporting Burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Please do not return your completed form to the Office of Management and Budget; send it to the address provided by the sponsoring agency.

Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

Authorized for Local Reproduction Standard Form-LLL (7/97)

Applicant Name . Housing Authority of the County of Stanislaus Program/Activity Receiving Federal Grant Funding

Public Housing Drug Elimination Program

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue (1) Abide by the terms of the statement; and to provide a drug-free workplace by: (2) Notify the employer in writing of his or her conviction. a. Publishing a statement notifying employees that the un- tion for a violation of a criminal drug statute occurring in the lawful manufacture, distribution, dispensing, possession, or use workplace no later than five calendar days after such conviction; of a controlled substance is prohibited in the

Applicant's work- e Notifying the agency in writing within ten calendar days

place and specifying the actions that will be taken against "

t...t.db

employees for violation of such prohibition. ployee or otherwise receiving actual notice of such conviction. b. Establishing an on-going drug-free awareness program to Employees of convicted employees must provide notice, include inform employees ---ing position title, to every grant officer or other designee on .whose grant activity the convicted employee was working,

(1) The dangers of drug abuse In the workplace; unless the Federal agency has designated a central point for the

(2) The Applicant's policy of maintaining a drug-free receipt of such notices. Notice shall include the identification workplace; number(s) of each affected grant;

(3) Any available drug counseling, rehabilitation, and f. Taking one of the following actions, within 30 calendar employee assistance programs; and days of receiving notice under subparagraph d.(2), with respect

..to any employee who is so convicted ---

(4) The penalties that may be Imposed upon employees for drug abuse violations occurring in the workplace. (1) Taking appropriate personnel action against such an ...employee, up to and including termination, consistent with the

c. Making It a requirement that each employee to be engaged .

ifthrb.F.t.

or rehabilitation program ap- d. Notifying the employee in the statement required by para- rily in a drug abuse assistance

d..bbFdISitllhth...prove for suc purposes ya e era, a e, or oca ea, aw graph a. that, as a COndition of employment under the grant, the..

th.

ti.IefuOrcement, or o er approprla e agency;

emp oyee WI --- g. Making a good faith effort to continue to maintain a drug- free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the

HOD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here D if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.

(18 U.S.C.1001, 1010, 12. 31 U.S.C. 3729, 3802)

Na Title

Executive Director Signalure Dale

Applicant Name

Housing Authority of the County of Stanislaus Program/Activity Receiving Federal Grant Funding

Public Housing Drug Elimination Program

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be (3) The undersigned shall require that the language of this paid, by or on behalf of the undersigned, to any person for certification be included in the award documents for all sub awards influencing or attempting to influence an officer or employee of at all tiers (including subcontracts, subgrants, and contracts an agency, a Member of Congress, an officer or employee of under grants, loans, and cooperative agreements) and that all Congress, or an employee of a Member of Congress in connection subrecipients shall certify and disclose accordingly, tion with the awarding of any Federal contract, the making of any. , , , Federal grant, the making of any Federal loan, the entering into This certification IS a materi-l represen-tation of fact upon which of any cooperative agreement, and the extension, continuation, ~ellance wa.s ~laced w,hen thIS transaction was made or entered renewal amendment

ormodl.ficat'l onofFdIttInto. Submission of this certification is a prerequisite for making , , any e era con rac , , . h grant loan or cooperative agreement. or enterIng Into t IS transaction Imposed by Section 1352, Title , , 31, U.S. Code. Any person who fails to file the required

(2) If any funds other than Federal appropriated funds have certification shall be subject to a civil penalty of not less than been paid or will be paid to any person for influencing or \$10,000 and not more than \$100,000 for each such failure. attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements, Conviction may result in criminal and/or civil penalties,

(18 U.S.C.1001,1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official Title

Rich Chubon Executive Director Signature Date

X

.. , , form HUD 50071 (3/98) Previous edItion IS obsolete ref, Handbooks 7417.1, 7475,13, 7485,1, & 7485,3

Disclosure of Lobbying Activities Approved by OMB 0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352 (See reverse side for Instructions and Public Reporting burden statement}

1. Type of Federal Action 2. Status of Federal Action 3. Report Type

ru--l a. contract ~ a. bid/offer/application ~ a. initial filing

~ b. grant ~ b. initial award ~ b. material change c. cooperative agreement c. post-award For Material Change Only

d. loan year (yyyy) quarter e. loan guarantee

f. loan insurance date of last report (mm/dd/yyyy) 4. Name and Address of Reporting Entity 5. If Reporting Entity In No.4 Is Subawardee, enter

Name and Address D Prime D Subawardee Tier , if known: of Prime

(NOT APPLICABLE) (NOT APPLICABLE)

Congressional District, if known Congressional District, if known 6. Federal Department/Agency 7. Federal Program Name/Description

CFDA Number, if applicable 8. Federal Action Number, if known 9. Award Amount, if known \$

10a. Name and Address of Lobbying Registrant b. Individuals Performing Services (including address if different from No.1 Oa.)

(if individual, last name, first name, MI) (last name, first name, MI)

(attach continuation sheet(s) if necessary)

11. Amount of Payment { check all that apply} 13. Type of Payment (check all that apply)

\$ --0 planned D a. retainer (NOT APPLICABLE) ~r;~f Payment (check all that apply} D b. one-time fee D a. cash (NOT APPLICABLE) D c.

commission

D b. in-kind; specify: nature D d. contingent fee value D e. deferred

D f. other (5pecify} 14. Brief Description of Services Performed or to be Performed and Date(s) of Service, including officer(s), employee(s), or

Member(s) contacted, for Payment Indicated In Item 11

(NOT APPLICABLE)

(attach continuation sheet(s) if necessary) ~ 15. Continuation sheets attached [iJ Yes D No

16. Information requested through this form is authorized by Sec.319,

Pub. L. 101-121, 103 Stat. 750, as amended by sec. 10; Pub. L. 104- Signature 65, Stat. 700 (31 U.S.C. 1352}. This disclosure of lobbying

activities .

ftt.
ffth.hl.l dp. t N Rich Chubon

IS a ma erla represen a lon o ac upon w IC re lance was p ace nn arne by the above when this transaction was made or entered into. This

disclosure is required pursuant to 31 U.S.C. 1352. This information Title Exact!!J~::~~t"!::~-0-L will be reported to the Congress

semiannually and will be available

for public inspection. Any person who fails to file the required Telephone No. -(2Q.9l-5-5-1=-2QQI disclosure shall be subject to a civil penalty

of not less than \$10,000 ' da and not more than \$100,000 for each such failure. -- Au orized for Local Reproduction Standard Form-LLL (7/97}

DISCLOSURE OF LOBBYING ACTIVITIES Approved by OMB

0348-0046 CONTINUATION SHEET

Reporting Entity: Housing Authority of the County of Stanislaus Page --1- of ~

**STATEMENT OF POLICIES GOVERNING
ADMISSION TO AND CONTINUED OCCUPANCY
OF THE
CONVENTIONAL LOW RENT PUBLIC HOUSING
UNITS OPERATED BY
THE HOUSING AUTHORITY OF THE COUNTY OF STANISLAUS**

REVISED - JULY, 2000

TABLE OF CONTENTS

1.0 FAIR HOUSING.....5

2.0 REASONABLE ACCOMMODATION.....5

 2.1 COMMUNICATION.....5

 2.2 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION.....6

3.0 FAMILY OUTREACH.....7

4.0 RIGHT TO PRIVACY.....7

5.0 REQUIRED POSTINGS.....8

6.0 TAKING APPLICATIONS.....8

7.0 ELIGIBILITY FOR ADMISSION.....9

 7.1 INTRODUCTION.....9

 7.2 ELIGIBILITY CRITERIA.....9

 7.3 SUITABILITY.....12

 7.4 GROUNDS FOR DENIAL.....14

 7.5 EVIDENCE OF FAVORABLE FUTURE CONDUCT.....15

 7.6 INFORMAL REVIEW.....15

8.0 MANAGING THE WAITING LIST.....16

 8.1 OPENING AND CLOSING THE WAITING LIST.....16

 8.2 ORGANIZATION OF THE WAITING LIST.....17

 8.3 SINGLE SITE WAITING LIST CAL 26-3.....18

 8.4 FAMILIES NEARING THE TOP OF THE WAITING LIST.....18

 8.5 PURGING THE WAITING LIST.....19

 8.6 REMOVAL OF APPLICANTS FROM THE WAITING LIST.....19

 8.7 MISSED APPOINTMENTS.....19

 8.8 NOTIFICATION OF NEGATIVE ACTIONS.....19

9.0 TENANT SELECTION AND ASSIGNMENT PLAN.....20

 9.1 PREFERENCES.....20

 9.2 ASSIGNMENT OF BEDROOM SIZES.....21

 9.3 SELECTION FROM THE WAITING LIST.....23

 9.4 DECONCENTRATION POLICY.....23

 9.5 DECONCENTRATION INCENTIVES.....23

 9.6 OFFER OF A UNIT.....24

 9.7 REJECTION OF UNIT.....24

 9.8 ACCEPTANCE OF UNIT.....25

10.0 INCOME, EXCLUSIONS FROM INCOME, AND DEDUCTIONS

 FROM INCOME..... 26

10.1 INCOME.....26

10.2	ANNUAL INCOME	28
10.3	DEDUCTIONS FROM ANNUAL INCOME	31
10.4	INDIVIDUAL SAVINGS ACCOUNT IN LIEU OF INCOME DISREGARD	32
11.0	VERIFICATION	33
11.1	ACCEPTABLE METHODS OF VERIFICATION	34
11.2	TYPES OF VERIFICATION	34
11.3	VERIFICATION OF CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS	36
11.4	VERIFICATION OF SOCIAL SECURITY NUMBERS	37
11.5	TIMING OF VERIFICATION	38
11.6	FREQUENCY OF OBTAINING VERIFICATION	38
12.0	DETERMINATION OF TOTAL TENANT PAYMENT AND TENANT RENT	38
12.1	FAMILY CHOICE	38
12.2	THE FORMULA METHOD	39
12.3	MINIMUM RENT	39
12.4	THE FLAT RENT	40
12.5	CEILING RENT	40
12.6	RENT FOR FAMILIES UNDER THE NON-CITIZEN RULE	40
12.7	UTILITY ALLOWANCE	41
12.8	PAYING RENT	42
13.0	CONTINUED OCCUPANCY AND COMMUNITY SERVICE	43
13.1	GENERAL	43
13.2	EXEMPTIONS	43
13.3	NOTIFICATION OF THE REQUIREMENT	44
13.4	VOLUNTEER OPPORTUNITIES	44
13.5	THE PROCESS	45
13.6	NOTIFICATION OF NON-COMPLIANCE WITH COMMUNITY SERVICE REQUIREMENT	45
13.7	OPPORTUNITY FOR CURE	46
14.0	RE-CERTIFICATIONS	46
14.1	GENERAL	46
14.2	MISSED APPOINTMENTS	46
14.3	FLAT RENTS	47
14.4	THE FORMULA METHOD	48
14.5	EFFECTIVE DATE OF RENT CHANGES FOR ANNUAL REEXAMINATIONS	48
14.6	INTERIM REEXAMINATIONS	48
14.7	SPECIAL REEXAMINATIONS	49
14.8	EFFECTIVE DATE OF RENT CHANGES DUE TO INTERIM REEXAMINATIONS	49
15.0	UNIT TRANSFERS	49
15.1	OBJECTIVES OF THE TRANSFER POLICY	49
15.2	CATEGORIES OF TRANSFERS	50
15.3	DOCUMENTATION	51
15.4	INCENTIVE TRANSFERS OR RESIDENT INITIATED TRANSFERS	51
15.5	PROCESSING TRANSFERS	51
15.6	COST OF THE FAMILY'S MOVE	53
15.7	TENANTS IN GOOD STANDING	53
15.8	TRANSFER REQUESTS	53
15.9	RIGHT OF THE Housing Authority IN TRANSFER POLICY	54

16.0	INSPECTIONS.....	54
16.1	MOVE-IN INSPECTIONS.....	54
16.2	ANNUAL INSPECTIONS.....	54
16.3	PREVENTATIVE MAINTENANCE INSPECTIONS.....	54
16.4	SPECIAL INSPECTIONS.....	54
16.5	HOUSEKEEPING INSPECTIONS.....	55
16.6	NOTICE OF INSPECTION.....	55
16.7	EMERGENCY INSPECTIONS.....	55
16.8	MOVE-OUT INSPECTIONS.....	55
17.0	PET POLICY.....	55
17.1	EXCLUSIONS.....	55
17.2	PETS IN PUBLIC HOUSING DEVELOPMENTS.....	55
17.3	APPROVAL.....	55
17.4	TYPES AND NUMBER OF PETS.....	55
17.5	INOCULATIONS, LICENCING, AND PET IDENTIFICATION.....	56
17.6	HUMANE CONFINEMENT.....	56
17.7	PET DEPOSIT.....	56
17.8	FINANCIAL OBLIGATION OF RESIDENTS.....	57
17.9	NUISANCE OR THREAT TO HEALTH OR SAFETY.....	57
17.10	DESIGNATION OF PET AREAS.....	57
17.11	VISITING PETS.....	57
17.12	RESIDENT ABSENCES FROM THE PREMISES.....	57
17.13	REMOVAL OF PETS.....	57
18.0	REPAYMENT AGREEMENTS.....	57
19.0	TERMINATION.....	58
19.1	TERMINATION BY TENANT.....	58
19.2	TERMINATION BY THE HOUSING AUTHORITY.....	58
19.3	ABANDONMENT.....	59
19.4	RETURN OF SECURITY DEPOSIT.....	60
20.0	FAMILY SELF-SUFFICIENCY, IDA, AND HOME-OWNERSHIP OPPORTUNITIES.....	60
	(RESERVED)	

ADMISSIONS AND CONTINUED OCCUPANCY POLICY

The Admissions and Continued Occupancy Policy defines the Housing Authority 's policies for the operation for the Public Housing Program, incorporating Federal, State and local law. If there is any conflict between this policy and laws or regulations, the laws and regulations will prevail.

1.0 FAIR HOUSING

It is the policy of the Housing Authority to fully comply with all Federal, State and local nondiscrimination laws; the Americans with Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

No person shall, on the grounds of race, color, sex, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Housing Authority 's programs.

To further its commitment to full compliance with applicable Civil Rights laws, the Housing Authority will provide Federal/State/local information to applicants/tenants of the Public Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the Housing Authority office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

The Housing Authority will assist any family that believes they have suffered illegal discrimination by providing them copies of the appropriate housing discrimination forms. The Housing Authority will also assist them in completing the forms if requested, and will provide them with the address of the nearest HUD office of Fair Housing and Equal Opportunity.

2.0 REASONABLE ACCOMMODATION

Sometimes people with disabilities may need a reasonable accommodation in order to take full advantage of the Housing Authority housing programs and related services. When such accommodations are granted, they do not confer special treatment or advantage for the person with a disability; rather, they make the program accessible to them in a way that would otherwise not be possible due to their disability. This policy clarifies how people can request accommodations and the guidelines the Housing Authority will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, the Housing Authority will ensure that all

applicants/tenants are aware of the opportunity to request reasonable accommodations.

2.1 COMMUNICATION

Anyone requesting an application will also receive a Request for Reasonable Accommodation form.

Notifications of reexamination, inspection, appointment, or eviction will include information about requesting a reasonable accommodation. Any notification requesting action by the tenant will include information about requesting a reasonable accommodation.

All decisions granting or denying requests for reasonable accommodations will be in writing.

2.2 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION

- A. Is the requestor a person with disabilities? For this purpose the definition of person with disabilities is different than the definition used for admission. The Fair Housing definition used for this purpose is:

A person with 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. (The disability may not be apparent to others, i.e., a heart condition).

If the disability is apparent or already documented, the answer to this question is yes. It is possible that the disability for which the accommodation is being requested is a disability other than the apparent disability. If the disability is not apparent or documented, the Housing Authority will obtain verification that the person is a person with a disability.

- B. Is the requested accommodation related to the disability? If it is apparent that the request is related to the apparent or documented disability, the answer to this question is yes. If it is not apparent, the Housing Authority will obtain documentation that the requested accommodation is needed due to the disability. The Housing Authority will not inquire as to the nature of the disability.

- C. Is the requested accommodation reasonable? In order to be determined reasonable, the accommodation must meet two criteria:

1. Would the accommodation constitute a fundamental alteration? The Housing Authority 's business is housing. If the request

would alter the fundamental business that the Housing Authority conducts, that would not be reasonable. For instance, the Housing Authority would deny a request to have the Housing Authority do grocery shopping for a person with disabilities.

2. Would the requested accommodation create an undue financial hardship or administrative burden? Frequently the requested accommodation costs little or nothing. If the cost would be an undue burden, the Housing Authority may request a meeting with the individual to investigate and consider equally effective alternatives.

- D. Generally the individual knows best what it is they need; however, the Housing Authority retains the right to be shown how the requested accommodation enables the individual to access or use the Housing Authority 's programs or services. If more than one accommodation is equally effective in providing access to the Housing Authority 's programs and services, the Housing Authority retains the right to select the most efficient or economic choice.

The cost necessary to carry out approved requests, including requests for physical modifications, will be borne by the Housing Authority if there is no one else able to pay for the modifications. If another party pays for the modification, the Housing Authority will seek to have the same entity pay for any restoration costs.

If the tenant requests as a reasonable accommodation that they be permitted to make physical modifications at their own expense, the Housing Authority will generally approve such request if it does not violate codes or affect the structural integrity of the unit.

Any request for an accommodation that would enable a tenant to materially violate essential lease terms will not be approved, i.e. allowing nonpayment of rent, destruction of property, disturbing the peaceful enjoyment of others, etc.

- E. All approved or denied requests will be documented in writing. Approved requests will be signed by the resident and management and will include provisions describing the accommodation/modification, material to be used, the person authorized by management to complete the physical modification, if appropriate, who will bare the cost of the modification, including restoration, and a statement that the Housing Authority may at the end of the residency apply resident's Security Deposit toward any restoration costs.

3.0 FAMILY OUTREACH

From time to time, the Housing Authority will publicize the availability and nature of the Public Housing Program for extremely low-income, very low and low-income families in a newspaper of general circulation, minority media, and by other suitable means.

To reach families who may-not read the newspapers or to provide out reach to certain ethnic families who may not be sufficiently "represented" on Authority waiting lists or programs, the Housing Authority will distribute fact sheets to the broadcasting media and will initiate personal contacts with members of the news media, ethnic organizations, and community service personnel. The Housing Authority will also try to utilize public service announcements.

4.0 RIGHT TO PRIVACY

All adult members of both applicant and tenant households are required to sign HUD Form 9886, Authorization for Release of Information and Privacy Act Notice and other Housing Authority required release forms. The Authorization for Release of Information and Privacy Act Notice states how family information will be released and includes the Federal Privacy Act Statement.

Any request for applicant or tenant information will not be released unless there is a signed release of information request form from the applicant or tenant provided to the Housing Authority from the requesting party.

The Housing Authority regularly exchanges resident or applicant information with the Stanislaus County Department of Social Services.

5.0 REQUIRED POSTINGS

In each of its offices, the Housing Authority will post, in a conspicuous place and at a height easily read by all persons including persons with mobility disabilities, the following information:

- A. Statement of Policies and Procedures governing Admission and Continued Occupancy
- B. Notice of the status of the waiting list (opened or closed)
- C. A listing of all the developments address, number of units, units designed with special accommodations, address of all project offices, office hours, telephone numbers, TDD numbers, and operation hours
- D. Income Limits for Admission
- E. Excess Utility Charges

- F. Current Schedule of Routine Maintenance Charges
- G. Dwelling Lease
- H. Grievance Procedure
- I. Fair Housing Poster
- J. Equal Opportunity in Employment Poster
- K. Any current Housing Authority Notices

6.0 TAKING APPLICATIONS

Families wishing to apply for the Public Housing Program will be required to fully and accurately complete and "mail-in" their application for housing assistance. "Hand delivered" applications are not accepted at any of the Housing Authority's offices. Applications will be mailed to interested families upon request.

Applications are taken to compile waiting lists. Due to the demand for housing in the Housing Authority's jurisdiction, the Housing Authority may take applications on an open enrollment basis, depending on the length of the waiting list. Any openings or closings of any waiting list will be advertised in the local newspaper.

Completed applications will be accepted for all applicants and the Housing Authority will verify the information.

The completed application will be dated and time stamped upon its receipt by the Housing Authority .

Persons with disabilities who require a reasonable accommodation or other persons who may need help in completing an application may call the Housing Authority, 52-30705 Ext. 305, for help in completing their application. A Telecommunication Device for the Deaf (TDD) is available. The TDD telephone number is (209) 523-1056.

The application process involves two phases. The first phase is the acceptance of the initial application for housing assistance and the verification of information provided. The process establishes eligibility and waiting list preferences to which the family may be entitled.

Upon receipt of the family's application, the Housing Authority will notify the family in writing of the receipt of the application. The notification should be kept by the family as their "evidence" of having submitted the application. The written notification will provide the family with the approximate wait before housing may be offered. If at any step in the process, the Housing Authority determines the family to be ineligible for one or more reasons, a notice will be mailed to the

family stating the reasons therefore and will offer the family the opportunity of an informal review of the determination.

The applicant may at any time provide written notification to the Housing Authority of changes in their applicant status including changes in family composition, income, or preference factors. The Housing Authority will annotate the applicant's file and may, based on the verification of the reported change, update their place on the waiting list.

The second phase is the final determination of eligibility which includes a mandatory orientation, criminal back ground checks, and an interview. The Housing Authority will ensure that verification of all preferences, eligibility, suitability, selection factors, and family income are current (no more than six months old for reported income) in order to determine the family's final eligibility for admission into the Public Housing Program. If found eligible, the family will be placed on the "Eligible Waiting List" where the family will await housing offers in the area/s applied for.

7.0 ELIGIBILITY FOR ADMISSION

7.1 INTRODUCTION

There are five eligibility requirements for admission to public housing: (1) the applicant qualifies as a family, (2) the applicant has an income within the income limits, (3) the applicant meets citizenship/eligible immigrant criteria, (4) the applicant provides documentation of Social Security numbers, and (5) the applicant and all adult family members sign consent authorization documents. In addition to the eligibility criteria, families must also meet the Housing Authority 's screening criteria.

7.2 ELIGIBILITY CRITERIA

A. Family status.

1. A family with or without children. Such a family is defined as a group of people related by blood, marriage, adoption or affinity that live together in a stable family relationship.
 - a. Children temporarily absent from the home due to placement in foster care are considered family members.
 - b. Unborn children and children in the process of being adopted are considered family members for the purpose of determining bedroom size but are not considered family members for determining income limit.

PUBLIC HOUSING GRIEVANCE PROCEDURE

1.0 RIGHT TO A HEARING

Upon the filing of a written request as provided in these procedures, a resident shall be entitled to a hearing before a Hearing Officer.

2.0 DEFINITIONS

For the purpose of this Grievance Procedure, the following definitions are applicable:

- A. "Grievance" shall mean any dispute which a resident may have with respect to the Housing Authority County of Stanislaus's action or failure to act in accordance with the individual resident's lease or Authority regulations which adversely affect the individual resident's rights, duties, welfare or status. Grievance does not include any dispute a resident may have with the Authority concerning a termination of tenancy or eviction that involves any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the Authority's public housing premises by other residents or employees of the Authority; or any violent or drug-related criminal activity on or off such premises; or any activity resulting in a felony conviction. Nor shall this process apply to disputes between residents not involving the Housing Authority County of Stanislaus or to class grievances. The Housing Authority County of Stanislaus will notify any resident of his/her right to request a grievance hearing at anytime the particular resident is alleged to have violated the rules and or regulations that are covered under the grievance policy.**

- B. "Complainant" shall mean any resident whose grievance is presented to the Housing Authority County of Stanislaus or at the development management office in accordance with sections 3.0 and 4.0 of this procedure.**

- C. "Elements of Due Process" shall mean an eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required:**
 - 1. Adequate notice to the resident of the grounds for terminating the tenancy and for eviction;**

2. **Right of the resident to be represented by counsel;**
 3. **Opportunity for the resident to refute the evidence presented by the Authority including the right to confront and cross examine witnesses and to present any affirmative legal or equitable defense which the resident may have; and**
 4. **A decision on the merits.**
- D. **"Hearing Officer" shall mean a person selected in accordance with section 4.0 of these procedures to hear grievances and render a decision with respect thereto.**
- E. **"Resident" shall mean the adult person (or persons) other than a live-in aide:**
1. **Who resides in the unit and who executed the lease with the Housing Authority County of Stanislaus as lessee of the premises, or, if no such person now resides in the premises,**
 2. **Who resides in the unit and who is the remaining head of household of the resident family residing in the unit.**
- F. **"Resident Organization" includes a resident management corporation.**
- G. **"Promptly" (as used in section 3.0, and 4.0 (D)), shall mean within the time period indicated in a notice from Housing Authority County of Stanislaus of a proposed action which would provide the basis for a grievance if the resident has received a notice of a proposed action from the agency.**

3.0 PROCEDURES PRIOR TO A HEARING

Any grievance shall be promptly and personally presented, either orally or in writing, to the Housing Authority County of Stanislaus office or to the office of the development in which the resident resides so that the grievance may be discussed informally and settled without a hearing. A summary of such discussion shall be prepared within fourteen (14) calendar days and one copy shall be given to the resident and one retained in the Authority's resident file. The summary shall specify the names of the participants, dates of the meeting, the nature of the proposed disposition of the complaint and the specific reasons therefor, and shall specify the procedures by which a hearing under these procedures may be obtained if the resident is not satisfied.

4.0 PROCEDURES TO OBTAIN A HEARING

4.1 *REQUEST FOR HEARING*

The resident shall submit a written request for a hearing to the Authority or the development office within fourteen (14) calendar days from the date of the mailing of the summary of the discussion pursuant to section 3.0. The written request shall specify:

- A. The reasons for the grievance; and
- B. The action or relief sought.

4.2 *SELECTION OF A HEARING OFFICER*

A grievance hearing shall be conducted by an impartial person appointed by the Housing Authority County of Stanislaus other than a person who made or approved the action under review or a subordinate of such person.

The Housing Authority County of Stanislaus shall annually submit a list of prospective hearing officers. This list shall be provided to any existing resident organization(s) for such organization's comments or recommendations. The Housing Authority County of Stanislaus shall consider any comments or recommendations by a resident organization.

From this list, a hearing officer shall be selected.

4.3 *FAILURE TO REQUEST A HEARING*

If the resident does not request a hearing in accordance with this section, then the Housing Authority County of Stanislaus's disposition of the grievance under section 3.0 shall become final. However, failure to request a hearing does not constitute a waiver by the resident of the right thereafter to contest the Housing Authority County of Stanislaus's action in disposing of the complaint in an appropriate judicial proceeding.

4.4 *HEARING PREREQUISITE*

All grievances shall be promptly presented in person, either orally or in writing.

pursuant to the informal procedure prescribed in section 3.0 as a condition precedent to a hearing under this Section. However, if the resident can show good cause why there was failure to proceed in accordance with section 3.0 to the Hearing Officer, the provisions of this subsection may be waived by the Hearing Officer.

4.5 ESCROW DEPOSIT

Before a hearing is scheduled in any grievance involving the amount of rent as defined in the lease which the Housing Authority County of Stanislaus claims is due, the resident shall pay to the Housing Authority County of Stanislaus an amount equal to the amount of the rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. The resident shall thereafter deposit monthly the same amount of the monthly rent in an escrow account held by the Housing Authority County of Stanislaus until the complaint is resolved by decision of the Hearing Officer. Amounts deposited into the escrow account shall not be considered as acceptance of money for rent during the period in which the grievance is pending. In extenuating circumstances, the Housing Authority County of Stanislaus may waive these requirements. Unless so waived, the failure to make such payments shall result in a termination of the grievance procedure. However, failure to make payment shall not constitute a waiver of any right the resident may have to contest the Housing Authority County of Stanislaus's disposition of his grievance in any appropriate judicial proceeding.

4.6 SCHEDULING OF HEARINGS

Upon the resident's compliance with this section the Hearing Officer shall promptly schedule a hearing for a time and place reasonably convenient to both the resident and the Housing Authority County of Stanislaus. A written notification specifying the time, place and the procedures governing the hearing shall be delivered to the resident and the appropriate agency official.

5.0 PROCEDURES GOVERNING THE HEARING

The resident shall be afforded a fair hearing, which shall include:

- A. The opportunity to examine before the grievance hearing any Authority documents, including records and regulations that are directly relevant to the hearing. The resident shall be provided a copy of any such document at the resident's expense. If the Housing Authority County of Stanislaus does not make the document available for examination upon request by the resident, the Housing Authority County of Stanislaus may not rely on such document at the

grievance hearing.

- B. The right to be represented by counsel or other person chosen as the resident's representative and to have such person make statements on the resident's behalf;**
- C. The right to a private hearing unless the resident requests a public hearing;**
- D. The right to present evidence and arguments in support of the resident's complaint, to controvert evidence relied on by the Authority or development management, and to confront and cross examine all witnesses upon whose testimony or information the Housing Authority County of Stanislaus or development management relies; and**
- E. A decision based solely and exclusively upon the facts presented at the hearing.**

The Hearing Officer may render a decision without holding a hearing if the Hearing Officer determines that the issue has been previously decided at another hearing.

If either the resident or Authority fails to appear at a scheduled hearing, the Hearing Officer may postpone the hearing for up to five business days or determine that the missing party has waived their right to a hearing. Both the Housing Authority County of Stanislaus and the resident shall be notified of the Hearing Officer's decision. This decision shall not waive a resident's right to contest the disposition of the grievance in an appropriate judicial proceeding.

The following accommodation will be made for persons with disabilities:

- A. The Housing Authority County of Stanislaus shall provide reasonable accommodations for persons with disabilities to participate in the hearing. Reasonable accommodations may include qualified sign language interpreters, readers, accessible locations, or attendants.**
- B. If the resident is visually impaired, any notice to the resident that is required by these procedures must be in an accessible format.**

6.0 INFORMAL HEARING PROCEDURES FOR DENIAL OF ASSISTANCE ON THE BASIS OF INELIGIBLE IMMIGRATION STATUS

The participant family may request that the Housing Authority County of Stanislaus provide for an informal hearing after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. The participant family must make this request within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

7.0 DECISION OF THE HEARING OFFICER

The Hearing Officer shall prepare a written decision, together with the reasons therefor, within fourteen (14) calendar days after the hearing. A copy of the decision shall be sent to the resident and the Housing Authority County of Stanislaus. The Authority shall retain a copy of the decision in the resident's folder. A copy of such decision with all names and identifying references deleted shall also be maintained on file by the Housing Authority County of Stanislaus and made available for inspection by a prospective complainant, his or her representative, or the Hearing Officer.

The decision of the Hearing Officer shall be binding on the Housing Authority County of Stanislaus who shall take all actions, or refrain from any actions, necessary to carry out the decision unless the Housing Authority County of Stanislaus's Board of Commissioners determines within reasonable time, and promptly notifies the complainant of its determination, that:

- A. The grievance does not concern Housing Authority County of Stanislaus action or failure to act in accordance with or involving the resident's lease or Authority regulations, which adversely affect the resident's rights, duties, welfare or status;
- B. The decision of the Hearing Officer is contrary to applicable Federal, State, or local law, Authority regulations, or requirements of the Annual Contributions Contract between the Authority and the U.S. Department of Housing and Urban Development.

A decision by the Hearing Officer or Board of Commissioners in favor of the Housing Authority County of Stanislaus or which denies the relief requested by the resident in whole or in part shall not constitute a waiver of, nor affect in any manner whatsoever, any rights the resident may have to a trial *de novo* or judicial review in any judicial proceedings, which may thereafter be brought in the matter.

Chapter 1
STATEMENT OF GENERAL POLICIES

A.	LOCAL OBJECTIVES.....	1
B.	PURPOSE OF THE PLAN	1
C.	JURISDICTION	2
D.	FAIR HOUSING POLICY [24 CFR 982.54(d)(6)].....	2
E.	EQUAL EMPLOYMENT OPPORTUNITY	3
F.	SERVICE POLICY /ACCOMMODATIONS.....	3
G.	TRANSLATIONS OF DOCUMENTS.....	3
H.	FAMILY OUTREACH.....	3
I.	OWNER OUTREACH [24 CFR 982.54(d)(5)].....	4
J.	PRIVACY RIGHTS	4
K.	RELEASE OF TENANT INFORMATION TO LANDLORDS	5
L.	MONITORING PROGRAM PERFORMANCE	5

Chapter 2
ELIGIBILITY FOR ADMISSION

A.	INTRODUCTION - DEFINITION OF ADMISSION.....	6
B.	VERIFICATION OF ELIGIBILITY CRITERIA.....	6
C.	FAMILY COMPOSITION DEFINITIONS [24 CFR 982.54(d)(4)(I)].....	6
	1. Family	
	2. Head of Household	
	3. Spouse	
	4. Live-In Attendants	
D.	INCOME LIMITATION DEFINITIONS [24 CFR Part 5, SubpartsB, D & E, 982.201 (b) (d) 982.54(d)(4)(ii)].....	8
	1. Very Low	
	2. Low	
	3. Income Limit Requirements for Portability	
E.	CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR Part 5, Subpart E].....	9
F.	DISCLOSURE OF SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218].....	10
G.	OTHER CAUSES FOR DENIAL OF ADMISSION [24 CFR 982.552 (b)]	10
	1. Housing Authority Policy	
	2. HUD Recommended	
H.	INELIGIBLE FAMILIES	12

Chapter 3
RECEIPT OF APPLICATIONS/PREFERENCES/WAIT LIST MAINTENANCE

A.	NOTIFICATION OF WAIT LIST OPENING/CLOSURE	
-----------	--	--

	[24 CFR 982.206, 982.54 (d)(1)]	13
B.	INITIAL APPLICATION INFORMATION	14
C.	APPLICATION ACCEPTANCE -- LIMITATIONS	14
D.	FAMILY SEPARATION AND RETENTION OF WAIT LIST PLACEMENT	15
E.	NOTIFICATION OF APPLICANT STATUS	15
	1. Wait List Admission	
	2. Denial of Wait List Admission	
F.	PRIORITIZATION OF APPLICANTS	16
G.	SPECIAL ADMISSIONS - HUD TARGETED PROGRAMS	17
H.	MODERATE REHABILITATION PROGRAM	18
I.	WAIT LIST MAINTENANCE	18
	1. Purging Schedule	
	2. Applicant Submission of Updated Information	
J.	REMOVAL FROM THE WAITING LIST	19
K.	REINSTATEMENT TO THE WAIT LIST	19

Chapter 4
VERIFYING PROGRAM ELIGIBILITY/FAMILY COMP/CHANGES

A.	WHEN VERIFICATION IS REQUIRED	20
	1. Initial Eligibility	
	2. Ongoing Program Eligibility	
B.	VERIFICATION - METHODS AND DURATION OF VALIDITY	20
	1. Third Party Written	
	2. Third Party Oral	
	3. Document Review	
	4. Self-Certification	
C.	RELEASE OF INFORMATION	22
D.	VERIFYING PREFERENCES	22
	1. Federal Preferences	
	2. Local Preferences	
E.	FAMILY IDENTIFICATION VERIFICATION	25
	1. Verification of Legal Identity	
	2. Marital Status	
	3. Citizenship/Eligible Immigrant Status	
F.	VERIFYING FAMILIAL RELATIONSHIPS	27
	1. Verification of Guardianship	
	2. Evidence of a Family Relationship	
	3. Permanent Absence of Adult Member	
	4. Pregnancy	
	5. Verification of Change in Family Composition	
	6. Disability	
G.	VERIFYING INCOME	29
H.	VERIFYING ASSETS	32
I.	VERIFYING DEDUCTIONS/EXCEPTIONS/ALLOWANCES	34

1. Medical Need for a Larger Unit
2. Child Care Expenses
3. Medical Expenses
4. Assistance to Persons With Disabilities

Chapter 5

SUBSIDY STANDARDS/BRIEFINGS

[24 CFR 982.54(d)(9)]

A.	DETERMINING CERTIFICATE/VOUCHER SIZE [24 CFR 982.402].....	38
	1. Certificate/Voucher Subsidy Standards	
	2. Waiver of Subsidy Standards	
B.	UNDERHOUSED/OVERHOUSED FAMILIES	39
C.	UNIT SIZE SELECTED	40
	(When unit size selected differs from participant’s subsidy level)	
D.	ISSUANCE OF CERTIFICATES/VOUCHERS.....	41
E.	BRIEFING TYPES AND ATTENDANCE GUIDELINES.....	41
	1. Applicant Briefing	
	2. Briefing Packet Information	
F.	TRANSFER BRIEFINGS.....	43
G.	ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION	43
H.	TERM OF CERTIFICATE/VOUCHER	44
	1. Extensions	
	2. Expirations	
I.	SUSPENSIONS/TOLLING.....	44
J.	INTERCHANGEABILITY.....	44
K.	CERTIFICATE/VOUCHER ISSUANCE WHEN HOUSEHOLDS SEPARATE.....	45

Chapter 6

FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION

A.	INCOME AND ALLOWANCES	46
B.	CALCULATION OF TOTAL TENANT PAYMENT (TTP).....	47
C.	MINIMUM RENTS.....	47
D.	AVERAGING INCOME.....	48
E.	CALCULATING RETROACTIVE LUMP SUM ADDITIONS TO INCOME AND UNDERREPORTED INCOME.....	48
F.	PRORATION OF ASSISTANCE FOR “MIXED” FAMILIES.....	49
G.	ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE.....	49
H.	CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS.....	50
I.	UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS	50
J.	FAMILY COMPOSITION FACTORS WHICH AFFECT THE CALCULATION OF A FAMILY’S TTP.....	50
	1. Temporarily Absent Family Members	
	2. Definition of Visitor	
	3. Additions to Family Members	
	4. Military Leave	
	5. Full-Time Students	
	6. Absence of Any Member	

- 7. Absence due to Medical Reasons
- 8. Absence of Entire Family
- 9. Absence of Sole Member
- 10. Absence - Restraining Order
- 11. Reporting Requirements for Absent Family Members
- 12. Absence due to Incarceration
- 13. Foster Care/Absent Children
- 14. Absence of Adult
- 15. Confinement to Nursing Home

Chapter 7

REQUEST FOR LEASE APPROVAL/HQS INSPECTIONS

- A. **REQUEST FOR LEASE APPROVAL [24 CFR 982.305(b)]55**
 - 1. **Approval of RFLA**
 - 2. **Disapproval of RFLA**
- B. **ELIGIBLE TYPES OF HOUSING [24 CFR 982.353, 982.54(d)(15)].....56**
- C. **INELIGIBLE TYPES OF HOUSING.....56**
- D. **HACS LEASE REVIEW [24 CFR 982.308].....57**
- E. **SEPARATE AGREEMENTS57**
- F. **INITIAL INSPECTIONS.....57**
- G. **DISAPPROVAL OF PROPOSED RENT57**
- H. **INFORMATION TO OWNERS58**
- I. **OWNER DISAPPROVAL59**
- J. **CHANGE IN TTP PRIOR TO HAP EFFECTIVE DATE60**
- K. **SECURITY DEPOSIT60**
- L. **OWNER BRIEFING.....60**
- M. **AUTHORITY TO EXECUTE HAP CONTRACT61**
- N. **REQUIRED OWNER INFORMATION.....61**
- O. **CHANGE IN OWNERSHIP61**
- P. **HQS INSPECTION TYPES62**
- Q. **INSPECTION REQUIREMENTS62**
- R. **EXCEPTIONS TO HQS.....62**
- S. **ANNUAL INSPECTION PROCESS.....63**
 - 1. **Time Standards for Repairs**
 - 2. **No Show Policy**
- T. **EMERGENCY REPAIR ITEMS.....64**
- U. **ABATEMENT OF RENTS FOR HQS VIOLATIONS.....65**
 - 1. **Owner caused HQS Violations**
 - 2. **Extensions for Repair Completion**
 - 3. **Termination of HAP Contract**
 - 4. **Tenant-Caused HQS Violations**
- V. **ANNUAL RENT INCREASES66**
- W. **SPECIAL/COMPLAINT INSPECTIONS66**
- X. **QUALITY CONTROL INSPECTIONS.....66**

Chapter 8

OWNER RENTS, RENT REASONABLENESS, PAYMENT STANDARDS

A.	MAKING PAYMENTS TO OWNERS.....	67
B.	RENT ADJUSTMENTS	67
	1. Certificate Program	
	2. Disapproval/Offer of a New Lease	
	3. Voucher Program	
C.	RENT REASONABLENESS DETERMINATION	68
D.	RENT COMPARABILITY DATA.....	69
E..	PAYMENT STANDARDS FOR THE VOUCHER PROGRAM	
	[24 CFR 887.209 (b),887.351(c)(d)].....	69
	1. Increasing the Payment Standard	
	2. Lowering the Payment Standard	
	3. File Documentation	

Chapter 9

RECERTIFICATIONS/INTERIMS/ERRORS

A.	ANNUAL ACTIVITIES [24 CFR 882.212(a), 887.355]	71
B.	ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 882.212(a),	
	887.355]	71
	1. Requirements to Attend	
	2. Rescheduling/No-Show Policy	
	4. Verification of Information	
	5. Effective Dates for Changes in Total Tenant Payment	
C.	REPORTING INTERIM CHANGES [24 CFR 882.212(b), 887.357].....	73
	1. Changes in Family Composition	
	2. Changes in Income	
	4. Other Interim Reporting Issues	
D.	DELAYS IN PROCESSING/RETROACTIVE RENT ADJUSTMENTS.....	74
	1. Family Responsibility to Provide Documents	
	2. Retroactive Increases	
	3. Retroactive Decreases	
	4. Errors in the Calculation of the TTP	
E.	NOTIFICATION OF RESULTS OF REEXAMINATION	76

Chapter 10

HAP CONTRACT/LEASE TERMINATIONS

A.	LEASE TERMINATIONS.....	77
	1. Owner Initiated Lease Terminations	
	2. Owner Notice Requirements	
	3. Evictions	
	4. HAP Payments to Owner	

	5. Tenant Initiated Terminations	
B.	CONTRACT TERMINATIONS	80
	1. Termination by the HACS for Owner Breach	
	2. Other Causes for HAP Contract Termination	
	3. Notice of Termination	
C.	ALLOWABLE TRANSFERS AFTER HAP TERMINATION	81
D.	RESTRICTIONS ON TRANSFERS	81
E.	PROCEDURE FOR TRANSFERS	82
	1. Issuance of Certificate/Voucher	
	2. Remaining In-Place	
F.	PORTABILITY OVERVIEW [24 CFR 982.353]	82
G.	INCOMING PORTABILITY	82
	1. Absorption or Administration	
	2. Income/Family Composition/TTP	
	3. Requests for Lease Approval	
	4. Exception Rents (10% Exceptions) for Incoming Portables	
	5. Terminations	
	6. Required Verification	
	7. Billing Procedures	
H.	OUTGOING PORTABILITY	84
	1. Restrictions on Portability	
	2. Outgoing Portability Procedures	
	3. Outgoing Portability Packet	
	4. Payment to the Receiving HA	
	5. Claims	

Chapter 11
DENIAL OR TERMINATION OF ASSISTANCE

A.	GROUND FOR DENIAL/TERMINATION [24 CFR 982.552, 982.553]	87
	1. Form of Denial/Termination	
	2. Mandatory Denial	
	3. Grounds for Denial/Termination	
	4. Family Self-Sufficiency Program	
B.	FAMILY OBLIGATIONS [24 CFR 982.551]	88
	1. Obligations	
	2. Housing Authority Discretion	
	3. Enforcing Family Obligations	
	4. Drug-Related and Violent Criminal Activity	
	5. Notice of Termination of Assistance	
C.	PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.518]	94
	1. Termination due to Ineligible Immigrant Status	
	2. False or Incomplete Information	

	3. Procedure for Denial or Termination	
D.	\$0 ASSISTANCE TENANTS [24 CFR 982.455(a)]	94
	1. Pre-10/2/95 Contracts	
	2. Post-10/2/95 Contracts	
E.	OPTION NOT TO TERMINATE FOR MISREPRESENTATION [24 CFR 982.551, 982.552(c)]	95
F.	MISREPRESENTATION IN COLLUSION WITH OWNER [24 CFR 982.551, 982.552(c)]	95
G.	MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552(c)]	95

Chapter 12
CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS
(For Contracts Effective Before October 2, 1995)

A.	OWNER CLAIMS	97
B.	ELIGIBILITY FOR DAMAGE CLAIM INSPECTIONS	97
C.	NOTIFICATION OF DAMAGE CLAIM INSPECTION	98
D.	CLAIMS FOR UNPAID RENT	98
E.	ALLOWABLE CLAIMED DAMAGES	98
F.	VACANCY LOSS - CERTIFICATE PROGRAM	99
G.	PROCESSING CLAIMS	99
H.	TENANT/OWNER DISPUTE OF CLAIM DISPOSITION	99
I.	NOTIFICATION OF CLAIM APPROVAL	100

Chapter 13
OWNER OR FAMILY DEBTS TO THE HA

A.	REPAYMENT AGREEMENT [24 CFR 792.103, 982.552(b)(6-8)]	101
B.	TERMS OF THE AGREEMENT	101
C.	BREACH OF REPAYMENT	102
D.	SUBSEQUENT MONIES OWED	102
E.	OWNER DEBTS TO THE HACS	102

Chapter 14
COMPLAINTS AND APPEALS

A.	COMPLAINTS TO THE HA	103
B.	INFORMAL REVIEW PROCEDURES FOR APPLICANTS	103
	1. Notification to Applicants	
	2. Eligible Grounds for an Informal Review	

	3. Ineligible Grounds for a Review	
	4. Informal Review Process	
C.	INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d)(13)]	105
	1. Participant Notification	
	2. Grounds for an Informal Hearing	
	3. Ineligible Grounds for an Informal Hearing	
	4. Notification of Hearing	
	5. Rescheduling	
	6. Families Rights	
	7. Housing Authority Rights	
	8. Informal Hearing Process	
	9. Decisions for Which the HACS is not Bound	
D.	SPECIAL CONSIDERATION FOR THE DISABLED	108
E.	HEARING AND APPEAL PROVISIONS FOR “RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS” [24 cfr Part 5, Subpart E].....	109

Chapter 15
PROGRAM INTEGRITY/FRAUD PREVENTION

A.	PREVENTION OF PROGRAM ABUSE AND FRAUD	110
B.	DETECTION OF PROGRAM ABUSE AND FRAUD	
	1. Quality Control File Reviews	
	2. Observation	
C.	CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD.....	112
D.	THE HACS HANDLING OF ALLEGATIONS OF FRAUD	112
	1. File Review	
	2. Conclusion of Preliminary Review	
E.	INVESTIGATION PROCESS.....	113
F.	PLACEMENT OF DOCUMENTS, EVIDENCE	114
G.	CONCLUSION OF THE HACS INVESTIGATION	114
H.	EVALUATION OF FINDINGS	114
I.	PROCEDURES FOR DOCUMENTED VIOLATIONS.....	114
	1. Procedural Non-Compliance - Failure to Act	
	2. Procedural Non-Compliance - Overpaid Assistance	
	3. Intentional Misrepresentations	
	4. Dispositions of Cases Involving Misrepresentations	
	5. Case Conference for Serious Violations	
	6. Notification to Participant of Proposed Action	

APPENDICES

1.	GLOSSARY OF ACRONYMS/TERMS
----	----------------------------

- 2. INCOME INCLUSIONS/EXCLUSIONS**
- 3. UTILITY ALLOWANCE CHART**
- 4. FAIR MARKET RENTS**
- 5. BENEFIT PAYMENT STANDARDS**
- 6. FAMILY UNIFICATION PROGRAM**
- 7. SHELTER PLUS CARE PROGRAM**
- 8. DAMAGE CLAIM - "NORMAL WEAR & TEAR CHART"**

Chapter 1

STATEMENT OF GENERAL POLICIES

INTRODUCTION

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which recodified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the Section 8 Certificate and Voucher Programs, as described in and implemented through this Administrative Plan.

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

A. LOCAL OBJECTIVES

The Section 8 Program is designed to achieve three major objectives:

1. To provide affordable, decent, safe, and sanitary housing for very low income fam
2. To promote freedom of housing choice and spatial deconcentration of very low
3. To provide an incentive to private property owners to rent to very low income families by offering timely assistance payments.

In addition, the HA has established the following goals for the program:

1. To encourage, promote, and assist in self sufficiency of participant families.
2. To assist local economy by increasing occupancy rates and revenue into the com

B. PURPOSE OF THE PLAN

The purpose of the Administrative Plan is to establish policies for carrying out the Section 8 Existing Housing Programs in a manner consistent with HUD requirements and local objectives. This Plan covers both admission to and continued participation in these programs. All issues related to Section 8 Rental Assistance Programs not addressed in this document are governed by such Federal regulations, HUD Memos, Notices and guidelines, or other

applicable law.

The HACS is responsible for complying with all changes in HUD regulations related to the Section 8 Rental Assistance Programs. If such changes conflict with this Plan, HUD regulations shall have precedence. Prior to implementation, the original Plan and any changes shall be approved by the Board of Commissioners of the agency with a copy provided to HUD.

C. JURISDICTION

The jurisdiction of the HACS is the county of Stanislaus

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

The Authority shall not discriminate with respect to age, disability, race, color, creed, national or ethnic origin, sex, marital status, familial status, or sexual preference in the acceptance of applications, in the leasing of rental housing or related facilities (including land) or in the provision of housing assistance for any project or projects under its jurisdiction (covered by an Annual Contributions Contract under the United States Housing Act of 1937), or in the use or occupancy thereof.

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

In accordance with Section 504 of the Rehabilitation Act of 1973, Americans With Disabilities Act of 1992, and Fair Housing Act, as amended, no otherwise qualified individual with disabilities shall, solely by reason of disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity of the Housing Authority of the county of Stanislaus (HACS). The HACS will take appropriate measures to ensure that an individual with disabilities shall have equal access to available services, programs, and activities offered by it. These appropriate measures include but are not limited to:

- 1) provision of telecommunication devices for the deaf**
- 2) provision of sign language interpreters, as requested;**
- 3) provision of readers and amanuenses, as requested;**
- 4) utilization of barrier-free meeting places;**

- 5) **provision of a discrimination complaints procedure**
- 6) **assistance in site location of accessible units**

E. EQUAL EMPLOYMENT OPPORTUNITY

The HA practices affirmative action in hiring, promotion and conditions of employment. Position vacancies are advertised with the Department of Human Resources, minority organizations, and the general media. The HA's recruitment practices will apply outreach to community-based racial and ethnic groups so that the composition and culture of the staff reflects the composition and culture of the community, to the extent possible. All HA job postings will display the affirmative action/equal employment opportunity logo and slogan prominently.

F. SERVICE POLICY /REASONABLE ACCOMMODATIONS

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

The HACS's policies and practices will be designed to provide assurances that all persons with disabilities will be provided reasonable accommodation so that they may fully access and utilize the housing program and related services. The availability of specific accommodations will be made known by including notices on HA forms and letters to all families. *Verification of a Request for Accommodation:* All requests for accommodation or modification shall be verified with a certification from a physician.

G. TRANSLATIONS OF DOCUMENTS

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

Number of applicants and participants whose primary language is a language other than English.

The availability of existing organizations within the community which provides translation services to low income families.

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

H. FAMILY OUTREACH

The HA will publicize and disseminate information to make known the availability of housing assistance and related services for very low income families on a regular basis. When the HA's waiting list is open, the HA will publicize the availability and nature of housing assistance for very low income families in a newspaper of general circulation, minority media, and by other suitable means.

To reach persons who do not have access to reading materials, the HA will distribute fact sheets to local service providing agencies within HACS jurisdiction and utilize public service announcements through the local broadcasting media.

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

The HA encourages owners of decent, safe and sanitary housing units to lease to Section 8 families. The HA maintains a list of available units for the Section 8 Program and updates this list on a weekly basis. In addition, available units shall be posted at the HACS office.

HACS will conduct its outreach to owners and landlords of units outside areas of low income or minority concentration through meetings and recruitment sessions it holds with various owner's groups. The HACS primary vehicle for its outreach efforts will continue to be the local Landlord Training Programs held quarterly with the City of Modesto's Office of Housing and Neighborhoods, the local Rental Owner's Association, and periodic newsletters published by the HACS. Through the landlord training programs and the Rental Owner's Association, HACS will hold outreach and training sessions that focus on Section 8 issues. In addition, HACS will actively recruit suburban property owners and when available, grant exception rents for accessible and suburban properties.

HACS will identify areas of low income and minority concentration through annual monitoring of census tract information. Information and statistics will be obtained from HACS database, information published by the County's Consolidated Housing Plan and the U.S. Census among other sources.

J. PRIVACY RIGHTS

Applicants and participants, including all adults in their households, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD will release family information. The HA's policy regarding release of information is in accordance with State and local laws.

Any and all information which would lead one to determine the nature and/or severity of a person's disability shall be kept in a sealed envelope and marked "confidential." The information in this envelope must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by the Deputy Director of Section 8 Programs.

The HA'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. HA 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.

K. RELEASE OF TENANT INFORMATION TO PROPERTY OWNERS

In accordance with HUD requirements, upon request by a prospective landlord, the HACS will release the family's current address as shown in the HA's records and, if known to the HA, the name and address of the landlord at the family's current and prior address.

Upon a *written release from the Section 8 Certificate applicant or participant*, the HACS will release to the prospective landlord any claim and damage payments made by any Housing Authority on behalf of the participant, any history of drug trafficking, and the cause, if known, for any eviction actions. *A statement of the HA's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.*

L. MONITORING PROGRAM PERFORMANCE

Reports will maintained for:

- **Monitoring funding availability, to ensure the HA maintains adequate usage of ACC funding**
- **Tracking outstanding Certificates and Vouchers for expiration or suspension]**
- **Timeliness of annual activities**
- **Numbers of failed inspections and abatements**
- **Claim payments made**
- **Number and reason for moves and terminations of assistance.**
- **Number of new certificates and vouchers issued**
- **Repayment of amounts owed the HA**
- **Statistical data required for SEMAP reporting**

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

- **10% of annual reexaminations**
- **10% of new applications**
- **5% of the HQS inspections completed by each inspector**
- **5% of claims processed**

Chapter 2

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

A. INTRODUCTION - DEFINITION OF ADMISSION

This Chapter defines both HUD's and the HACS's criteria for admission and denial of admission to the Section 8 programs. Eligibility for admission shall be based solely on the factors described in this chapter. *A family who does not meet all criteria described in this chapter shall be denied admission to the Section 8 Programs.*

Eligibility for admission includes placement on a waiting list, issuance of a Section 8 Certificate, Voucher, or Statement of Family Responsibility, approval of a HAP Contract or lease, and approval to provide assistance under portability procedures.

B. VERIFICATION OF ELIGIBILITY CRITERIA

Eligibility criteria will not be verified until the applicant has reached the top of the wait list and interviewed for program eligibility unless the HA determines that such eligibility is in question, regardless of wait list placement.

C. FAMILY COMPOSITION DEFINITIONS

1. Family

- a. A single person who is either an elderly person, a displaced person, a disabled person, or**
- b. Two or more persons sharing residency whose incomes and resources are available to meet the family's needs and have evidenced a stable family relationship (*Note: A child who i***
- c. A group of persons consisting of two or more elderly persons or disabled persons living toget**
- d. A family continuously assisted under any 1937 Housing Act Program**

2. Head of Household

The head of household is the adult member of the household who is designated by the family as head of household.

A family may designate an elderly or disabled family member as head of household solely to qualify for the Non-Citizen Rule.

3. Spouse

Spouse means the husband or wife of the head of household. For proper application to the Non-Citizen Rule, the spouse must be the only spouse of the head of household. Spouse does not apply to companions, significant others, or co-heads.

4. Live-In Attendants

A Live-In Attendant is a person who resides in a family's unit in order to provide care for a family member.

- **Is determined by the HA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities,**
- **Is not obligated for the support of the person(s), and**
- **Would not be living in the unit except to provide care for the person(s).**

Eligibility Factors considered for Live-in Aides:

- **The live-in aide must pass the admissions criteria as described in Section G of this chapter.**
- **Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.**
- **Live-in aides are not subject to Non-Citizen Rule requirements.**
- **Live-in aides may NOT be considered as a remaining member of the tenant family.**
- **A relative must meet all of the elements in the live-in aide definition to qualify as a live-in aide.**
- **Family members of a live-in attendant may also reside in the unit providing doing so does not increase the subsidy by the cost of an additional bedroom and that the presence of the live-in attendant's family members do not overcrowd the unit.**

A Live in Aide may only reside in the unit with the approval of the Section 8 Director of the

HA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near-elderly (50-61) or disabled and must include the hours the care will be provided. Verification of need for a live-in attendant must be updated at least annually.

D. INCOME LIMITATION DEFINITIONS [24 CFR 982.201, 982.353]

In order to be eligible for admission as defined in the Chapter Overview, an applicant must be either a “very low-income” family or a “low-income” family. To determine income eligibility for a family, the HACS shall compare the Gross Annual Income of the family to the applicable income limit for the family size. Families whose Gross Annual Income exceeds the income limit shall be denied admission and offered an informal review.

1. Very Low

A Very Low Income Family is defined as a family whose annual gross income is below 50% of the area median income levels; or

2. Low

A Low-Income family is defined as a family whose annual gross income is below 80% of the

a. A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is eligible for Section 23 programs.

b. A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 5

c. A low-income non-purchasing family residing in a HOPE1 or HOPE2 project

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

e. A low-income family displaced as a result of the prepayment of a mortgage or voluntary termination

e. A low-income family residing in a HUD owned multifamily rental housing project when HUD

3. Income Limit Requirements for Portability:

Current Certificate or Voucher holders who are not yet program participants who exercise po

Present program participants who request portability and who request “Interchangeability” (as defined in Chapter 5), must be within the low income limit of the receiving family.

Families who are present participants who exercise portability with their current form of assistance must be within the low income limit of the receiving family.

- a. **The Certificate Program: The family’s “Net Tenant Payment”, must be less than the applicable low income limit.**
- b. **The Voucher Program: The family’s “Total Tenant Payment” minus any applicable charges must be less than the applicable low income limit.**

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

In order to be eligible for admission to the Section 8 Programs, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the six immigrant categories as specified by HUD.

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

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

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

Non-citizen students defined by HUD in the noncitizen regulations are not eligible for assistance.

Appeals. For this eligibility requirement only, the applicant is entitled to an informal hearing.

F. DISCLOSURE OF SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218]

The family must disclose the Social Security numbers assigned for all members six years of age or older and provide verification by presenting the original Social Security cards as issued by the Social Security Administration or by some other acceptable means as determined by the HACS.

If a family member has not been assigned a Social Security number, they (if an adult) or their guardian/parent will be required to sign a certification to that effect.

If a family member has been assigned a Social Security number but have no verification of such, the family member will be required to supply verification within 60 days of signing a certification identifying their assigned Social Security number. Elderly family members shall be given an additional 60 days to comply.

Failure to comply within the 60 day time period (with either the proof of a Social Security number or the written certification that a person has no Social Security number) will result in denial of eligibility, removal from the wait list, or termination from the program

G. OTHER CAUSES FOR DENIAL OF ADMISSION [24 CFR 982.552 (b)]

1. Housing Authority Policy

Applications received by the HACS from persons who meet any of the following conditions :

a. Former Section 8 Certificate, Voucher, or Conventional Housing, or Moderate Rel any HA. The applicant may have an request placement on the waiting list after the such persons may not be admitted under administered by HACS until the entire balance shall be allowed while the applicant is on agreement as defined in Chapter 13 program assistance. opportunity to repay this debt and informal review process. However, any housing assistance program they owe is paid in full. Repayment the wait list. Breach of this repayment would be subsequent cause for denial of

The HA reserves the right, in the case of extreme hardship, to amend the Repayment Agreement

b. Former participants or applicants of a federal housing program under the 1937 Act who have been found by HACS or any other housing authority to have committed program fraud, bribery, or any other corrupt or criminal act.

c. Applicants, who have been denied admission due to falsifying an application for a housing program for which the HACS administers.

d. Applicants who have submitted two previous falsified applications to the HACS for any program in which the HACS administers. The HACS shall permanently deny admission to the Section 8 Programs for this violation.

e. Applicants whose Net Tenant Payment equals or exceeds the applicable Fair Ma

f. Applicants who have been evicted from public housing or any Section 8 Voucher P

- g. Applicants who have committed acts of drug related or violent criminal activity**
- h. Former participants under the 1937 Act who have been terminated or denied admission due to violation(s) of family obligations as defined in CFR 982.551**

The HACS shall use discretion when determining denial of admission for any causes stated in this section. The determination to deny program assistance for the causes described shall be based on the seriousness of the case, the extent of participation or culpability of individual family members, whether the family members who violated the program regulations continue to reside with the family, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure to act.

2. HUD Recommended - Housing Opportunity Extension Act of 1996)

In accordance with HUD regulatory requirements, the HACS is required to deny admission to

- a. Former participants of public housing, Indian Housing, Section 23, or any Opportunity Extension Act of 1996, the illegal manufacture, sale, manufacture, sell, distribute or use** **the definition of drug-related criminal activity is distribution, use or possession with intent to a controlled substance.** **Sec**

The HACS shall waive this rule if the following conditions apply:

The applicant demonstrates successful completion of a rehabilitation program approved by the HACS; or

The circumstances leading to the eviction no longer exist. For example, the individual involved in

- b. If any family member fails to sign and submit consent forms for obtaining info**
- c. Current applicants who are determined to be presently using a controlled substance or pattern of abuse of alcohol may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.** **sub**

The following criteria shall be used to assess HACS determination to deny or admit a program u

- 1. An applicant "self-declaration"**
- 2. prior history under any of the programs administered by HACS**
- 3. Any other form of factual documentation which would indicate that the**

HACS shall waive the policy prohibiting admission in these circumstances if the person demonstrates to the HACS satisfaction that the person is no longer engaging in illegal use of a co

- 1. The applicant has successfully completed a supervised drug or alcohol**
- 2. Has otherwise been rehabilitated successfully; or**
- 3. Is participant in a supervised drug or alcohol rehabilitation program**

H. INELIGIBLE FAMILIES

Families who are determined to be ineligible shall be promptly notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to noncitizen status.

Denial of program assistance includes denial of wait list placement, denial or rescission of a Section 8 Certificate, Voucher, or Statement of Family Responsibility, refusal to enter into a HAP Contract or approve a lease, and refusal to process or provide assistance under portability procedures. See Chapter 19, "Complaints and Appeals" for additional information about reviews and hearings.

Chapter 3

RECEIPT OF APPLICATIONS/PREFERENCES/WAIT LIST MAINTENANCE

INTRODUCTION

This Chapter describes the HACS policies for receipt of applications, wait list preferences, and wait list maintenance. The policies set forth in this chapter shall be modified, if necessary, to provide reasonable accommodation for applicants with disabilities.

A. NOTIFICATION OF WAIT LIST OPENING/CLOSURE [24 CFR 982.206, 982.54(d)(1)]

HACS will utilize a variety of methods to announce the opening of the Section 8 Program Waiting List. Articles and notices will be placed in local newspapers that serve the county and in papers that serve specific regions and cities within the county. Notices will also be posted in public places such as libraries and community centers and will be distributed to various social service providing agencies throughout Stanislaus County. HACS will also specifically provide information to agencies that serve various disabled and minority populations.

The notice will contain the following information:

1. The dates, times, and locations where families may apply or obtain an
2. The programs for which applications will be taken
3. A statement notifying families of other available housing for which the HACS administers and has an open wait list.
4. Limitations, if any, on who can apply
5. The process for submitting the application to the HACS
6. The date, if known, of the wait list closure
7. The availability of the HACS's local preferences for admission

If the HACS cannot determine the wait list closure date when the wait list opening is announced, the wait list closure shall be published at a later date utilizing the same methods described in the wait list opening process. The HACS shall suspend the acceptance of applications when it is determined that the existing waiting list contains an adequate pool of applicants for use of available program funding. The HACS shall provide no less than three days notice of a waiting list closure.

Applications will be made available in an accessible format upon request from a person with a disability.

B. "INITIAL" APPLICATION INFORMATION [24 CFR 982.204 (b)]

The HACS will utilize a preliminary-application form (pre-application) to determine a family's placement on the Section 8 waiting list. HACS's pre-application form represents the official record of each family seeking assistance. Each pre-application must be signed by the applicant(s) and dated. In doing so, the applicant is certifying the accuracy of the information stated and submitted to the HACS. Applications completed by interpreters shall be signed by the interpreter along with a method of contact.

Each applicant shall be provided with a receipt or copy of their application which is intended to be used as proof of application submission while awaiting notification of acceptance or denial of admission to the program. The pre-application will contain questions designed to obtain the following information:

- Names of adult members and age of all members
- Sex and relationship of all members
- Street Address and phone numbers
- Mailing Address (If PO Box or other permanent address)
- Amount(s) and source(s) of income received by household members
- Disability inquiry related to program requirements (i.e., deductions)
- Information to assess qualification for preferences
- Social Security Numbers
- Race/ethnicity/Citizenship/eligible immigration status
- Arrests/Convictions for Drug Related or Violent Criminal Activity/Illegal drug use/Alcohol

Request for Specific Accommodation needed to fully utilize program and services
Current and previous landlords names and addresses
Emergency contact person and address
Program integrity questions regarding previous participation in HUD programs

C. APPLICATION ACCEPTANCE -- LIMITATIONS

- **Duplicate applications, including applications from a segment of an another applicant household, will be denied admission to the wait list.**
- **When two separate families apply together (example: mother and father apply with adult daughter and her husband and children), they will be treated as one family unit.**
- **Children who are subject to a joint custody agreement and who live with one parent at least 51% of the year shall be considered members of the household.**
- **Joint Custody of Minors - If both parents of a minor submit separate applications for the same minor, the parent who can show custody of the minor shall be allowed to claim the minor as his/her dependent on the pre-application. Proof of custody shall be in the form of court documents, school records, proof of TANF benefits, or some other acceptable form of documentation approved by the HACS**

D. FAMILY SEPARATION AND RETENTION OF WAIT LIST PLACEMENT

If a family unit separates while presently on the waiting list, the HACS will make every effort to encourage the family members to decide on who will retain the Section 8 application. Under no circumstances shall the authority allow the separate households to be admitted as two applicants to the wait list.

If the family unit cannot agree on who will retain the Section 8 application and there is no court determination, the HACS shall use the following guidelines on who will retain the application:

1st Priority

First priority will be given to victims of domestic violence if domestic violence is a contributing cause of the family breakup.

2nd Priority

Second priority will be given to the adult member of the household who retains primary physical custody of the majority of the household's minor children

3rd Priority

Third priority will be given to the adult member of the household who is disabled

4th Priority

Fourth priority will be given to the adult member who initially applied if another adult member was added at a later time.

5th Priority

When none of the circumstances listed above apply to the applicant family, sixth priority will be given by lottery.

Verification of the circumstances shall be required by the HACS. If either or both of the families do not provide the documentation requested by the HACS, removal from the waiting list for failure to supply requested verifications will occur.

E. NOTIFICATION OF APPLICANT STATUS

1. Wait list Admission

Applicants admitted to the Section 8 waiting list shall be notified in writing of their eligibility for admission to the wait list and the approximate time period prior to HACS offer of assistance.

2. Denial of Wait list Admission

Applicants determined ineligible for placement on the wait list shall be notified in writing of the following information:

- 1. The specific regulatory and/or policy language which is applicable to the HACS decision**
- 2. The specific reasons for this decision; and**
- 3. The family's right to an informal review**
- 4. The family's right to an informal hearing for determinations made in accordance with a family's ineligibility based on the Non-Citizen rule**

F. PRIORITIZATION OF APPLICANTS

Applicants for the Section 8 Housing Choice Voucher Program or Moderate Rehabilitation

Programs shall be ranked on the waiting list and consequently offered assistance according to the following local preference criteria:

- 1. Applicant families who have been readmitted to the waiting list under the**
- 2. Applicant families on the Section 8 Wait list who are presently**
- 3. Applicants who meet the definition of family/elderly/or disabled and who are not residing in any unit which is Federally subsidized (tenant paying 30% of income towards the rent)**
- 4. Applicants who meet the definition of a family/elderly/or disabled household and who are residing in a unit which is Federally subsidized**
- 5. Applicants who meet the definition of a single person and who are not residing in any unit which is Federally subsidized.**
- 6. Applicants who meet the definition of a single person and who are residing in subsidized housing.**

resi

Applicants who have identical local preferences shall be further ranked by the date and time of HACS's receipt of the application.

G. SPECIAL ADMISSIONS - HUD TARGETED PROGRAMS

HUD allows the HA to admit a family to a targeted program who is not presently on a wait list in order to utilize the HUD targeting funding when it is determined that no existing wait list applicants would otherwise be eligible for such programs.

Prior to any non-wait list admission to HUD targeted programs, the HACS shall review the existing wait list to determine if there may be eligible wait list applicants. Should there be an insufficient number of existing applicants who may be eligible for available assistance, HACS shall notify the public of acceptance of applications for the available funding in accordance with the guidelines set forth in each of the HUD Targeted Programs.

The HACS presently administers the following HUD Targeted Programs:

- 1. The Family Unification Program, as defined in Appendix 6**
- 2. The Shelter plus Care Program, as defined in Appendix 7**

As assistance becomes available in one of the HUD targeted programs described above, applicants shall be prioritized and offered assistance in the following order:

- 1. Current wait list applicants by order of their wait list placement**
- 2. Applicants who respond to the notification of available funding**
- 2. Applicants referred by service providing agencies participating in the specific**

HU

H. MODERATE REHABILITATION PROGRAM

The HACS Section 8 waiting list includes applicants for the Section 8 Voucher, Certificate and Moderate Rehabilitation Program.

In accordance with the Moderate Rehabilitation regulations, owners shall be required to fill vacant units by selecting families from the Section 8 wait list. Applicants who are nearing the top of the wait list will be referred to Moderate Rehabilitation Program property owners for consideration of tenancy.

Due to a current Certificate or Voucher holders inability to utilize their assistance in a Moderate Rehabilitation unit, current certificate or voucher holders will not be referred for vacancies.

If an applicant or group of applicants has been referred for vacant Moderate Rehabilitation units and have indicated they do not wish to be considered for future Mod Rehab vacancies, their application shall be identified and no future vacancy listings shall be provided to the family. Rather, the HACS shall move to the next group of applicants for referral to owners.

If HACS is unable to refer a sufficient number of interested applicants from the wait list to an owner of a Moderate Rehabilitation unit within 30 days of a vacancy notification, the owner may, with the prior approval of HACS, solicit applications from very low income families and refer such families to HACS for a determination of their eligibility. If such referred persons are eligible, HACS shall issue them a Statement of Family Responsibility. NOTE: Families who are referred by owners and who are not on the HACS waiting list would be ineligible for future relocation under the local preference provisions for over housed families as described in the "Prioritization of Applicants" Section of this chapter.

I. WAITING LIST MAINTENANCE

HACS wait list shall be reviewed and updated on a monthly basis. Revisions shall include information provided by current applicants which reflects changes in housing circumstances, income, address, or any other applicant revisions.

1. Purging Schedule

The Section 8 Wait list shall be purged annually. Applicants will be sent a questionnaire which must be returned in order for the applicant to remain on the wait list. An applicant's failure to return the questionnaire within a specified time period shall be cause for withdrawal from the wait list. The HACS shall notify the family in writing of the family's removal from the wait list and provide information on the applicant's right to an informal review of the decision.

2. Application Submission of Updated Information

Any revisions to an applicant's pre-application or case file must be reported by the applicant in writing on the HACS "update form". Applicants are responsible for notifying the HACS of changes in family composition, telephone number, address, income, etc. Staff will record the appropriate changes via computer. Applicants may be called into the office to verify their statements.

Staff shall not record any changes in writing on any form submitted by the client. Any notations by staff shall be written on a summary form and attached to the application.

J. REMOVAL FROM THE WAITING LIST

Applicants shall be removed from the wait list under the following circumstances:

- 1. Failure to respond to HACS notices or HACS inability to contact applicants because of their failure to provide HACS with a current mailing address.**
- 2. Refusal of all Section 8 Programs**
- 3. Ineligibility for program participation in accordance with Chapter 2**
- 4. Falsification of housing circumstances, income, or family composition for purposes of obtaining a**

Applicants shall be notified in writing of their removal from the wait list, the regulatory or policy language applicable to the decision, the specific reasons for the decision, and their right to an informal review.

K. REINSTATEMENT TO THE WAIT LIST

An applicant whose application has been withdrawn due to the reasons listed in Section J #1-3 can contact the HACS Section 8 Department in person within six months of the applicant's notification of withdrawal or denial date and request reinstatement to the wait list. The date of application shall be determined in accordance with the following:

- 1. If the applicant was removed from the wait list for failure to respond to HACS inquiries, r of application**
- 2. If the applicant had previously been denied, but subsequent changes now make the family eligi reinstatement.**

The provision to allow reinstatement shall be limited to one reinstatement per application submitted to the HACS. The only exception to this limitation would be upon a determination that a HACS administrative error resulted in improperly removing an applicant from the wait list.

Chapter 4

VERIFICATION OF ELIGIBILITY/FAMILY COMPOSITION/REPORTED CHANGES [24 CFR Part 5, Subparts B, D, E and F; 982.108]

INTRODUCTION

This Chapter contains the HACS's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. The HA will ensure that proper authorization from the family is always obtained before making verification inquiries.

A. WHEN VERIFICATION IS REQUIRED

Initial Eligibility Determination

Applicants who reach the top of the waiting list shall be interviewed in person to determine program eligibility. If the applicant includes a Head of Household and Spouse, both parties will be required to attend the interview. The HACS shall amend the policy in order to provide reasonable accommodation for persons with disabilities.

Ongoing Program Eligibility

Program participants shall be interviewed at least annually to determine continued participation under the Section 8 Programs. If changes occur or if income is sporadic or undetermined, program participants shall be required to provide verification of eligibility during interim or special reexamination interviews.

B. VERIFICATION - METHODS AND DURATION VERIFICATION IS VALID

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

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

Verifications may not be more than 60 days old at the time of Certificate/Voucher issuance for initial eligibility determinations. Upon receipt of a Request for Lease Approval, each case file shall be reviewed for a determination of whether updated verifications need to be obtained prior to approval of program participation. Current program participant verifications are valid for 120 days from date of receipt.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via mail. The family will be required to sign an authorization for the information source to release the specified information. Verifications received electronically directly from the source are considered third party written verifications.

If hand-delivered by the family, third party verification forms will be accepted so long as the verifications are returned in a sealed envelope on third party specified envelopes. However, the HA will accept original verifications not sealed in an envelope and hand delivered by the family from the following agencies

- * Social Security Administration
- * Department of Social Services
- * City or County Courts
- * Veterans Administration
- * Employment Development Department
- * Internal Revenue Service

Third-Party Oral Verification

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to complete a Certification of Oral Third-Party Verification along with completion of a HACS verification form corresponding to the type of information requested (i.e., employment verification form, Workman's Compensation verification form, etc.). The HA staff must originate the call.

Review of Documents

In the event that third-party written or oral verification is unavailable, the HACS will notate the file accordingly and utilize documents provided by the family as the primary source if the documents provide complete information. All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopied, staff viewing the document(s) will complete a Certification of Document Viewed Form.

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

Self-Certification/Self-Declaration

When verification cannot be made by third-party verification or review of documents, families will be required to submit a self-certification. Self-certification means a notarized statement under penalty of perjury and must be witnessed.

C. RELEASE OF INFORMATION

The family will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information.

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

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

D. VERIFICATION OF WAITING LIST PREFERENCES [24 CFR 5.410-5.430]

Federal Preferences

1. Involuntary Displacement :

- a. Families who claim they are being or have been displaced due to either a **disa**
- b. Families who claim they are being or have been displaced because of actions taken by the owner/agent of the unit the family is renting: *Notification by owner to family of the action/ written verification by the owner or agent/documents such as sales agreements, foreclosure notices or building permits.*
- c. Families who claim they are being or have been displaced due to domestic violence:

Written verification from police, social service agency, court, clergy person, physician, and/or public or private facility giving shelter and/or counseling to victims. Verification must be obtained (from a landlord or other source) that the abuser still resides at the unit the family where the family was displaced.

The family must certify that the abuser will not return to the household without the advance written approval of the HA. Before giving approval, the HA will require verification of the following:

That the family members involved have been through a counseling program and the service provider believes that a reconciliation is likely; or

Statement from social worker, psychologist, or other professional familiar with the abuser that he/she has received counseling/treatment and is unlikely to continue the abuse; or

Some other acceptable form as required by the HACS

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

Certification of threat assessment by a law enforcement agency; or

Oral or written recommendation from law enforcement agency or HUD.

- e. **Families who claim to be displaced by hate crimes.**

Written statement from law enforcement agency, HUD, Fair Housing or other agency

- f. **Displacement by inaccessibility of unit.**

Statement from the owner of the critical elements that are inaccessible, and that

Inspection by HA to verify inaccessibility of critical elements; or

If the owner permits the tenant to make the modifications, verification that the family cannot afford the expense

- g. **Displacement by HUD disposition of a project: *Written verification from HUD.***

- h. **Determination of Standard Replacement Housing: *Inspection by a HA or other certified building inspector***

2. Living in Substandard Housing:

- a. **Families who claim to be living in a substandard housing unit: *Written verification by a government agency or HA inspection***

- b. **"Homeless" families: *written certification by a public or private facility providing shelter, the police, or a social services agency.***

Prior to processing the application, the HA requires a second certification from the same source that the applicant is not yet permanently housed and has been continuously homeless or temporarily housed since claiming the preference; or

An HA inspector may verify that the applicant is living in a place not normally used for human habitation.

If a family is in transitional housing and wishes the HA to hold the family's place on

the waiting list, a statement is required from the agency providing the transitional housing.

3. Rent Burden: Paying more than 50% of income for rent:

- a. Families will be required to verify their income, the amount of rent and utilities they are obligated to pay, and the period of time they have been residing in the unit.

Families must furnish copies of rental receipts/the lease/canceled checks/monthly

The HA may contact the landlord directly by mail or telephone

The HA compares the address with address(s) used on other documents in the file

In cases where the family pays rent to a co-renter or sublets the unit, the HA requires

If there is no lease or occupancy agreement and the family is receiving public assistance

If there is no lease or occupancy agreement, and the family is not receiving public license, school records.

- b. To verify the amount due to amortize the purchase price of a manufactured home, *copies of the most recent payment receipts, canceled checks or money order receipts, or a copy of the current purchase agreement.*

- c. At the family's option, the HA can use either the actual cost of utilities or the HA's Section 8 Existing utility allowance schedule. To verify the amount the family actually paid for utilities not included in the rent (if the Section 8 Utility Allowance Schedule is not used):

- *Copies of receipts, canceled checks, bills showing previous utility payments*
- *Written verification of consumption costs directly from the utility or*
- *Verification must be provided for a minimum period of 3 months*
- *Documentation of the amount of rent due must be provided for a period of three months.*

Local Preferences

1. "Absent Family Member Rule" - *Certification from facility where family resides*

2. **Overcrowded Moderate Rehabilitation Family - *HQS Inspection certifying unit does not meet HQS due to overcrowding of family and certification from***
3. **Working preference: Upon implementation by 10/01/01, this preference will be available for families with at least one member who is employed for a period of no less than 90 days. *The HA will require a statement from the employer.***
4. **Educational/Training participants: Upon implementation by 10/01/01, this preference is available for families who are graduates of or participants in educational or training programs designed to prepare the individual for the job market. *The HA will require a statement from the agency or institution providing the education or training.***

lan

Elderly Family households shall automatically be eligible for Local

pre

I. FAMILY IDENTIFICATION VERIFICATION

Verification of Legal Identity

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

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

- **Certificate of Birth, naturalization papers; or**
- **Church issued baptismal certificate; AND**
- **U.S. passport; or**
- **Company/agency Identification Card; or**
- **Department of Motor Vehicles Identification Card; or**
- **Current, valid Driver's license**

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

- **Certificate of Birth**
- **Adoption papers**
- **Custody agreement**
- **Health and Human Services ID**

- **School records**

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

Verification of Marital Status

- **Marriage Certificate**
- **Divorce decree along with Stipulations**
- **Certification of Legal Separation through court**

Verification of Citizenship/Eligible Immigrant Status

Each family member must declare their status once (either citizen, has eligible immigration status, or elects not to contend). Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the HA hearing is pending.

- **Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury. The HA will require citizens to provide documentation of citizenship.**
- **Eligible Immigrants who were Participants and 62 or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.**
- **Noncitizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The HA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the HA must request within ten days that the INS conduct a manual search.**
- **Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.**
- **Noncitizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.**

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

Time of Verification. For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. For participants, it is done at the first regular recertification after June 19, 1995. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in. Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial HA does not supply the documents, the HA must conduct the determination.

Extensions of Time to Provide Documents. The HA will grant an extension of 30 days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration. The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551), Alien Registration Receipt Card (I-151), Arrival-Departure Record (I-94), Temporary Resident Card (I-688), Employment Authorization Card (I-688B), Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

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

VERIFICATION OF FAMILIAL RELATIONSHIPS

Verification of guardianship

- Court-ordered assignment; or
- Verification from social services agency; AND
- School records

Evidence of a stable family relationship:

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

Verification of Permanent Absence of Adult Member

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

- **Husband or wife institutes divorce action.**
- **Husband or wife institutes legal separation**
- **Order of protection/restraining order obtained by one family member against another.**
- **Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.**
- **Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.**
- **If no other proof can be provided, the HA will accept a self-certification from the family.**
- **If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.**

Verification of Pregnancy

Verification of pregnancy is required when it is the sole basis for determining eligibility as a non-single, non-elderly family. IN cases where an immediate determination cannot be made, the Authroity will require a physician's certification.

Verification of Change in Family Composition

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

Verification of Disability

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

E. VERIFICATION OF INCOME

Employment Income

- **HACS Employment Verification; and**
- **last four check stubs or earning statements; and**
- **W-2 forms plus income tax return forms.**

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

Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

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

- **Benefit verification form completed by agency providing the benefits; or**
- **Award or benefit notification letters prepared and signed by the providing agency; or**
- **Computer report electronically obtained or in hard copy.**
- **Bank statements for direct deposits (for SSI Income ONLY).**

Unemployment Compensation

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

Welfare Payments or General Assistance

- **HA verification form completed by payment provider; or**
- **Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months; or**

- **Computer-generated Notice of Action; or**
- **Computer-generated list of recipients from Welfare Department.**

Alimony or Child Support Payments

- **Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules; or**
- **A (notarized) letter from the person paying the support; or**
- **Copy of latest check and/or payment stubs from Court Trustee. HA must record the date, amount, and number of the check; or**
- **Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.**

If payments are irregular, the family must provide:

- **A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement; or**
- **A notarized affidavit from the family indicating the amount(s) received.**
- **A welfare notice of action showing amounts received by the welfare agency for child support; or**
- **A written statement from an attorney certifying that a collection or enforcement action has been filed**

Net Income from a Business

In order to verify the net income from a business, the HA will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months. Acceptable methods of verification include:

- **IRS Form 1040, including:
Schedule C (Small Business)
Schedule E (Rental Property Income)
Schedule F (Farm Income)**
- **If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.**
- **Audited or unaudited financial statement(s) of the business.**
- **Credit report or loan application.**

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

Child Care Business

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

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

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

The HA will conduct interim reevaluations every 180 days and require the participant to provide a log with the information about customers and income.

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

Recurring Gifts

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

The person who provides the gifts, the value of the gifts, the regularity (dates) of the gifts, the purpose of the gifts.

A contribution or gift received at least quarterly or more frequent will be considered by HACS to be a regular contribution or gift. This includes rent and utility payments made, or other cash or in-kind contributions to the household.

Zero Income Status

Families claiming to have no income will be required to execute verification forms to

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

**The HA will request information from the State Employment Development Department.
The HA may request information from IRS.**

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

The family will be scheduled for a “special reexamination” every other month until such time a stable income has been established.

Full-Time Student Status

Only the first \$480 of the earned income of full time students, other than head or spouse, will be counted towards family income.

Financial aid, scholarships and grants received by full time students is not counted towards family income. Verification of full time student status includes:

- **Completion of third party HACS Student Status Verification Form**
- **Written verification from the registrar's office or other school official.**
- **School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.**

F. INCOME FROM ASSETS

Savings Account Interest Income and Dividends

Savings Acct:

- **Account statements, passbooks, certificates of deposit, or HA verification forms completed by the financial institution showing balance and interest rate.**

Stocks/Bonds

- **Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.**

Alternate form of Verification

- **IRS Form 1099 from the financial institution, provided that the HA must adjust the information to project earnings expected for the next 12 months along with proof of balance and interest amount.**

Interest Income from Mortgages or Similar Arrangements

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

Net Rental Income from Property Owned by Family

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

Real Property

- **Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.**
- **Real estate tax statements if the approximate current market value can be deduced from assessment.**
- **Financial statements for business assets.**
- **Copies of closing documents showing the selling price and the distribution of the sales proceeds.**
- **Appraisals of personal property held as an investment.**

Calculation - Market Value minus principal and selling costs = net value of real property

Lump Sum Receipts

- **Verification from institution releasing funds showing amount and the time period in which the lump sum covers or cause for the award.**

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

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

In determining the net value of the lump sum received, the HACCS shall deduct any attorney fees associated with the household's receipt of the lump sum award

Contributions to Retirement Funds - (Asset Calculation)

- **Verification of contribution amount from employer**

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

After retirement or termination of employment, count any amount the employee elects to receive as a lump sum (an asset)

Assets Disposed of for Less than Fair Market Value (FMV) during two years preceding effective date of certification or recertification

- 1. For all Certifications and Recertifications, the HA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.**
- 2. If the family certifies that they have disposed of assets for less than fair market value, verification [or certification] is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.**

Assets disposed of as a result of bankruptcy, foreclosure, or a divorce are not considered to be assets disposed for less than FMV.

H. VERIFICATION OF DEDUCTIONS/EXCEPTIONS/ALLOWANCES

Medical Need for Larger Unit

Medical need for a waiver of the occupancy standards as set forth in the HACS jurisdiction are limited to the following:

- 1. A live-in attendant is necessary for a family member; or**
- 2. Medical equipment which requires a separate room because of size or function; or**
- 3. A documented medical need that necessitates a separate room for a family member**

Applicants must provide a doctor's certification on HACS's verification form that explains the family's need for an aide, medical equipment or a separate room before a consideration for waiver will be granted.

Verification is required on an annual basis for an assignment of a larger certificate or voucher due to a medical need or the need for a live-in aide.

Child Care Expenses

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

- 1. Written verification from the person who receives the payments is required. If the child care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.**
- 2. Verifications must specify the child care provider's name, address, telephone number, Social Security Number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.**
- 3. Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.**

The maximum child care expense allowed must be less than the amount earned by the person enabled to work.

The number of hours claimed for child care may not exceed the number of hours the family member is attending school (including one hour to and from school)

The HACS shall survey the local care providers in the community as a guideline. If the hourly rate materially exceeds the guideline, the HA shall calculate the allowance using the guideline

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

HACS shall not allow child care expenses as a deduction if there is an adult household member capable of caring for the child who can provide the child care. Examples of those adult members who would be considered unable to care for the child include:

A person with disabilities or elderly person unable to take care of a small child, as verified by

An adult child who is attending school or who's maturity level is such that the minor child would

Medical Expenses

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

- **Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.**
- **Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.**
- **Written confirmation from the Social Security Administration's written of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.**
- **For attendant care:**
 - a. **A reliable, knowledgeable professional's certification that the assistance**

of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

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

- **Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.**
- **Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.**
- **Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. HA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.**
- **The HA will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.**

When HUD regulations are unclear, the HACS shall use IRS Publication 502 as a guide to determine allowable medical expenses.

Non-prescription medicines must be doctor-recommended in order to be considered a medical expense.

Assistance to Persons with Disabilities

- **Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.**
- **Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.**

For Attendant Care:

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

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

For Auxiliary Apparatus:

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



Chapter 5

**[24 CFR 982.54(d)(9)]
SUBSIDY STANDARDS/BRIEFINGS**

INTRODUCTION

The following chapter describes the HACS policy for determining a family's subsidy standard, the HACS's procedures for recertifying a family when a change occurs, and the conditions upon which a family may select a unit size which differs from the Certificate or Voucher bedroom size. The standard used for the Certificate or Voucher size is within the minimum unit size requirements of HUD's Housing Quality Standards.

A] DETERMINING CERTIFICATE/VOUCHER SIZE [24 CFR 982.402]

The standards set forth in this section apply to the number of bedrooms provided on the Certificate or Voucher. These standards do not determine the family's living arrangements.

The unit size on the Certificate or Voucher remains the same so long as the HACS's subsidy standard policy and the family's composition remains the same, regardless of the actual unit size rented.

Should the subsidy standard policy of the HACS be revised, the new policy shall be applied to current program participants ONLY under the following circumstances:

If the family relocates to another unit or executes a new lease and HAP Contract at the exist

8 Program Administration, verification shall be required on an annual basis.

These are the only three causes in which a waiver shall be granted. All other families will be assigned a bedroom size based on the HACS's Certificate/Voucher Issuance Guidelines.

B. UNDERHOUSED AND OVERHOUSED FAMILIES

1. Overcrowded Households

If a unit does not meet HQS space standards due to an increase in family size, the HA will issue a new certificate or voucher for a full 120 day period and assist the family in locating a suitable unit.

2. Overhoused households - Applicable to the Certificate Program Only:

If a certificate holder is occupying a unit which has more bedrooms than allocated under the HA's subsidy standards, the family can remain in the unit so long as the gross rent does not exceed the FMR for the unit size in which the family is eligible.

Overhoused Certificate family participants who are under-occupying a unit where the rent exceeds the applicable FMR will be given a maximum of 120 days to locate suitable housing before assistance is terminated. This policy may be amended in order to provide reasonable accommodation for persons with disabilities.

C. GUIDELINES WHEN UNIT SIZE SELECTED DIFFERS FROM ACTUAL CERTIFICATE OR VOUCHER ALLOCATION

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

1. Rent Limitation

For the Certificate Program, the HA must always apply *the lesser of* the FMR for the Certificate size or the unit size selected by the family.

For the Voucher Program, the HA uses the Payment Standard for the Voucher size or the unit size selected by the family, *whichever is less*.

2. Utility Allowance

The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's Certificate or Voucher.

3. Housing Quality Standards

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

HQS GUIDELINES FOR UNIT SIZE SELECTED

Maximum # of Persons in Household

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



Chapter 6

FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION

INTRODUCTION [24 CFR 813]

The following chapter describes the guidelines and formulas for calculating a participant's

Total Tenant Payment. Special factors may also impact tenant rent calculations. These factors and the HACS's policies on determining Total Tenant Payments for special circumstances are also described in this chapter.

A. INCOME AND ALLOWANCES

Income: A listing of income inclusions and exclusions is shown in Appendix 2

Annual Income is defined as the gross income anticipated to be received by the family during the 12 months following the certification or recertification effective date. Annual income, before any HUD allowed deductions, shall be used to determine whether a family meets the income limits for admission to the Section 8 Programs.

HUD has five allowable deductions used to determine a family's annual adjusted income:

- 1. Dependent allowance: \$480 each for family members (other than the head or spouse)**
- 2. 'Elderly' allowance: \$400 for families whose head or spouse is 62 or over or disabled.**
- 3. Allowable medical expenses for all family members are deducted for 'elderly' family members.**
- 4. Child care expenses for children under 13 are deducted when child care is necessary to allow an adult member to work or attend school or actively seek employment.**
- 5. Expenses for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.**

B. CALCULATION OF TOTAL TENANT PAYMENT

1. Certificate Program/Moderate Rehabilitation Program/ Voucher Program

The family's monthly rent share is calculated as 30% of a family's adjusted monthly gross income. The annual income is determined and verified through the interview process and information received from the family's income source(s).

Example: Adjusted gross income of \$18,000 divided by 12 months = \$1,500

$$\text{\$1,500 X 30\% = \$450.00 (Total Tenant Payment)}$$

If a program participant is required to pay utilities, this total tenant payment is reduced according to applicable utility allowance as described in Appendix 3

2. Voucher Program Subsidy Calculation

The family is allowed to pay more or less than 30% of their adjusted gross income for rent. To calculate the family's monthly rent share the Housing Authority subtracts the family's Total Tenant Payment (as calculated in Section 1, above) from a set payment standard which is based on unit size (See Appendix 5 for the current Benefit Payment Standard Schedule). The balance of this calculation is the Housing Authority's subsidy payment. The tenant then pays the difference between the Housing Authority's monthly subsidy and the contract rent negotiated with the landlord

Example: The Benefit Payment Standard for three bedrooms \$671.00

Tenant adjusted gross income of \$18,000 divided by 12 months = \$1,500
30% of tenant's monthly adjusted income is \$450.00 (\$1,500 X 30%) = TTP

Housing Authority maximum subsidy for any unit *at or greater than* the bedrooms for which the participant has been certified eligible for is calculated as f

Authority Payment Standard	=	\$671.00
Minus 30% of tenant's monthly income	=	\$450.00
Equals Housing Authority Rent Portion	=	\$221.00

If the participant opts to select a smaller sized unit than the family is certified to select, the payment standard for the actual unit size selected would be used and a smaller subsidy would

be paid by the HACS.

C. MINIMUM RENTS

In determining a minimum rent allowable under HACS policy, the family's TTP shall be based on the greatest of the following calculations and rounded to the nearest dollar:

- 1. 30% of the family's monthly adjusted income; or**
- 2. 10% of the family's gross monthly income; or**
- 3. \$50.00**

For extreme hardship cases, the HACS shall amend this policy and allow the TTP to be set at the minimum of the three rent calculation determinations for up to 90 days. A "special" reexamination shall be conducted at the end of 60 days. If it is determined that there have been no changes in income, the \$50.00 minimum rent policy shall be applied. Approval of hardship cases must be approved by the Section 8 Director.

D] AVERAGING INCOME [24 CFR 813.106 (d)]

When Annual Income cannot be anticipated for a full twelve months, the HAC's shall either :

- 1. Average known sources of income that vary to compute an annual income, or**
- 2. Annualize current income and conduct an interim reexamination when the family's income changes.**

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

The HAC's shall be required to consult the family on the method of calculation and allow the family to select which calculation option they would prefer. This option is available to families so long as the income calculation does not result in repeated interims during the course of the reexam year.

E. CALCULATING RETROACTIVE LUMP SUM ADDITIONS TO INCOME AND UNDERREPORTED INCOME

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

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

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

The HA will go back to the date the lump-sum payment or underreported income was received, or to the date of admission, whichever is later.

The HA will determine the amount of income received versus income calculated by utilizing the HACS "Overpayment Calculation" form, and recalculate the tenant rent for each certification period to determine the amount due the HA.

A family who has had a change in income which was not reported and is an amount above the interim rule guidelines described in Chapter 8, Section C, shall be subject to an overpayment of housing assistance payments. The family shall be notified of the violation of family obligations and allowed to enter into a repayment agreement. Future instances of unreported income is grounds for program termination.

The family must pay this "retroactive" amount to the HA in either a lump sum or repayment agreement in accordance with the policies set forth in Chapter 13, Section B. The amount owed by the family is a collectible debt even if the family becomes unassisted.

Attorney Fees for Lump Sum Additions to Income

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

F. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 812.11]

Applicability

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

"Mixed" families shall be offered prorated assistance.

Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying that figure by the percent of the family members who actually are eligible. Total Tenant Payment is the gross rent minus the prorated assistance.

G. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

The HA must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The HA will count the difference between the market value and the actual payment received in calculating total assets.

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

H. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS

Under the following conditions, contributions to company retirement/pension funds shall be considered an asset:

1. While an individual is employed, count as assets the amounts the family can withdraw without ret
2. After retirement or termination of employment, count any amount the employee elects to receive :

I. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

[24 CFR 813.102, 813.108]

The same Utility Allowance Schedule (See Appendix 3) is used for both the Certificate and Voucher Program. The Utility Allowance is intended to help defray the cost of utilities not included in the rent and is subtracted from Total Tenant Payment in order to establish the family's rent to the landlord. The allowances are based on actual rates and average consumption studies, not on a family's actual consumption. The HA will review the Utility Allowance Schedule on an annual basis and revise it if needed.

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

When the Utility Allowance exceeds the family's Total Tenant Payment, the HA will provide a Utility Reimbursement Payment for the family each month.

J. FAMILY COMPOSITION FACTORS WHICH AFFECT THE CALCULATION OF A FAMILY'S TTP

1. Temporarily Absent Family Members

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

2. Definition of Visitor

Any adult not included on the HUD 50058 who has been in the unit more than 60 consecutive days, or a total of 120 days in a 12-month period, will be considered to be living in the unit as an unauthorized household member. The following guidelines shall apply when determining whether an unauthorized occupant resides in the Section 8 unit:

Absence of evidence of any other address will be a consideration in determining the occupancy of the household member; and/or

Statements from neighbors and/or the landlord; and/or

Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary such as vehicle registration, employment residency address, tax returns, et

Custodial Visits - in a joint custody arrangement, a minor in the household less than 50% of the year shall be considered a visitor for purposes of determining the subsidy standard.

3. Additions to Family Members

Any income change resulting from additional family member(s) shall result in an interim rent adjustment. The family must report to the HACS within 30 days of the birth, adoption, or court-awarded custody of a child. The family must request prior approval of any other additional household members in writing. The following guidelines shall apply when admitting additional members to a household:

- a. **The landlord must approve the change in the number of occupants if the family cho**
- b. **The proposed occupants must meet the admissions criteria defined in Chapter 2, Section G; and**
- c. **The family can provide evidence of having previously establishing a "familial" rela**
- d. **The additional family member will be the proposed "spouse" of a family member of**

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

4. Military Leave

If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and other exceptions to military pay HUD may define) shall be counted as income.

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

5. Full Time Students

The following policy shall apply for full time students who attend school away from home:

Full time students who attend school away from the home and live with the family during school recess will be considered temporarily absent from the household unless it is determined that the Full time student has located permanent housing elsewhere.

The full time student's income and expenses (including shelter, fees, tuition, etc.) shall be included when determining the subsidy level and income.

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

Any member of the household will be considered permanently absent if s/he is away from the unit for 3 consecutive months except as otherwise provided in this Chapter.

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

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

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

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

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

Families must notify the HA if they are going to be absent from the unit for more than 30 consecutive days. To receive HA approval, the family must:

- 1. Maintain their rent and utility payments**
- 2. Notify the HACS in advance**
- 3. Cooperate in providing residency verification**

If the entire family is absent from the assisted unit for more than 90 consecutive days, the unit will be considered to be vacated and the assistance will be terminated.

If it is determined that the family is absent from the unit longer than the time specified in this Plan or it is believed that the family abandoned the unit, the HA will terminate the Housing Assistance Payments in accordance with the terms of the HAP Contract and terminate the family's continued participation under the Section 8 Program.

“Absence” means that no family member is residing in the unit.

In order to determine if the family is absent or has abandoned the unit, the HA may:

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

9. Special Circumstances for Absence of Sole Members of a Household:

If the sole member of the household is absent from the unit due to medical reasons such as entering a care facility or rehabilitation center and will be absent for a period greater than 90 days, the HACS shall terminate assistance.

If, within one year from the date of termination, the family is released, the HACS shall allow the family to reapply. The following documentation will be required:

- a. Verification from the facility indicating admittance and departure dates**
- b. Medical need for admission**
- c. Approval from the Section 8 Director**

10. Absence due to Restraining Order

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

11. Reporting Requirements for Absent Family Members

If an adult family member leaves the household for any reason, the family must report the change in family composition to the HACS in writing within 30 days.

The notice must contain a certification by the family as to whether the adult is temporarily or permanently absent.

12. Absence due to Incarceration

If the sole member is incarcerated for more than 90 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for more than 3 months. If a sole member is absent due to incarceration and is still considered eligible, the HACS may continue to pay the Housing Assistance Payments so long as the family follows the guidelines set forth in Section J (8) of this chapter. *The HA will determine and verify if the reason for incarceration is for drug-related or violent criminal activity.*

13. Foster Care and Absences of Children

If the family includes a child or children temporarily absent from the home due to placement in foster care, the HA will determine from the appropriate agency when the child/children will be returned to the home. The HACS will make a determination whether to reissue a new Certificate or Voucher based on court documents and the likelihood of the children's return.

14. Absence of Adult

If neither parent remains in the household and there are minor children, the HACS shall allow another adult to reside in the unit as a temporary "visitor" based on the following guidelines;

- a. The family receives landlord approval if the family is to remain in the unit**

- b. **The appropriate Social Service agency has verified this adult to be the caretaker for the children**
- c. **the caretaker, if it is determined will receive the Certificate or voucher, must** met
- d. **The parents can provide proof of length of absence (whenever feasible)**

If by the end of the 90 day time period, court-awarded custody or legal guardianship has been awarded to the “visitor/caretaker” and the adult family members have not returned, the caretaker’s income shall be included in determining the family’s TTP

The HA will transfer the certificate or voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 6 months and it is reasonable to expect that custody will be granted.

The HA will work with the appropriate service agencies, the family, and the landlord to provide a smooth transition in these cases. NOTE: The “visitor” rule has been amended under these circumstances.

15. Income of a Person Confined to a Nursing Home
[24 CFR 813.106 (a)]

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the HA will Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.



Chapter 7

REQUEST FOR LEASE APPROVAL AND HQS INSPECTIONS

INTRODUCTION [24 CFR 982.305 (a)]

This Chapter defines the types of eligible housing, the HA’s policies for initial inspections, lease requirements, owner disapproval, and the processing of a Request For Lease Approval (RFLA).

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

The Request for Lease Approval (RLA) and a copy of the proposed Lease must be submitted by the family during the term of the certificate or voucher. The Request for Lease Approval must be signed by both the owner and applicant or participant. *The HA will not permit the family to submit more than one RFLA at a time.*

1. Approval of RFLA

The Request will be approved if:

- 1. The unit is an eligible type of housing as described in Section B of this chapter.**
- 2. The unit meets HUD's Housing Quality Standards (and any additional criteria as i**
- 3. The rent is reasonable - See Chapter 8**
- 4. The security deposit amount is approvable.**
- 5. The proposed lease complies with HUD and HA requirements and State and Local Law.**
- 6. The owner is eligible to participate and there are no conflicts of interest.**

2. Disapproval of RLA

If, after an inspection and review of the documents submitted, the HA determines that the Request cannot be approved for any of the reasons listed above, the landlord and the family will be notified in writing. The HA will instruct the owner and family of the steps that are necessary to approve the Request.

If a unit fails the initial inspection for any causes stated above and the prospective tenant and owner continue to have an interest in processing the unit for approval, the owner will be given 7 calendar days to correct fail items in order to reinstate a denied Request for lease Approval without having to resubmit a new RFLA.

When, for any reason, an RLA is not approved, the HA will furnish another RLA form to the family along with the notice of disapproval so that the family can continue to search for

eligible housing. The time limit on the Certificate or Voucher will be suspended or “tolled” while the RFLA is being processed.

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

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

- 1. All structure types (i.e., apartments, single family dwellings, etc.)**
- 2. Manufactured homes where the tenant leases the mobile home and the pad.**
- 3. Manufactured homes where the tenant owns the mobile home and leases the pad (Certificate Program only).**
- 4. Independent Group Residences**
- 5. Units owned (but not subsidized) by the HA (following HUD-prescribed requirements). (Example: Conant Place)**

A family can own a rental unit but cannot reside in it while being assisted, except in the Certificate program for manufactured homes when the tenant owns the mobile home and leases the pad.

A family may lease in and have an interest in a cooperative housing development.

For contracts executed after 9/15/97, HUD disallows property owners from renting to relatives under the Section 8 Programs.

For contracts effective on or before 9/15/97, property owners may rent to relatives so long as the owner meets the Section 8 Program Requirements.

The HA may not permit a Certificate or Voucher holder to lease a unit which is receiving Project-Based Section 8 assistance or any duplicative rental subsidies.

C. INELIGIBLE TYPES OF HOUSING

The HA will not approve:

1. A unit occupied by the owner or by any person with an interest in the unit, other than manufactured homes described above.
2. Units owned by a relative
3. Nursing homes or other institutions that provide care.
3. School dormitories and institutional housing.
4. Any other types of housing prohibited by HUD.

D. HACS LEASE REVIEW [24 CFR 982.308]

Owners may either submit their own lease or permit the HA to furnish the lease. In cases where the owner's lease is used, the HUD lease addendum must be attached and executed.

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

E. SEPARATE AGREEMENTS

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

Owners and families may execute separate agreements for services, appliances and other items that are not included in the lease if the agreement is in writing and approved by the HA.

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

The HA is not liable for unpaid charges for items covered by separate agreements and

nonpayment of these agreements cannot be cause for eviction.

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

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

Initial inspections shall be scheduled and performed within seven working days from receipt of the RFLA form.

G. DISAPPROVAL OF PROPOSED RENT - Certificate Program

Under the Certificate Program, the “gross rent” (rent plus applicable utility allowance), must not exceed the Fair Market Rents established by HUD. In the event the requested rent exceeds the FMR, the HACS will attempt to negotiate a rent which falls below the HUD published FMR or amend the utility cost arrangements.

If the owner accepts the offer of a revised rent, the HA will continue processing the Request for Lease Approval and Lease. If the revised rent involves a change in the provision of utilities, notification of the proposed changes must be signed by both the property owner and tenant acknowledging the revision.

Exception Rents

If the HA is satisfied that the requested rent meets the test of rent reasonableness, the rent is less than 110% of FMR, and the HA has remaining “Exception Rent” authority, the HA may approve an Exception Rent. Exception Rents shall not be granted if the unit chosen contains a greater number of bedrooms than allocated on the Certificate.

If the exception rent is not an option (because of the size of the unit, or because the reasonable rent exceeds the exception rent, or because the HA has no authority left), and the family and landlord agree, the family may exercise “Interchangeability” and exchange their Certificate for a Voucher so long as the HA has Voucher funding available.

If the owner does not agree on the Contract Rent after negotiations with the HACS, the

HACS shall inform the family and owner that the lease is disapproved.

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

Owners will be informed of their responsibility to determine the suitability of their prospective tenants. Owners will be encouraged to screen applicants for rent payment history, eviction history, damage to units, and other factors related to the family's suitability as a tenant.

The HACS is required by HUD to provide prospective owners with the address of Section 8 Program applicants and the names and addresses of the current and previous landlord, if known.

In addition to the HUD required release of tenancy information, the HACS may provide a prospective landlord with the following information based on documentation in the case file. *This additional information shall only be provided upon signed release from the applicant or participant.*

**Eviction history; and/or
Damage to rental units; and/or
Drug Trafficking by family members**

The information will be provided for the last 3 years and will be provided in writing. Release of this information shall be provided only by the Section 8 Director, Section 8 Supervisor, or Housing Inspection's Manager. The HA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

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

I. OWNER DISAPPROVAL [24 CFR 982.306]

For purposes of this section, "owner" includes a principal or other interested party. The HA will disapprove the owner for the following reasons:

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

- b. HUD has informed the HA that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.**
- c. HUD has informed the HA that a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.**
- d. The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).**
- e. The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.**
- f. The owner has engaged in drug trafficking.**
- g. The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.**
- h. The owner has a history or practice of renting units that fail to meet State or local housing codes.**
- I. The owner has not paid State or local real estate taxes, fines or assessments.**

If an owner commits fraud or abuse or is guilty of frequent or serious contract violations, the HA will restrict the owner from future participation in the program commensurate with the seriousness of the offense. The HACS may also terminate some or all existing contracts with the owner.

Before imposing any penalty against an owner the HACS shall review all relevant facts of the case, and will consider such factors as the owner's record of compliance and the number of violations.

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

When the family reports changes in factors that will affect the Total Tenant Payment (TTP) prior to the effective date of the HAP contract, the information will be verified and the TTP will be recalculated effective the date of the initial HAP Contract.

If the verifications on file are older than 60 days, new verifications must be obtained regardless of whether a change has or has not occurred.

K. SECURITY DEPOSIT

Leases Effective prior to 10/2/95 -

The amount of Security Deposit which could have been collected by owners under both Voucher and Certificate contracts in effect prior to 10/2/95 is an amount not to exceed the Total Tenant Payment or \$50.00, whichever is greater

Leases in Effect on or after 10/2/95

Security deposits charged by owners for the Section 8 Certificate or Voucher Programs may not exceed those charged to unassisted tenants (nor the maximum prescribed by state and local law)

Families "In Place"

If the amount of deposit collected for an "in-place" tenant is less than the amounts shown above, the HACS shall recommend that the owner obtain the minimum security deposit amounts shown above. Any additional deposit or refund of deposit shall be settled between the landlord and tenant and must be provided to the HACS in order to retain accurate deposit records.

L. OWNER BRIEFING

Owners are encouraged to attend an orientation prior to commencement of program participation. The purpose of this orientation is to provide property owner of the responsibilities and roles of the owner, tenant, and Housing Authority. Owner briefings are held quarterly.

M. AUTHORITY TO EXECUTE A HAP CONTRACT

The following HA representatives are authorized to execute a contract on behalf of the HA:

**Executive Director;or
Section 8 Director;or
Section 8 Supervisor;or
Housing Insp.'s Manager**

N. REQUIRED OWNER INFORMATION

Owners must provide the current address of their residence (not a Post Office box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit.

Owners must provide an Employer Identification Number or Social Security Number and a copy of their Driver's License or other photo identification. Owners may be asked to submit proof of ownership of the property, such as a Grant Deed or Tax Bill, and a copy of the Management Agreement if the property is managed by a management agent.

The owner must provide a business or home telephone number.

O. CHANGE IN OWNERSHIP

A change in ownership does not require execution of a new contract.

The HA will process a change of ownership upon the written request of a new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title and the Federal Identification Number or Social Security number of the new owner.

The HA must receive a written request by the previous owner in order to change the HAP payee and/or the address to which payment is to be sent.

Chapter 7

REQUEST FOR LEASE APPROVAL AND HQS INSPECTIONS

INTRODUCTION [24 CFR 982.305 (a)]

This Chapter defines the types of eligible housing, the HA's policies for initial inspections, lease requirements, owner disapproval, and the processing of a Request For Lease Approval (RFLA).

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

The Request for Lease Approval (RLA) and a copy of the proposed Lease must be submitted by the family during the term of the certificate or voucher. The Request for Lease Approval must be signed by both the owner and applicant or participant. *The HA will not permit the family to submit more than one RFLA at a time.*

1. Approval of RFLA

The Request will be approved if:

- 1. The unit is an eligible type of housing as described in Section B of this chapter.**
- 2. The unit meets HUD's Housing Quality Standards (and any additional criteria as i**

3. **The rent is reasonable - See Chapter 8**
4. **The security deposit amount is approvable.**
5. **The proposed lease complies with HUD and HA requirements and State and Local Law.**
6. **The owner is eligible to participate and there are no conflicts of interest.**

2. Disapproval of RLA

If, after an inspection and review of the documents submitted, the HA determines that the Request cannot be approved for any of the reasons listed above, the landlord and the family will be notified in writing. The HA will instruct the owner and family of the steps that are necessary to approve the Request.

If a unit fails the initial inspection for any causes stated above and the prospective tenant and owner continue to have an interest in processing the unit for approval, the owner will be given 7 calendar days to correct fail items in order to reinstate a denied Request for lease Approval without having to resubmit a new RFLA.

When, for any reason, an RLA is not approved, the HA will furnish another RLA form to the family along with the notice of disapproval so that the family can continue to search for eligible housing. The time limit on the Certificate or Voucher will be suspended or “tolled” while the RFLA is being processed.

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

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

1. **All structure types (i.e., apartments, single family dwellings, etc.)**
2. **Manufactured homes where the tenant leases the mobile home and the pad.**
3. **Manufactured homes where the tenant owns the mobile home and leases the pad (Certificate Program only).**

4. **Independent Group Residences**
5. **Units owned (but not subsidized) by the HA (following HUD-prescribed requirements). (Example: Conant Place)**

A family can own a rental unit but cannot reside in it while being assisted, except in the Certificate program for manufactured homes when the tenant owns the mobile home and leases the pad.

A family may lease in and have an interest in a cooperative housing development.

For contracts executed after 9/15/97, HUD disallows property owners from renting to relatives under the Section 8 Programs.

For contracts effective on or before 9/15/97, property owners may rent to relatives so long as the owner meets the Section 8 Program Requirements.

The HA may not permit a Certificate or Voucher holder to lease a unit which is receiving Project-Based Section 8 assistance or any duplicative rental subsidies.

C. INELIGIBLE TYPES OF HOUSING

The HA will not approve:

1. **A unit occupied by the owner or by any person with an interest in the unit, other than manufactured homes described above.**
2. **Units owned by a relative**
3. **Nursing homes or other institutions that provide care.**
3. **School dormitories and institutional housing.**
4. **Any other types of housing prohibited by HUD.**

D. HACS LEASE REVIEW [24 CFR 982.308]

Owners may either submit their own lease or permit the HA to furnish the lease.

In cases where the owner's lease is used, the HUD lease addendum must be attached and

executed.

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

E. SEPARATE AGREEMENTS

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

Owners and families may execute separate agreements for services, appliances and other items that are not included in the lease if the agreement is in writing and approved by the HA.

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

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

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

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

Initial inspections shall be scheduled and performed within seven working days from receipt of the RFLA form.

G. DISAPPROVAL OF PROPOSED RENT - Certificate Program

Under the Certificate Program, the “gross rent” (rent plus applicable utility allowance), must not exceed the Fair Market Rents established by HUD. In the event the requested rent exceeds the FMR, the HACS will attempt to negotiate a rent which falls below the HUD published FMR or amend the utility cost arrangements.

If the owner accepts the offer of a revised rent, the HA will continue processing the Request for Lease Approval and Lease. If the revised rent involves a change in the provision of utilities, notification of the proposed changes must be signed by both the property owner and tenant acknowledging the revision.

Exception Rents

If the HA is satisfied that the requested rent meets the test of rent reasonableness, the rent is less than 110% of FMR, and the HA has remaining “Exception Rent” authority, the HA may approve an Exception Rent. Exception Rents shall not be granted if the unit chosen contains a greater number of bedrooms than allocated on the Certificate.

If the exception rent is not an option (because of the size of the unit, or because the reasonable rent exceeds the exception rent, or because the HA has no authority left), and the family and landlord agree, the family may exercise “Interchangeability” and exchange their Certificate for a Voucher so long as the HA has Voucher funding available.

If the owner does not agree on the Contract Rent after negotiations with the HACS, the HACS shall inform the family and owner that the lease is disapproved.

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

Owners will be informed of their responsibility to determine the suitability of their prospective tenants. Owners will be encouraged to screen applicants for rent payment history, eviction history, damage to units, and other factors related to the family’s suitability as a tenant.

The HACS is required by HUD to provide prospective owners with the address of Section 8 Program applicants and the names and addresses of the current and previous landlord, if known.

In addition to the HUD required release of tenancy information, the HACS may provide a

prospective landlord with the following information based on documentation in the case file. *This additional information shall only be provided upon signed release from the applicant or participant.*

**Eviction history; and/or
Damage to rental units; and/or
Drug Trafficking by family members**

The information will be provided for the last 3 years and will be provided in writing. Release of this information shall be provided only by the Section 8 Director, Section 8 Supervisor, or Housing Inspection's Manager. The HA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

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

I. OWNER DISAPPROVAL [24 CFR 982.306]

For purposes of this section, "owner" includes a principal or other interested party. The HA will disapprove the owner for the following reasons:

- a. HUD has informed the HA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.**
- b. HUD has informed the HA that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.**
- c. HUD has informed the HA that a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.**
- d. The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).**
- e. The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.**

- f. The owner has engaged in drug trafficking.**
- g. The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.**
- h. The owner has a history or practice of renting units that fail to meet State or local housing codes.**
- I. The owner has not paid State or local real estate taxes, fines or assessments.**

If an owner commits fraud or abuse or is guilty of frequent or serious contract violations, the HA will restrict the owner from future participation in the program commensurate with the seriousness of the offense. The HACS may also terminate some or all existing contracts with the owner.

Before imposing any penalty against an owner the HACS shall review all relevant facts of the case, and will consider such factors as the owner's record of compliance and the number of violations.

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

When the family reports changes in factors that will affect the Total Tenant Payment (TTP) prior to the effective date of the HAP contract, the information will be verified and the TTP will be recalculated effective the date of the initial HAP Contract.

If the verifications on file are older than 60 days, new verifications must be obtained regardless of whether a change has or has not occurred.

K. SECURITY DEPOSIT

Leases Effective prior to 10/2/95 -

The amount of Security Deposit which could have been collected by owners under both Voucher and Certificate contracts in effect prior to 10/2/95 is an amount not to exceed the Total Tenant Payment or \$50.00, whichever is greater

Leases in Effect on or after 10/2/95

Security deposits charged by owners for the Section 8 Certificate or Voucher Programs may not exceed those charged to unassisted tenants (nor the maximum prescribed by state and local law)

Families “In Place”

If the amount of deposit collected for an “in-place” tenant is less than the amounts shown above, the HACS shall recommend that the owner obtain the minimum security deposit amounts shown above. Any additional deposit or refund of deposit shall be settled between the landlord and tenant and must be provided to the HACS in order to retain accurate deposit records.

L. OWNER BRIEFING

Owners are encouraged to attend an orientation prior to commencement of program participation. The purpose of this orientation is to provide property owner of the responsibilities and roles of the owner, tenant, and Housing Authority. Owner briefings are held quarterly.

M. AUTHORITY TO EXECUTE A HAP CONTRACT

The following HA representatives are authorized to execute a contract on behalf of the HA:

Executive Director;or
Section 8 Director;or
Section 8 Supervisor;or
Housing Insp.'s Manager

N. REQUIRED OWNER INFORMATION

Owners must provide the current address of their residence (not a Post Office box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit.

Owners must provide an Employer Identification Number or Social Security Number and a copy of their Driver's License or other photo identification. Owners may be asked to submit proof of ownership of the property, such as a Grant Deed or Tax Bill, and a copy of the Management Agreement if the property is managed by a management agent.

The owner must provide a business or home telephone number.

O. CHANGE IN OWNERSHIP

A change in ownership does not require execution of a new contract.

The HA will process a change of ownership upon the written request of a new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title and the Federal Identification Number or Social Security number of the new owner.

The HA must receive a written request by the previous owner in order to change the HAP payee and/or the address to which payment is to be sent.

Chapter 8

OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

INTRODUCTION

The following Chapter explains the HACS's procedures for determining rent reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

A. MAKING PAYMENTS TO OWNERS

Once the HAP Contract is executed, the HA begins processing payments to the landlord. The effective date and the amount of the HA payment is communicated via mail to the owner and the tenant. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made automatically to the HAP Register for the following month. Checks are disbursed by the Finance Department to the owner each month.

Checks may not be picked up by owner at the HA unless, due to a HACS administrative error, there was a delay in the processing of the owner's check.

Checks will only be disbursed on the 1st and 15th of the month. Exceptions may be made with the approval of the Section 8 Director in cases of hardship.

Checks that are not received will not be replaced until a written request has been received from the payee and a stop payment has been put on the check.

B. RENT ADJUSTMENTS [24 CFR 882.108]

1. Certificate Program

The HACS shall notify owners of their right to request a rent adjustment 90 days in advance of the anniversary date. The decision to approve or deny this request will be based on the following factors:

- a. HUD-published AAF calculations for the Fiscal Year; and**
- b. Rent reasonableness**

The adjustment may be an increase or a decrease, but may never result in a contract rent lower than the initial contract rent at commencement of the HAP Contract.

Rent adjustments to owners under the Certificate Program are effective on the anniversary date of the HAP Contract (unless the unit is in a failed condition at that time).

The change in rent does not affect the automatic renewal of the lease and does not require a new lease or contract or even an executed amendment. A notice of rent change will be sent to the owner and the family.

2. Disapproval of Requests for Adjustment/Offer of a New Lease

If the HACS rejects the owner's request for rent adjustment due to exceeding the AAF for the Fiscal year in which the request was made, the owner may offer the tenant a new lease subject to the rent meeting the Rent Reasonableness Criteria. The owner is required to provide the tenant with a sixty-day notice to the tenant. If the tenant accepts the offer and a new lease is executed, a new Housing Assistance Payments Contract must also be executed.

If the tenant refuses or the owner does not offer a new lease, the owner may institute court action to terminate tenancy for a business or economic reason in accordance with the lease after giving 90 days notice to the HA, HUD, and the family as required by law. The HA, upon notification from the Tenant or Owner, will issue a new Certificate to the family.

After the tenant has begun searching for a new housing unit and/or after court action has been initiated, the owner may decide to accept the current lease. If the owner and tenant agree, the lease and HAP Contract shall remain in effect so long as the lease and contract termination date has not lapsed.

3. Voucher Program

Owners may request a rent adjustment in the Voucher Program after expiration of the first year of the lease. Rent adjustments are effective with a sixty-day notice to the family and a copy to the HA. The HA will advise the family as to whether the rent is reasonable.

C. RENT REASONABLENESS DETERMINATIONS [24 CFR 882.106 (b), 982.4]

Rent reasonableness determinations shall be conducted under the following circumstances:

- 1. When units are placed under HAP Contract for the first time; or**
- 2. When owners request annual or special contract rent adjustments under the Certificate Program; or**
- 3. When an owner requests a rent increase under the Voucher Program.**

For the Certificate and Voucher Programs, the HA will determine and document on a case-by-case basis that the approved rent:

- 1. Does not exceed rents currently charged for new leases by the same owner for units equivalent in size location and amenity**
- 2. Is reasonable in relation to rents currently charged by other owners for comparable units in the unassisted market.**

D. RENT COMPARABILITY DATA

At least three comparable units will be used for each rent approval determination. All comparables must be based on the rent that the unit would command if leased in the current market.

The data for other unassisted units will be gathered from newspapers, Realtors, professional associations, inquiries of owners, and other available sources.

The market areas for rent reasonableness are census tracts within the HA's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items will be used for rent reasonableness documentation:

- Square Footage**
- Number of Bedrooms**
- Facilities**
- Location**
- Number of Bathrooms**

Quality
Amenities
Unit Type
Management and Maintenance Services

The HACS maintains an automated database which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data is updated on an ongoing basis and purged when the data is 12 months old.

E. VOUCHER PROGRAM - ADJUSTMENTS TO PAYMENT STANDARDS

[24 CFR 887.209 (b), 887.351 (c)(d)]

The Payment Standard is used to determine the maximum subsidy which can be paid by the HA on behalf of the family. Payment Standards may be adjusted to increase Housing Assistance Payments in order to maintain affordable rents for family's participating under the Voucher Program.

The HA will review the Payment Standard annually to determine whether an adjustment should be made for some or all unit sizes. In accordance with HUD requirements, the HACS shall maintain the Payment Standard for any bedroom size at a level between 80% and 100% of the existing Fair Market Rent.

1. Increasing the Payment Standard

In determining whether a change in Payment Standards are made, the following data shall be analyzed:

Assisted Families' Rent Burdens

The HA will review reports showing the percent of income used for rent by Voucher families to determine the extent to which the rent burden is more than 45% of income.

Availability of Suitable Vacant Units Below the Payment Standard

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

Quality of Units Selected

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

Other Deciding Factor

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

Note: The percentages used in the factors which determine an adjustment in the Payment Standard are HUD recommended figures.

2. Lowering of the Payment Standard

Statistical analysis may reveal the Payment Standard should be lowered. If it is determined that the Payment Standard must be lowered, such change will not occur with families currently participating under the voucher program until one of the following actions occur:

- a. There is a change in family composition which affects their voucher size
- b. An annual reexamination is conducted
- c. The family transfers to a new unit.

3. File Documentation

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



Chapter 9

RECERTIFICATION/INTERIMS/ERRORS

INTRODUCTION

HUD requires families to report all changes in household composition. The HA decides what the process shall be for these reporting requirements. The following Chapter defines the HACS's policy for conducting annual recertification, coordinating annual activities, the interim reporting requirements, and effective dates of rental adjustments based on timely reporting, failure to report, or administrative errors.

A. ANNUAL ACTIVITIES [24 CFR 882.212 (a), 887.355]

There are three activities the HA must conduct on an annual basis. These activities will be coordinated whenever possible:

- 1. Recertification of Income and Family Composition**
- 2. HQS Inspection**
- 3. Contract Rent Adjustments**

B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 882.212 (a), 887.355]

Families are required to be recertified at least annually. The HA will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview at least 90 days in advance of the anniversary date. No annual reexamination will be conducted if an interim reexamination had been completed within 120 days of the anniversary date of the lease.

If requested as an accommodation by a person with a disability, the HA will provide the notice in an accessible format and/or mail the notice to a third party, and/or conduct a home visit. These accommodations will be granted upon verification that they meet the need presented by the disability.

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

1. Requirements to Attend

All adult household members will be requested to attend the recertification interview. If, due to a hardship, an adult family member cannot attend the scheduled interview, the absent adult family member(s) must meet with the Housing Representative at least 45 days prior to the anniversary date to provide income information and sign necessary declarations.

If the head of household is unable to attend the initial annual interview the appointment will NOT be rescheduled. The spouse or other adult family member may attend the interview to begin the recertification process, provided that the head of household meets with the Housing Representative within 45 days of the anniversary date to complete the recertification process.

2. Rescheduling & No-Show Policy

Rescheduling of an Annual Reexamination - The written notification states which family members are required to attend the interview. The family may call to request another appointment no less than 5 days prior to the interview if no adult members can attend the interview.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the HA, the HA will send a notice of program termination.

If the family responds to the termination notice, a second and final interview will be scheduled. If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the HA will

- a. Terminate assistance to the family; and**
- b. Offer them an informal hearing.**

Exceptions to these policies may be made by Section 8 Director or Section 8 Supervisor if the family is able to document an emergency situation that prevented them from canceling or attending the appointment. Documentation will be required.

4. Verification of Information

The HA will follow the verification procedures and guidelines described in this Chapter 4. Verifications for reexaminations must be dated within the past 120 days.

5. Effective Dates for Changes in Total Tenant Payment at Annual Reexam

When proper 30- day notice can be provided by the HACS and the tenant provides information in a timely manner, changes to a family's Total Tenant Payment resulting from a regular reexamination shall become effective on the scheduled anniversary date of the lease.

Special Circumstances-

If the participant's TTP is increased, the scheduled effective date shall be at least 30 days from the date of notification, unless the participant caused a delay in the process (See Section D of this Chapter for processing delays and retroactive rent)

If the participant's TTP is lowered, the effective date shall be the anniversary date of the lease unless the tenant had previously reported an interim decrease in rent and the HACS did not conduct an interim until the regularly scheduled annual reexamination appointment.

Under these circumstances, the family's TTP shall be retroactively calculated to the month following the month in which the change was reported.

C. INTERIM REPORTING REQUIREMENTS

1. Change in Family Composition [24 CFR 882.213, 887.359 (a)(b)]

Families are required to report to the HACS any change in family composition within 30 days of the change. All additions to the household must be approved by the HACS in accordance with the policy set forth in Chapter 4

The HACS shall conduct an interim reexamination for any change in family composition. Included in this interim is a redetermination of the family's TTP, the family's Certificate or Voucher size, and whether the family is under or over housed.

2. Change in Income

Increases

Families are required to report any increases in income or assets of all household members to the HACS in writing within 30 days of the change. The change must be reported on the HACS

“Section 8 Change Report” and include verification, whenever possible.

Upon receipt of the “Section 8 Change Report”, the HACS will review the changes and conduct an interim reexamination for families whose income increases \$100.00 or more per month.

When an income interim is conducted, the HAC’s shall redetermine the family’s TTP and subsidy level. Proper 30-day notice shall be provided by HACS when an interim results in an increase in a family’s TTP.

Income Decreases

Families who report an interim change which results in a decrease in income shall be automatically scheduled for an interim interview within 14 days from notification of the change. The effective date of the change in rent shall be as follows:

If the family provides the verification of change within the time requested (21 days from the date the change was reported), the TTP shall be reduced the first of the month following the month in which the change was reported.

If the family delays the verification process and fails to provide verification within the 21 day time period, the interim rent adjustment shall be effective the month following the month in which the information was received by the HACS.

In the event of a severe reduction in income which would result in the family’s inability to pay the following month’s rent, the HACS may temporarily accept a family certification or some other form of verification in order to revise the TTP immediately until such time the family can supply the third party verification. This provision is subject to approval from the Section 8 Supervisor or Section 8 Director.

4. Other Interim Reporting Issues

Families who request an Interim rent reduction are required to report, within 30 days from the date of the change, any subsequent income increases when they occur. Failure to do so will result in a retroactive overpayment commencing the first of the month following the date of the change, regardless of the amount of income increase which has occurred.

An interim reexamination does not affect the date of the annual recertification.

An interim (Special) reexamination will be scheduled for families with Zero or Unstable income every 90 days.

Any changes reported by participants shall be reviewed to assess whether an interim is to be scheduled in accordance with the policies set forth in this section. If it is determined that an interim reexamination is not necessary, the “Section 8 Change Report” is to be filed in the family’s case file for verification of reporting requirements.

D. DELAYS IN PROCESS - RETROACTIVE RENT ADJUSTMENTS

This Section describes the HACS policies for retroactive rental adjustments due to delays in processing caused by both the HACS and program participants.

1. Family’s Responsibility to Provide Documents in a Timely Manner

It is the responsibility of the participant to ensure verifications have been received by the HACS, including third party verifications. Participants are required to contact the HACS before the verification submission deadline date in instances where the verifications cannot be obtained within the specified time period. *For purposes of defining a delay, a reasonable time period established by the HACS to submit required verification has been determined to be within 21 days from the interview appointment. Note: For interim decreases, the time period is limited to 21 days from the submission of the “Section 8 Change Report”*

2. Retroactive Increases

Note: In considering any retroactive rent increase, HACS shall take into consideration any delays it may have caused in the processing of the annual reexamination

Annual Reexamination

If the family fails to, without good cause, provide all income and family verifications within the 21 day specified time period; or

If the family submits incomplete information regarding family income during the annual reexamination interview; then

The increase in TTP shall be retroactive to the anniversary date of the lease. The HACS reserves the right to extend this retroactive policy to the date the increase occurred if the tenant was required to be scheduled for an interim (an increase of more than \$100 per month) and failed to report the change.

Interims

Participants who request in income decrease are required to report any subsequent increases.

If a participant requests an interim decrease and fails to report a subsequent increase, the family will be required to repay to the HACS any overpayment of HAP retroactive to first of the month following the date the change occurred. This policy shall apply regardless of the dollar amount of the income increase.

3. Retroactive Decreases

Annual Reexamination

If the HACS delays the annual reexamination process and determines that the participant's TTP should have been decreased at the anniversary date of the lease, the HACS shall retroactively adjust the participant's TTP to the anniversary date.

Interims

If the HACS determines that the participant did not cause a delay in the process and provided requested verifications within the specified time period, the HACS shall retroactively decrease the tenant's TTP effective the month following the month in which the change was reported.

4. Errors in the Calculation of the TTP

Housing Authority Caused Errors

If, due to a HACS administrative error, a participant's TTP is calculated incorrectly and the correction results in a decrease in the TTP, the TTP shall be decreased retroactively to the date the error occurred.

If the correction results in an increase in the TTP, the Authority shall correct the error and provide the client with a 30-day notice of rent adjustment.

Participant Caused Errors

If the TTP correction results in a decrease of the participant's TTP, such decrease shall be effective the first of the month following the date in which the tenant reported the error.

If the TTP correction results in an increase in the TTP, the increase shall be effective retroactively to the last anniversary date of the lease. If the error results in a large overpayment, participants shall be offered to enter into a repayment agreement and counseled on reporting responsibilities.

The HACS reserves the right to extend this retroactive policy to the date the increase occurred if the tenant was required to be scheduled for an interim (an increase of more than \$100 per month) and failed to report the change.

F. NOTIFICATION OF RESULTS OF RECERTIFICATION

The HUD form 50058 will be completed and transmitted as required by HUD.

Upon obtaining all appropriate information from the participant and calculating the TTP, the HACS shall send to the participant and owner a Notice of Rent Adjustment, stating the rent to be paid and the effective date of any change in the rent. This notice does not require the tenant or owner's signature. If the tenant disputes the TTP, informal hearing rights are provided to the tenant.

In the event the HACS does not conduct an annual or special re-examination in a timely manner to allow for proper 30-day notice of TTP prior to the anniversary date of the lease, the notice or rent adjustment must allow a minimum 30 day notice for rent increases.



Chapter 10

CONTRACT TERMINATIONS/TRANSFERS/PORTABILITY

INTRODUCTION

This Chapter defines the procedures for contract terminations, transfers, and portability procedures.

A. LEASE TERMINATIONS

1. Owner Initiated Lease Terminations

For contracts executed prior to 10/2/95, the Landlord shall not terminate the tenancy except for:

- a. **Serious or repeated violation of the terms and conditions of the Lease;or**
- b. **Violation of Federal, State, or local law which imposes obligations on a tenant** **in c**
- c. **“Other Good Cause”. The Landlord may not terminate the tenancy for “other** **goo**
The following are some examples of “other good cause”:

- 1. **Failure by the tenant family to accept the offer of a new Lease. In**
date of the new Lease term. The offer may **specify a reasonable time**
limit for acceptance by the Tenant Family.;or
- 2. **The landlord’s desire to utilize the unit for personal or family use or for**
- 3. **A business or economic reason for termination of the tenancy (such as**
- 4. **A history of disturbance of neighbors or housekeeping which results in**

This list of examples is intended as a non-exclusive statement of some situations included as “other good cause” but shall in no way be considered as a limitation on the application of “other good cause”. Note: If a landlord currently under the pre-10/2/95 contract

requirements wishes to change the terms of the lease to include a definite term after the first year of the contract (i.e., month-to-month, six month lease, etc.), the owner must offer the tenant a new lease. The change would require the tenant's approval and execution of a new lease and HAP Contract.

For Contracts executed on or after 10/2/95, the Owner may only terminate the lease for the following causes and under the following circumstances:

a. The Owner can terminate the lease at the end of the initial term, or at the end of any successive definite term (i.e., an agreement between the tenant and owner

whi

b. During the term of the lease for the following:

1. Serious or repeated violation of the terms and conditions of the lease; or

2. Violation of Federal, State, or local law that imposes obligations on the

3. Criminal Activity -- Defined as activity committed by the tenant, any

a. Any criminal activity that threatens the health, safety or right to

b. Any criminal activity that threatens the health, safety or right to

c. Any drug-related criminal activity on or near the premises

4. Other Good Cause

a. Failure by the tenant family to accept the offer of a new lease or

b. The owner's desire to utilize the unit for personal or family use

c. A business or economic reason for termination of the tenancy

During the first year of the lease term, the owner may not terminate for "other good cause" unless the owner is terminating the tenancy because of something the family did nor failed to do.

2. Owner Notice Requirements

The Owner is required to provide the tenant with proper notice which specifies the grounds for termination of tenancy. The following shall be considered proper notice:

- 1. 90-day notice shall be required for notice given for “Other Good Cause” that is not due to something the family did or failed to do; and**
 - 2. 30-day notice for all other cause such as violation of the terms of the contract**
- or**
- the end of a successive definite term after the first year.**

THE HACS SHALL REQUIRE THAT THE OWNER SPECIFY THE SECTION SET FORTH IN THE LEASE THAT HAS BEEN VIOLATED AS DOCUMENTATION FOR THE HA TO DETERMINE A FAMILY’S CONTINUED ELIGIBILITY FOR PROGRAM ASSISTANCE AND TO VALIDATE THE NOTICE REQUIREMENTS UNDER THE SECTION 8 PROGRAMS.

3. Evictions

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 notice of grounds for eviction must be given at or before commencement of any eviction ACTION.

Note: The HACS shall continue to make a Housing Assistance Payment to the Owner through an eviction action and the date the tenant vacates the unit so long as the HAC’s receives proper notification from the landlord of the pending eviction. Under these circumstances, the HACS shall place a hold on the contract rent rather than terminate the contract in computer system until the eviction has taken place. In order to claim HAP through lock-out, the landlord must provide the HACS with the documentation, including notice of lock-out.

4. HAP Payments to Owner

- **Pre 10/2/95 Contracts:**

No subsidy payments on behalf of the family will be made by the HACS to the owner beyond the termination date of the contract. The owner must reimburse the HA for any subsidies paid by the HACS for any period beyond this time period.

➤ **For post 10/2/95 contracts:**

The owner may retain the HAP for the month in which the family vacates the unit. No claim for additional rents can be collected beyond that time period.

➤ **Families who elect to remain in the unit after the Section 8 HAP Contract is terminated shall be responsible for the full rent due to the owner. *Note: See Section E (1) of this chapter for execution of a new contract when a tenant decides to remain in place after a contract has been terminated.***

5. Tenant Initiated Terminations

In order for a family to continue to receive assistance under the Section 8 Programs, the family must give proper notice to the landlord prior to vacating a unit.

For Contracts executed prior to 10/2/95, the tenant may vacate the unit under the following conditions:

- 1. The tenant may vacate the unit during the first year through a mutual rescission between the tenant and landlord; or**
- 2. The tenant may terminate the Lease, without cause, at any time after the first year**

For Contracts executed on or after 10/2/95 the tenant may vacate the unit under the following conditions:

- 1. Upon mutual rescission between the landlord and tenant; or**
- 2. Upon proper notification at the end of the agreed upon successive definite term. Failure to do so will be grounds for termination due to a violation of family obli**

Note: The HACS may allow families to terminate assistance within the first year of the lease or during the term of the lease if it is determined that the family's health or safety is in jeopardy. This provision is subject to approval from the HACS and must be verified through

documentation as required by the HACS.

B. CONTRACT TERMINATIONS [24 CFR 982.404 (a), 982.454,982.552 (a)(3)]

The term of the HAP Contract coincides with the term of the lease. The contract between the owner and the HA may be terminated by the HA, or by the owner or tenant terminating the lease. The following describes when the HACS shall terminate a contract.

1. Termination of the Contract by the Housing Authority for Owner Breach

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

- a. The owner has violated any obligation under the HAP contract for the dwelling unit**
- b. The owner has violated any obligations under any other housing assistance pay**
- c. The owner has committed fraud, bribery, or any other corrupt or criminal act in con**
- d. The owner has engaged in drug trafficking**

2. Other Causes for HAP Termination

The HACS shall also terminate the contract if:

- a. The HACS terminates assistance to the family**
- b. The family is required to move from a unit which is under-occupied (Certificate Pro**
- c. Funding is no longer available under the ACC**
- d. 180 days has lapsed since the last housing assistance payment was made to the owner**

3. Notice of Termination

The HACS will provide the owner and family with at least thirty days written notice of termination of the contract

C. ALLOWABLE TRANSFERS AFTER HAP TERMINATION

A family may move to a new unit if:

- 1. The assisted lease for the old unit has been terminated because the HACS has** **terr**
- 2. The owner has given the family a notice to vacate; or**
- 3. The family has given notice to vacate and continues to meet the eligibility** **crit**

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

Families in serious violation of the terms of their existing lease will not be permitted to transfer until such violations are corrected. A serious violation of the terms of a lease may include non-payment of rent, tenant-caused HQS violations, or moving in violation of the lease terms. The HACS may conduct an inspection to determine whether HQS violations are corrected prior to executing a new HAP Contract and Lease for a new unit. Denial of move restrictions must be reviewed and approved by the Section 8 Supervisor, Section 8 Director, or the Housing Inspection's Manager.

E. PROCEDURE FOR TRANSFERRING

1. Issuance of Certificate/Voucher

If the family has not been recertified within the last 120 days, the HA will issue the family a certificate or voucher to move. To be eligible to be interviewed and receive a transfer Certificate or voucher, the family must provide a copy of the notice given by either the family or the owner.

2. Remaining In-Place

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits. If the owner and tenant notifies the HACS of a rescission of the cancellation of the lease prior to the lease termination date, the HACS shall rescind the termination and continue HAP payments.

If the family does not notify the HACS prior to the termination date, a new lease and contract must be executed for the unit if the family chooses to remain in the unit.

F. PORTABILITY OVERVIEW [24 CFR 982.353]

Portability is defined as a program applicant or participant's ability to relocate and receive assistance to lease a unit outside of the initial HA's jurisdiction. The unit may be located:

- 1. In the same state as the initial HA;**
- 2. In the same metropolitan statistical area (MSA) as the initial HA, but in a different state;**
- 3. In an MSA adjacent to the MSA of the initial HA, but in a different state.**
- 4. In the jurisdiction of an HA anywhere within the United States that administer:**

G. INCOMING PORTABILITY [24 CFR 982.354, 982.355]

1. Absorption or Administration

The HA will accept a family with a valid Certificate/Voucher from another jurisdiction and administer or absorb the Certificate/Voucher. If administering, the family will be issued a "Portability" Certificate or Voucher by the HA with the same issuance and expiration date. The HA may grant extensions in accordance with this Administrative Plan.

The HA will absorb all incoming portable families provided that there is funding available with the following exceptions:

**Housing Authority of the County of Santa Clara
San Francisco Housing Authority
San Mateo Housing Authority**

Whether administering or absorbing an incoming portable family, the receiving HA's policies will prevail including extension, subsidy standard, and other related policy issues.

2. Income/Family Composition and TTP of Incoming Portables

The HACS shall conduct a recertification interview to ensure accuracy of a program participant's income. The recertification process shall not delay the process of conducting an HQS inspection, commencing a HAP Contract or executing a lease.

If a change in family composition occurs prior to the family completing the transfer process, the HACS shall contact the initial HA to inquire whether the family is required to receive approval of additional family members from the initial HA. If the family is required to receive approval prior to completing the transfer process, the HACS shall not process the portability request until approval is received from the initial HA.

If the family's income is such that a \$0 subsidy amount is determined prior to lease-up in the HA's jurisdiction, the HA will refuse to enter into a contract on behalf of the family at \$0 assistance.

3. Requests for Lease Approval

A briefing will be mandatory for all portability families.

When the Family submits a Request for Lease Approval, it will be processed using the HACS's policies. If the Family does not submit a Request for Lease Approval or does not execute a lease, the Initial HA will be notified within 30 days by the HA.

If the Family leases up successfully, the HA will notify the Initial HA within 30 days, and the billing process will commence.

If the HA denies assistance to the family, the HA will notify the Initial HA within 15 days and the family will be offered a review or hearing by the HACS.

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

4. Exception Rents for Incoming Portables

When an Exception Rent is requested by an incoming Certificate holder, the HA will check with the Initial HA to determine whether exception rent authority is available through the initial HA.

5. Terminations

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

The Initial HA will be responsible for collecting amounts owed by the Family for claims paid and for monitoring repayment. If the Initial HA notifies the HA that the Family is in arrears or the Family has refused to sign a Repayment Agreement, the HA will terminate assistance to the family in accordance with the Breach Policy set forth in this Plan.

6. Required Incoming Portable Documents

As Receiving HA, the HACS will require the following documents from the Initial HA:

- a. A copy of the family's Certificate or Voucher, with issue and expiration dates, form**
- b. The most recent HUD 50058 form and verifications.**
- c. Declarations and verifications of U.S. citizenship/eligible immigrant status.**
- d. The most recent information related to eligibility and rent payments.**
- e. Persons designated for inquiries on eligibility and billing.**
- f. The Administrative Fee Schedule for billing purposes.**

7. Billing Procedures

As Receiving HA, the HA will bill the Initial HA monthly for Housing Assistance Payments. The HA will bill 100% of the Housing Assistance Payment, 100% of Special Claims and 80% of the Administrative Fee (at the Initial HA's rate) and any other HUD-approved fees, for each "Portability" Certificate/Voucher leased as of the first day of the month.

The HA will notify the Initial HA of changes in subsidy amounts and will expect the Initial HA

to notify the HA of changes in the Administrative Fee amount to be billed.

H OUTGOING PORTABILITY [24 CFR 982.353, 982.355]

When a family requests to move to outside of the HA's jurisdiction, the request must specify the area to which the family wants to move.

If the family is moving to a unit located in the same state as the HACS, in the same MSA, but in a different state, or in an adjacent MSA in a different state, and there is not an HA in the area where the unit is located, the initial HA will be responsible for the administration of the family's assistance. The HA will choose a management company, another HA or a private contractor to administer the assistance

1. Restrictions on Portability

Families will not be permitted to exercise portability during the initial 12 month period after admission to the program, if neither the head or spouse had a domicile (legal residence) in the HA's jurisdiction at the date of their initial application for assistance.

The HACS shall allow an exception for extreme hardship cases so long as the receiving HA agrees to the transfer. For example, an elderly household where a move would be detrimental to the health of the individual(s) or if a client recently obtained employment during the time on the wait list and the commute would be greater than 50 miles or greater, etc.) This exception must be approved by the Section 8 Director and the Receiving HA.

2. Outgoing Portability Procedures

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

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

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

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

3. Outgoing Portability Packet Information

The HACS will provide the following documents and information to the Receiving HA:

- a. A copy of the family's Certificate or Voucher, with issue and expiration dates, form**
- b. The most recent HUD 50058 form and verifications.**
- c. Declarations and verifications of U.S. citizenship/eligible immigrant status.**
- d. Current information related to eligibility and rent payments.**
- e. Persons designated for inquiries on eligibility and billing.**
- f. The Administrative Fee Schedule for billing purposes.**

4. Payment to the Receiving HA

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

When billed, the HA will reimburse the Receiving HA for 100% of the Housing Assistance Payment, 100% of the Special Claims paid on HAP contract effective prior to 10/2/95, and 80% of the Administrative Fee (at the initial HA's rate), and any other HUD-approved fees.

5. Claims

The HACS will be responsible for collecting amounts owed by the family for claims paid and for monitoring the repayment. The HACS will notify the Receiving HA if the family is in

arrears or if the family has refused to sign a Repayment Agreement, and the Receiving HA will be asked to terminate assistance to the family as allowed by this Administrative Plan.

Chapter 11

DENIAL OR TERMINATION OF ASSISTANCE

INTRODUCTION

The HA may deny or terminate assistance for a family because of the family's action or failure to act. The HA will provide families with a written description of the Family Obligations under the program, the grounds under which the HA can deny or terminate assistance, and the HA's informal hearing procedures. This Chapter describes when the HA is required to deny or terminate assistance, and the HA's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

A. GROUNDS FOR DENIAL/TERMINATION [24 CFR 982.552, 982.553]

Form of Denial/Termination

Denial of assistance for an applicant may include any or all of the following:

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

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

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

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

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

- 1. If any member of the family fails to sign and submit HUD or HA required consent forms for obtaining information.**
- 2. If no member of the family is a U.S. citizen or eligible immigrant.**
- 3. Post 10/2/95 Contracts - If the family is under contract and 180 days have elapsed since the HA's last housing assistance payment was made.**
- 4. Pre 10/2/95 Contracts - If the family is under contract and 360 days have**

elap

Grounds for Denial or Termination of Assistance [24CFR 982.552 (b)]

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

- 1. The family violates any family obligation under the program as listed in 24 CFR 982.551.**
- 2. Any member of the family has ever been evicted from public housing.**
- 3. The family currently owes rent or other amounts to the HA or to another HA in connection with Section 8 or public housing assistance under the 1937 Act.**
- 4. The family has not reimbursed any HA 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.**
- 5. The family breaches an agreement with an HA to pay amounts owed to an HA, or amounts paid to an owner by an HA.**
- 6. The family has engaged in or threatened abusive or violent behavior toward HA personnel.**

"Abusive or violent behavior towards HA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered

insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

"Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

Actual physical abuse or violence will always be cause for termination.

Family Self Sufficiency (FSS)

Failure to fulfill the obligations and conditions of the FSS contract is grounds for termination of assistance.

The HACS has exercised the option not to terminate Section 8 Rental assistance for FSS families who fail to comply with the FSS Contract of Participation without good cause.

B. FAMILY OBLIGATIONS [24 CFR 982.551]

- 1. The family must supply any information that the HA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR part 812). "Information" includes any requested certification, release or other documentation.**
- 2. The family must supply any information requested by the HA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.**
- 3. The family must disclose and verify Social Security Numbers (as provided by 24 CFR part 750) and must sign and submit consent forms for obtaining information in accordance with 24 CFR part 760 and 24 CFR part 813.**
- 4. All information supplied by the family must be true and complete.**
- 5. The family is responsible for an HQS breach caused by the family as described in 982.404(b).**

- 6. The family must allow the HA to inspect the unit at reasonable times and after reasonable notice.**
- 7. The family may not commit any serious or repeated violation of the lease.**
- 8. The family must notify the owner and, at the same time, notify the HA before the family moves out of the unit or terminates the lease on notice to the owner.**
- 9. The family must promptly give the HA a copy of any owner eviction notice.**
- 10. The family must use the assisted unit for residence by the family. The unit must be the family's only residence.**
- 11. The composition of the assisted family residing in the unit must be approved by the HA. The family must promptly inform the HA of the birth, adoption or court-awarded custody of a child. The family must request HA approval to add any other family member as an occupant of the unit.**
- 12. The family must promptly notify the HA if any family member no longer resides in the unit.**
- 13. If the HA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or HA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.**
- 14. Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.**
- 15. The family must not sublease or let the unit.**
- 16. The family must not assign the lease or transfer the unit.**
- 17. The family must supply any information or certification requested by the HA to verify that the family is living in the unit, or relating to family absence from the unit, including any HA-requested information or certification on the purposes of family absences. The family must cooperate with the HA for this purpose. The family must promptly notify**

the HA of absence from the unit.

18. The family must not own or have any interest in the unit.
19. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
20. The members of the family may not engage in drug-related criminal activity or violent criminal activity.
21. An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

Housing Authority Discretion

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

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

Enforcing Family Obligations

Explanations and Terms

The term "Promptly" when used with the Family Obligations always means "within 30 days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach: An HQS inspector will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by the Housing Inspection's Manager.

Lease Violations: The following criteria will be used to decide if a serious or repeated violation of the lease will cause a termination of assistance:

- **If the owner terminates tenancy through court action for serious or repeated violation of the lease; and**
- **If there are police reports, neighborhood complaints, prior history of violations, or other third party information which has been verified by the HACS; or**
- **If the family vacates a unit owing money or causing damage to the unit and fails to correct the violations**

Notification of Eviction: If the family requests assistance to move and they did not notify the HA of an eviction within 10 days of receiving the Notice of Lease Termination, the move will be denied.

Interest in Unit: The owner may not reside in the assisted unit regardless of whether (s)he is a member of the assisted family, unless the family owns the mobile home and rents the pad under the Certificate Program.

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

In the event of false citizenship claims, the HA will give the family member the opportunity to elect not to contend their status in lieu of termination of the entire family.

Drug Related and Violent Criminal Activity

Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance.

Drug-related criminal activity means *on or off the premises, not just on or near the premises.*

Violent criminal activity includes any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property, and

The activity is being engaged in by any Family member.

Ineligibility if Evicted for Drug-Related Activity

Persons evicted from public housing, Indian housing, Section 23, or any Section 8 program because of drug-related criminal activity are ineligible for admission to Section 8 programs for a three-year period beginning on the date of such eviction.

The HA will waive this requirement if:

The person demonstrates successful completion of a rehabilitation program approved by the HA, or

The circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person is incarcerated.

Applicants will be denied assistance if they have been:

arrested, convicted, or evicted from a unit due to violent criminal activity within the last three years prior to the date of the certification interview.

Participants may be terminated who have been:

arrested, convicted, evicted from a unit due to drug-related or violent criminal activity within the last three years prior to the date of the notice to terminate assistance, and whose activities have created a disturbance in the building or neighborhood.

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

In appropriate cases, the HA may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the HA may consider individual circumstances

with the advice of Juvenile Court officials.

Screening Out Illegal Drug Users and Alcohol Abusers

The HA will deny participation in the program to applicants in cases where the HA determines there is reasonable cause to believe that the person is illegally using a controlled substance, or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. This includes cases where the HA determines that there is a *pattern* of illegal use of a controlled substance, or *pattern* of alcohol abuse.

The HA will consider the use of a controlled substance or alcohol to be a *pattern* if there is mo

The HA will waive this policy if the person demonstrates to the HA's satisfaction that the person is no longer engaging in the illegal use of a controlled substance or abuse of alcohol, and:

Has successfully completed a supervised drug or alcohol rehabilitation program;

Has otherwise been rehabilitated successfully; or

Is participating in a supervised drug or alcohol rehabilitation program.

Confidentiality of Criminal Records

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

Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more

probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred.

Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

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

Notice of Termination of Assistance

In any case where the HA decides to terminate assistance to the family, the HA must give the family written notice which states:

The reason(s) for the proposed termination,

The effective date of the proposed termination,

The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.

The date by which a request for an informal hearing must be received by the HA.

The HA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reason for termination of assistance.

Note: The termination date may be revised if the tenant requests an Informal Hearing. The revised termination date would be for the purpose of providing the landlord with proper 30-day notice of termination from the date of notification of the hearing officer's decision regarding the termination.

C. PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.518]

Termination due to Ineligible Immigrant Status

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

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

False or Incomplete Information

When the HA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the HA may give him/her an opportunity to provide a new declaration as an eligible immigrant or to elect not to contend their status. The HA will then verify eligible status, deny, terminate, or prorate as applicable.

Procedure for Denial or Termination

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with the HA either after the INS appeal or in lieu of the INS appeal.

After the HA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of process for requesting a review for prorated assistance.

D. \$0 ASSISTANCE TENANTS [24 CFR 982.455 (a)]

Old Contracts

For contacts which were effective prior to 10/2/95, the HA is liable for unpaid rent and damages if the family vacates during the allowable 12 months after the last HAP payment.

The HA must perform all of the functions normally required, such as reexaminations and inspections. The participant will be notified of the right to remain on the program at \$0 assistance for 12 months. If the family is still in the unit after 12 months, the assistance will be terminated.

New Contracts

For contracts effective after 10/2/95, the HA has no liability for unpaid rent or damages, and the family may remain in the unit at \$0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If within the 180 day time frame an owner rent increase or a decrease in the Total Tenant Payment cause the family to be eligible for a housing assistance payment, the HA will resume assistance payments for the family.

In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

E. OPTION NOT TO TERMINATE FOR MISREPRESENTATION

[24 CFR 982.551, 982.552(c)]

If the family has misrepresented any facts that caused the HA to overpay assistance, the HA may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement. or reimburses the HA in full.

The HACS approval to continue assistance is subject to the level of misrepresentation and whether there were any prior misrepresentations of family composition, income, or any other eligibility factors which would result in overpayment of assistance or other violations resulting in non-compliance with the program regulations.

F. MISREPRESENTATION IN COLLUSION WITH OWNER

[24 CFR 982.551, 982.552 (c)]

If the family is willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, the HA will deny or terminate assistance.

In making this determination, the HA will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

G. MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552 (c)]

It is a Family Obligation to supply information, documentation, and certification as needed for the HA to fulfill its responsibilities. The HA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the HA to inspect the unit and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the HA will be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the HA to inspect the unit.

The family will be given information about the requirement to keep appointments, and the number of times appointments will be rescheduled as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- 1. Eligibility for Admissions**
- 2. Verification Procedures**
- 3. Certificate/Voucher Issuance and Briefings**
- 4. Housing Quality Standards and Inspections**
- 5. Recertifications**
- 6. Appeals**

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

Medical emergency

Incarceration

Family emergency

Procedure when Appointments are Missed or Information not Provided

For most purposes in this Plan, the family will be given 2 opportunities before being issued a notice of termination or denial for breach of a family obligation.

After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing:

The notice will be rescinded if the family offers to cure and the family does not have a history of non-compliance.

Chapter 12

CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS (For Contracts in Effect Prior to October 2, 1995)

INTRODUCTION

This Chapter describes the HA's policies, procedures and standards for servicing Contracts which were effective prior to October 2, 1995.

A. OWNER CLAIMS

Under HAP Contracts effective prior to October 2, 1995, owners may submit Claims for damages, unpaid rent, and vacancy loss (vacancy loss cannot be claimed in the Voucher Program) after the tenant has vacated the unit.

The HA will pay properly filed claims to the owner as a function of the contract, but the tenant is ultimately responsible to reimburse the HA for claims paid to the owner.

B. OWNER ELIGIBILITY FOR DAMAGE CLAIM INSPECTIONS

Move-out inspections shall be performed by the HACS Housing Inspectors only after the tenant has vacated the unit. The inspections are performed to assess the condition of the unit,

and possibly evaluate tenant or owner caused HQS to determine a program participant's continued eligibility for the program.

The owner must notify the HA of the move-out and request an inspection within 72 hours of awareness of the vacancy in order to submit a claim for damages.

A damage claim will not be approved *unless* the move-out inspection is requested and completed prior to any work being completed. In the event that the HA is unable to inspect within 7 days or the owner is required to complete repairs to ensure the security of the unit, the owner will be permitted to use date-stamped photographs or a video to substantiate the claim. Claims for items not shown on the video or photographs will not be accepted for claim processing.

Owners requesting a Damage Claim Inspection shall be provided with a Damage Claim Packet. The owner must conduct a pre-inspection of the unit, noting any observed damage which is above and beyond normal wear prior to the HACS Damage Claim Inspection. This assessment must be provided at the HACS Damage Claim Inspection.

All notices to tenants during the processing of a claim must include and owner's proof of mailing or of personal delivery.

All unpaid rent, damage, and vacancy loss claim forms must be fully complete when they are submitted (including receipts for repairs), and they must be submitted within 45 days of the Damage Claim Inspection.

C. NOTIFICATION OF DAMAGE CLAIM INSPECTION

The owner and tenant will be notified of the date and time of the HACS Damage Claim inspection. If the owner is not present, the move-out inspection will be rescheduled unless the landlord agrees to allow another representative to attend the inspection.

D. CLAIMS FOR UNPAID RENT [24 CFR 887.215, 882.112 (d)]

Unpaid rent applies to the tenant's portion of rent during the tenant's term of residency. It does not include the tenant's obligation for rent beyond the termination date of the HAP

Contract.

For Pre 10/2/95 Contracts: To compensate an owner for a tenant vacating the unit without notice, the HACS's shall allow Vacancy Loss. The landlord shall not also be entitled to claim compensation for 30-day notice requirements.

E. CLAIMED DAMAGES - ALLOWED/DISALLOWED

The following items are allowable and disallowed expenses to be submitted to the HACS for approval of a Damage Claim:

- 1. In the event that a tenant is deceased, the HA will allow compensation for lack of notice under the vacancy loss provisions.**
- 2. Reasonableness of costs for replacement of items such as carpets, drapes, or appliances will be based on depreciation of items listed in the "Normal Wear and Tear Chart" as described in Appendix 8**
- 3. The owner must provide information regarding the purchase date and price of items in which the owner is requesting replacement in order for the HACS to calculate the loss.**
- 4. Damages which were caused during tenancy, were repaired and billed, but remain unpaid at move-out, can be considered "other items due under the lease" and included in the claim.**
- 5. Eligible items to be included on the damage claim must have been the tenant's responsibility under the lease or State law.**
- 6. Claims for unpaid utility bills, if the responsibility of the tenant under the terms of the lease, shall be allowed in the claim.**
- 7. Costs of filing eviction to remove the tenant or any other legal fees, may be reimbursed.**
- 8. Claims for normal wear and tear, previously existing conditions, routine turnover preparation, (such as routine cleaning and cyclical interior painting) shall not be approved.**

9. Separate agreements are not considered a tenant obligation under the lease and the HA will not reimburse the owner for any claims under these agreements.

F. VACANCY LOSS IN THE CERTIFICATE PROGRAM [24 CFR 887.105]

Vacancy Loss is applicable to the Certificate Program only. Vacancy loss is paid if the move was in violation of the notice requirements in the lease, or the result of an eviction.

In order to claim vacancy loss, the unit must be available for lease and the landlord must:

- 1. Notify the HA within 72 hours upon learning of the vacancy, or prospective vacancy, and**
- 2. Pursue all possible activities to fill the vacancy, including, but not limited to:**
- 3. Contacting applicants on the owner's waiting list, if any;**
- 4. Seeking eligible applicants by listing the unit with the HA,**
- 5. Advertising the availability of the unit, and**
- 6. Not rejecting potentially eligible applicants except for good cause.**

G. PROCESSING CLAIMS

Any amount owed by the tenant to the owner for unpaid rent or damages will first be deducted from the maximum security deposit which the owner could have collected under the program rules. If the maximum allowable security deposit is insufficient to reimburse the owner for the unpaid tenant rent or other amounts which the family owes under the lease, the owner may request reimbursement from the HA up to the limits for each program.

If the owner claims vacancy loss, the security deposit that s/he collected or could have collected will not be deducted from the vacancy loss claim.

H. TENANT/OWNER DISPUTE OF CLAIM DISPOSITION

Upon HACS preliminary decision of the amount due under the claim, the family and owner shall be informed through correspondence which is sent to the last known address of each

party.

The notification will state the determined amount, the type of claim, and describe the claim's procedure for contesting the claim.

The HA will offer the family and owner 15 days to contest the claim. If either the family or owner disputes the claim, the HA will schedule a claims review with the owner and tenant in order to resolve the differences. If either the tenant or owner fails to attend the meeting, the HA will proceed with the scheduled claims unless there are extenuating circumstances.

At the Claim Review, the amount and type of claim will be discussed with the family. If the family agrees with the amount and type of claim, the family will be offered a Repayment Agreement.

If the family does not agree to sign a Payment Agreement, the HA will require full payment. Failure to repay or enter a repayment agreement shall result in program termination and the claim shall be submitted to the credit bureau for collection.

If the family demonstrates that the claim, or parts of it, is invalid, the HA will adjust the amount.

I. NOTIFICATION OF CLAIM APPROVAL

After a determination has been made, the HA will notify the family and owner in writing of the decision. If it has been determined that the family owes money, the HA will pursue collection to repay either in a lump sum or through a payment agreement. The notice will warn the family that their assistance may be terminated and they may be denied future participation in the program if they do not reimburse the HA as required.

□

Chapter 13

OWNER OR FAMILY DEBTS TO THE HA

INTRODUCTION

This Chapter describes the HA's policies for the recovery of moneys which have been overpaid for families, and to owners. When families or owners owe money to the HA, the HA will make every effort to collect it. The HA will use a variety of collection tools to recover debts including, but not limited to:

Requests for lump sum payments, Civil suits, Repayment agreements, Abatements, Reductions Collection agencies and Credit bureaus

A] REPAYMENT AGREEMENT FOR FAMILIES [24 CFR 792.103, 982.552 (b)(6-8)]

The HACS shall allow families to enter into repayment agreement under the following circumstances. The family will be eligible to enter into a Repayment Agreement if the family either:

- 1. Currently owes rent or other amount to the HACS or another housing authority in connection with the Section 8 or public housing assistance under the 237 Act; or**
- 2. Currently owes an overpayment of Housing Assistance Payments; or**
- 3. Has not reimbursed any housing authority for amount paid to an owner under a under the lease**

HA

B. TERMS OF THE AGREEMENT

The terms of the agreement shall require the family to make an initial minimum payment of 10% of the opened claim amount within 2 calendar months of the final decision and between 12 and 24 equal monthly installments. The length of the repayment agreement shall be based upon the amount owed and the family's income status.

The initial payment must be received by the 1st of the month following the month in which the initial down payment was made.

After the initial payment, all subsequent payments are due by the first of the following month. Payment will be considered delinquent if not received in the HACS office by the fifth of each

month at 5:00 p.m..

Supervisors must approve all repayment agreements. The Section 8 Director may approve repayment agreements that do not fall within the guidelines specified above.

Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the Section 8 Director.

C. BREACH OF REPAYMENT AGREEMENT

The HACS will declare a repayment agreement in breach if the family fails to make the 10% initial payment within 2 calendar months of the final decision or if the family fails to make two consecutive payments on time with no prior notification of a hardship request to amend the terms of the agreement. Failure to abide by the terms of the repayment agreement policy will result in program termination for the family.

D. SUBSEQUENT MONEYS OWED

If the family has a Repayment Agreement in place and incurs an additional debt to the HA the HA will not enter into more than one Repayment Agreement at a time with the same family.

E. OWNER DEBTS TO THE HA

If the HA determines that the owner has retained Housing Assistance or Claim Payments the owner is not entitled to, the HA may reclaim the amounts from future Housing Assistance or Claim Payments owed the owner for any units under contract.

If future Housing Assistance or Claim Payments are insufficient to reclaim the amounts owed, the

HA will require the owner to pay the amount in full within 30 days; or

the HACS shall pursue collections through the local court system and restrict the owner from future participation until the debt is paid in full.

Chapter 14

COMPLAINTS AND APPEALS

INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the HA. This Chapter describes the policies, procedures and standards to be used when families disagree with an HA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the HA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE HA

The HA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The HA shall require that all complaints be put in writing. HQS complaints may be reported by telephone and followed up in writing.

The HA hearing procedures will be provided to families in the briefing packet.

B. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

[24 CFR 982.54 (d) (12), 982.554]

Reviews are provided for applicants who are denied assistance prior to the effective date of a HAP Contract. NOTE: The exception to this rule is for decisions concerning denial of assistance for eligible immigrant status. Under these circumstances, the applicant is entitled to an informal hearing.

1. Notification to Applicants

When the HA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

- a. The reason(s) they are ineligible; and**
- b. the time limit for requesting a review; and**
- c. the procedure for requesting a review if the applicant does not agree with the decision**

2. Eligible Grounds for an Informal Review

The HA must provide applicants with the opportunity for an Informal Review of decisions denying:

- a. Qualification for preference**
- b. Listing on the HA's waiting list**
- c. Issuance/Denial/Rescission of a Certificate or Voucher**
- d. Participation in the program**
- e. Refusal to enter into a HAP contract or approve a lease; and**
- f. Refusal to process or provide assistance under the Portability procedures**

3. Ineligible Grounds for a Review

Informal Reviews are not required for established policies and procedures and HA determinations such as:

- a. Discretionary administrative determinations by the HA**
- b. General policy issues or class grievances**
- c. A determination of the family unit size under the HA subsidy standards**
- d. Refusal to extend or suspend a Certificate or Voucher**
- e. Disapproval of lease**
- f. Determination that unit is not in compliance with HQS**
- g. Determination that unit is not in accordance with HQS due to family size or**

composition

4. Informal Review Process

A request for an Informal Review must be received in writing or by telephone by the close of the business day, no later than 30 days from the date of the HA's notification of denial of assistance. An "Informal Request Form" is then sent to the participant/applicant which must be returned within 10 days from the date sent. The informal review will be scheduled within 20 days from the date the "Informal Request Form" is received by the HACS.

The Informal Review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person.

The Review may be conducted by either a management staff person or an individual from outside the HACS and may be conducted by mail or telephone if acceptable to both parties.

The applicant will be given the option of presenting oral or written objections to the decision. Both the HA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

A Notice of the Review findings will be provided in writing to the applicant within 14 days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

C. INFORMAL HEARING PROCEDURES [24 CFR 982.555 (a-f), 982.54(d)(13)]

1. Participant Notification

When the HA makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The HA will give the family prompt notice of such determinations which will include:

- a. The proposed action or decision of the HA;**

- b. The date the proposed action or decision will take place;**
- c. The family's right to an explanation of the basis for the HA's decision.**
- d. The procedures for requesting a hearing if the family disputes the action or decision;**
- e. The time limit for requesting the hearing.**
- f. To whom the hearing request should be addressed**

2. Grounds for an Informal Hearing

The HA must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following HA determinations:

- a. Determination of the family's annual or adjusted income and the computation of the housing assistance payment**
- b. Appropriate utility allowance used from schedule**
- c. Family unit size determination under HA subsidy standards**
- d. Determination that Certificate program family is underoccupied in their current unit and a request for exception is denied**
- e. Determination to terminate assistance for any reason.**
- f. Determination to terminate a family's FSS Contract, withhold supportive services, or propose forfeiture of the family's escrow account.**
- g. Determination to pay an owner claim for damages, unpaid rent or vacancy loss.**

The HA shall provide the opportunity for an informal hearing prior to termination of assistance.

3. Ineligible Grounds for an Informal Hearing

Informal Hearings are not required for established policies and procedures and HA determinations such as:

- a. Discretionary administrative determinations by the HA**
- b. General policy issues or class grievances**
- c. Establishment of the HA schedule of utility allowances**
- d. An HA determination not to approve an extension or suspension of a certificate or voucher term**

- e. An HA determination not to approve a unit or lease
- f. An HA determination that an assisted unit is not in compliance with HQS (HA must provide hearing for family breach of HQS because that is a family obligation determination)
- g. An HA determination that the unit is not in accordance with HQS because of the family size
- h. An HA determination to exercise or not exercise any right or remedy against the owner under a HAP contract

4. Notification of Hearing

It is the HA's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the HA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and regulations.

The program participant requesting a hearing must request the "Informal Hearing Request Form" within 30 days from the receipt of notification of action and return the form to the HACS within 10 days from the date of the form. When the HACS receives form, a hearing shall be scheduled within 20 days. The notification of the hearing will contain:

- a. The date and time of the hearing
- b. The location where the hearing will be held
- c. The family's right to bring evidence, witnesses, legal or other representation at the family's expense
- d. The right to view any documents or evidence in the possession of the HA upon which the HA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing.
- e. A notice to the family that the HA will request a copy of any documents or evidence the family will use at the hearing.

5. Rescheduling

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which affects the health, safety or welfare of the family.

If the family does not appear at the scheduled time, and did not make arrangements in advance, the HA will automatically reschedule the hearing. If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the HA within 72 hours, excluding weekends and holidays. The HA will reschedule the hearing only if the family can show good cause for the failure to appear.

6. Families Rights

Families have the right to:

- a. Present written or oral objections to the HA's determination.**
- b. Examine the documents in the file which are the basis for the HA's action, and all documents submitted to the Hearing Officer;**
- c. Copy any relevant documents at their expense;**
- d. Present any information or witnesses pertinent to the issue of the hearing;**
- e. Request that HA staff be available or present at the hearing to answer questions pertinent to the case; and**
- f. Be represented by legal counsel, advocate, or other designated representative at their own expense.**

If the family requests copies of documents relevant to the hearing, the HA will make the copies for the family and assess a charge of \$1.00 per copy. In no case will the family be allowed to remove the file from the HA's office.

7. Housing Authority Rights

In addition to other rights contained in this Chapter, the HA has a right to:

- a. Present evidence and any information pertinent to the issue of the hearing;**
- b. Be notified if the family intends to be represented by legal counsel, advocate, or another party;**
- c. Examine and copy any documents to be used by the family prior to the hearing;**
- d. Have its attorney present; and**
- e. Have staff persons and other witnesses familiar with the case present.**

8. Informal Hearing Process

The Informal Hearing shall be conducted by the Hearing Officer appointed by the HA who is neither the person who made or approved the decision, nor a subordinate of that person. The HA appoints hearing officers who are HA management staff persons.

The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The family must request an audio recording of the hearing, if desired, no less than 3 days prior to the hearing date.

The Hearing Officer may ask the family for additional information and/or might adjourn the Hearing in order to reconvene at a later date, before reaching a decision.

The Hearing Officer will determine whether the action, inaction or decision of the HA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the Hearing Findings shall be provided in writing to the HA and the family within days and shall include:

- a. A clear summary of the decision and reasons for the decision;**
- b. If the decision involves money owed, the amount owed; and**
- c. The date the decision goes into effect.**
- d. The Code of Civil Procedure applicable to a participant's seeking judicial**

revisi

9. Decisions For Which the HACS is Not Bound

The HA is not bound by hearing decisions:

- a. Which concern matters in which the HA is not required to provide an**

opportunity for a hearing

- b. Which conflict with or contradict to HUD regulations or requirements;**
- c. Which conflict with or contradict Federal, State or local laws; or**
- d. Which exceed the authority of the person conducting the hearing.**

The HA shall send a letter to the participant if it determines the HA is not bound by the Hearing Officer's determination within 7 days. The letter shall include the HA's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

D. CIRCUMSTANCES FOR APPS/PARTICIPANTS WITH DISABILITIES

When applicants are denied placement on the waiting list, or the HA is terminating assistance, the HACS will consider the presence of a disability as a mitigating circumstance during the informal review process.

Examples of possible mitigating circumstances: a) A person with a cognitive disorder may not have understood the requirement to report increases in income, b) A person may not understand the need to make regular repayments on a promissory note, c) Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.

E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS" [24 CFR Part 5, Subpart E]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while the HA hearing is pending but assistance to an applicant may be delayed pending the HA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual

search do not verify the claim, the HA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the HA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the HA a copy of the appeal and proof of mailing or the HA may proceed to deny or terminate. The time period to request an appeal may be extended by the HA for good cause.

The request for an HA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in section C of this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the HA will deny the applicant or participant family.

If there are eligible members in the family, the HA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

Participants whose assistance is pro-rated (either based on their statement that some members a regarding determinations of tenant rent and Total Tenant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review/hearing similar to the process of termination for any other type of fraud.

CHAPTER 15

PROGRAM INTEGRITY ADDENDUM

INTRODUCTION

The US Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental assistance than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits which exceed their legal entitlement.

The HACS is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources are utilized for income-eligible families.

This Chapter outlines the HA's policies for the prevention, detection and investigation of program abuse and fraud.

A. PREVENTATION OF PROGRAM ABUSE AND FRAUD

The HACS will utilize the following methods and practices to educate families on their responsibilities and minimize program abuse, non-compliance, and willful violations of program rules by applicants and participating families.

1. ***Things You Should Know.*** This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify the HA's expectations for cooperation and compliance.
2. **Program Orientation Session.** Mandatory orientation sessions will be conducted by the HA staff for all prospective program participants, either prior to or upon issuance of a certificate or voucher. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Family Obligations Form" to confirm that all rules and pertinent regulations were explained to them.
3. **Resident Counseling.** The HA will routinely provide participant counseling as a part of every re
4. **Review and explanation of Forms.** Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

5. **Use of Instructive Signs and Warnings.** Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse
6. **Participant Certification.** All family representatives will be required to sign a "Participant Certification" form, as contained in HUD's Participant Integrity Program Manual.

B. DETECTION OF PROGRAM ABUSE AND FRAUD

The HA Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

1. Quality Control File Reviews

Prior to initial certification, and at the completion of all subsequent recertifications, 15% of files will be reviewed. Such reviews shall include, but are not limited to:

- a. **Assurance that verification of all income and deductions is present.**
- b. **Authenticity of file documents.**
- c. **Ratio between reported income and expenditures.**
- d. **Review of signatures for consistency with previously signed file Documents.**
- e. **All forms are correctly dated and signed.**

2. Observation

The HACS staff will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

- a. **Inspection observations will be documented in the family's file.**
- b. **Public Record Bulletins may be reviewed by Management and Staff.**
- c. **State Wage Data Record Keepers. Inquiries to State Wage and Employment**

- record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits
- d. **Credit Bureau Inquiries.** Credit Bureau inquiries may be made (with proper autl
1. When an allegation is received by the HA wherein unreported income sources are disclosed.
 2. When a participant's expenditures exceed his/her reported income, and no plausible explanation is given.

C. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will the HA undertake an inquiry or an audit of a participating family arbitrarily. The HA's expectation is that participating families will comply with HUD requirements, provisions of the certificate or voucher, and other program rules. The HA staff will make every effort (formally and informally) to orient and educate all families to prevent unintentional violations.

The HA will initiate an investigation of a participating family only in the event of one or more of the following circumstances:

1. **Referrals, Complaints, or Tips.** The HA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.
2. **Internal File Review.** A follow-up will be made if HA staff discovers (as a function of a certification or recertification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, the HA's knowledge of the family, or is discrepant with statements made by the family.
3. **Verification of Documentation.** A follow-up will be made if the HA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information or credit bureau reports, reports from other agencies).

D. THE HA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

The HA staff will encourage all participating families to report suspected abuse to the HACS.

All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the participant's file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The Section 8 Department will not follow up on allegations which are vague or otherwise non-specific. They will only review allegations which contain one or more independently verifiable facts.

1. File Review

When a review of the case file or a complaint results in an allegation of abuse or fraud, an internal file review will be conducted to determine:

- a. If the subject of the allegation is a client and to determine whether or not the information reported has been previously disclosed by the family.**
- b. It will then be determined if the HA is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.**

2. Conclusion of Preliminary Review

If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the Section 8 Department will initiate an investigation to determine if the allegation is true or false.

.

E. HOW THE HA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If the HA determines that an allegation or referral warrants follow-up, the HACS will commence an investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the HA will secure the written authorization from the program participant for the release of income and credit information.

Sources and verification types include, but are not limited to:

- a. **Credit Bureau Agencies**- In cases involving previously unreported income sou
- b. **Verification of Credit**. In cases where the financial activity conflicts with file dat:
- c. **Employers and Ex-Employers**. Employers or ex-employers may be contacted to verify wages which may have been previously undisclosed or misreported.
- d. **Witnesses**. Neighbors and/or other witnesses may be interviewed who are beli
- e. **Other Agencies**. Investigators, case workers or representatives of other benefit agencies may be contacted.
- f. **Public Records**. If relevant, the HA will review public records kept in any court or police records, state wage records, utility records and postal records. juri
- g. **Interviews with Head of Household or Family Members**. The HA will discuss professionalism will be maintained by the HA staff person who conducts such interviews. Under no circumstances will inflammatory language, accusation, or any unprofessional conduct or language be tolerated by the management. If possible, an additional staff person will attend such interviews. the

F. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE HA

Documents and other evidence obtained by the HA during the course of an investigation will be considered “work product” and will either be kept in the participant’s file, or in a separate “work file.” In either case, the participant’s file or work file shall be kept in the Section 8 Director’s office. Such cases under review will not be discussed among HA Staff unless they are involved in the process, or have information which may assist in the investigation.

G. CONCLUSION OF THE HA’S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Section 8 Director. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

H. EVALUATION OF THE FINDINGS

If it is determined that a program violation has occurred, the HA will review the facts to determine:

- 1. The type of violation (procedural, non-compliance, fraud).**
- 2. Whether the violation was intentional or unintentional.**
- 3. What amount of money (if any) is owed by the family.**
- 4. If the family is eligible for continued occupancy.**

I. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED

Once a program violation has been documented, the HA will propose the most appropriate remedy based upon the type and severity of the violation.

1. Procedural Non-compliance

This category applies when the family “fails to” observe a procedure or requirement of the HA , but does not misrepresent a material fact, and there is no retroactive assistance payments owed by the family. Examples of non-compliance violations are: failure to appear at a pre-scheduled appointment or failure to return verification in time period specified by the HA.

In such cases a warning notice will be sent to the family which contains the following:

- a. A description of the non-compliance and the procedure, policy or obligation** **whi**
- b. The date by which the violation must be corrected, or the procedure complied with.**
- c. The action which will be taken by the HA if the procedure or obligation is not complied with by the date specified by the HA.**

- d. **The consequences of repeated (similar) violations.**

2. Procedural Non-compliance - Overpaid Assistance

When the family owes money to the HA for failure to report changes in income or assets, the HA will issue a Notification of Overpayment of Assistance. This Notice will contain the following:

- a. **A description of the violation and the date(s).**
- b. **Any amounts owed to the HA .**
- c. **The right to disagree and to request an informal hearing with instructions for the request of such hearing.**

Participant Fails to Comply with HA's Notice. If the Participant fails to comply with the HA's notice, and a family obligation has been violated, the HA will initiate termination of assistance.

Participant Complies with HA's Notice. When a family complies the HA's notice, the staff person responsible will meet with him/her to discuss and explain the Family Obligation or program rule which was violated. The staff person will complete a Participant Counseling Report, give one copy to the family and retain a copy in the family's file.

3. Intentional Misrepresentations

When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the HA, the HA will evaluate whether or not:

- a. **the participant had knowledge that his/her actions were wrong, and**
- b. **the participant willfully violated the family obligations or the law.**

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various certification, briefing certificate, Personal Declaration and Things You Should Know are adequate to establish knowledge of wrong-doing.

The participant willfully violated the law. Any of the following circumstances will be

considered adequate to demonstrate willful intent:

- a. An admission by the participant of the misrepresentation.
- b. That the act was done repeatedly.
- c. If a false name or Social Security Number was used.
- d. If there were admissions to others of the illegal action or omission.
- e. That the participant omitted material facts which were known to him/her (e.g., employment of self or other household member).
- f. That the participant falsified, forged or altered documents.
- g. That the participant uttered and certified to statements at a interim (re)determination which were later independently verified to be false.

4. Dispositions of Cases Involving Misrepresentations

In all cases of misrepresentations involving efforts to recover monies owed, the HA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

- a. **Criminal Prosecution:** If the HA has established criminal intent, and the case meets the criteria for prosecution, the HA will:

Refer the case to the local State or District Attorney, notify HUD's RIGI, and terminate rental assistance.

- b. **Administrative Remedies:** The HA may either:

Terminate assistance and demand payment of restitution in full; or

Terminate assistance and execute an administrative repayment agreement in accordance with the HA's Repayment Policy; or

Terminate assistance and pursue restitution through civil litigation.

Continue assistance at the correct level upon repayment of restitution in full

Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the HA's repayment policy.

5. The Case Conference for Serious Violations and Misrepresentations

When the HA has established that material misrepresentation(s) have occurred, a Case Conference will be scheduled with the family representative and the HA staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by the HA. The purpose of such conference is to review the information and evidence obtained by the HA with the participant, and to provide the participant an opportunity to explain any document findings which conflict with representations in the family's file. Any documents or mitigating circumstances presented by the family will be taken into consideration by the HA. The family will be given 14 days to furnish any mitigating evidence.

A secondary purpose of the Participant Conference is to assist the HA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the HA will consider:

- a. The duration of the violation and number of false statements.**
- b. The family's ability to understand the rules.**
- c. The family's willingness to cooperate, and to accept responsibility for his/her actions**
- d. The amount of money involved.**
- e. The family's past history**
- f. Whether or not criminal intent has been established.**
- g. The number of false statements.**

6. Notification to Participant of Proposed Action

The HA will notify the family of the proposed action no later than 21 days after the case conference by certified mail.

Chapter 1
STATEMENT OF GENERAL POLICIES

A.	LOCAL OBJECTIVES.....	1
B.	PURPOSE OF THE PLAN	1
C.	JURISDICTION	2
D.	FAIR HOUSING POLICY [24 CFR 982.54(d)(6)].....	2
E.	EQUAL EMPLOYMENT OPPORTUNITY	3
F.	SERVICE POLICY /ACCOMMODATIONS.....	3
G.	TRANSLATIONS OF DOCUMENTS.....	3
H.	FAMILY OUTREACH.....	3
I.	OWNER OUTREACH [24 CFR 982.54(d)(5)].....	4
J.	PRIVACY RIGHTS	4
K.	RELEASE OF TENANT INFORMATION TO LANDLORDS	5
L.	MONITORING PROGRAM PERFORMANCE	5

Chapter 2
ELIGIBILITY FOR ADMISSION

A.	INTRODUCTION - DEFINITION OF ADMISSION.....	6
B.	VERIFICATION OF ELIGIBILITY CRITERIA.....	6
C.	FAMILY COMPOSITION DEFINITIONS [24 CFR 982.54(d)(4)(I)].....	6
	1. Family	
	2. Head of Household	
	3. Spouse	
	4. Live-In Attendants	
D.	INCOME LIMITATION DEFINITIONS [24 CFR Part 5, SubpartsB, D & E, 982.201 (b) (d) 982.54(d)(4)(ii)].....	8
	1. Very Low	
	2. Low	
	3. Income Limit Requirements for Portability	
E.	CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR Part 5, Subpart E].....	9
F.	DISCLOSURE OF SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218].....	10
G.	OTHER CAUSES FOR DENIAL OF ADMISSION [24 CFR 982.552 (b)]	10
	1. Housing Authority Policy	
	2. HUD Recommended	
H.	INELIGIBLE FAMILIES	12

Chapter 3
RECEIPT OF APPLICATIONS/PREFERENCES/WAIT LIST MAINTENANCE

A.	NOTIFICATION OF WAIT LIST OPENING/CLOSURE	
-----------	--	--

	[24 CFR 982.206, 982.54 (d)(1)]	13
B.	INITIAL APPLICATION INFORMATION	14
C.	APPLICATION ACCEPTANCE -- LIMITATIONS	14
D.	FAMILY SEPARATION AND RETENTION OF WAIT LIST PLACEMENT.....	15
E.	NOTIFICATION OF APPLICANT STATUS.....	15
	1. Wait List Admission	
	2. Denial of Wait List Admission	
F.	PRIORITIZATION OF APPLICANTS.....	16
G.	SPECIAL ADMISSIONS - HUD TARGETED PROGRAMS.....	17
H.	MODERATE REHABILITATION PROGRAM.....	18
I.	WAIT LIST MAINTENANCE.....	18
	1. Purging Schedule	
	2. Applicant Submission of Updated Information	
J.	REMOVAL FROM THE WAITING LIST.....	19
K.	REINSTATEMENT TO THE WAIT LIST.....	19

Chapter 4
VERIFYING PROGRAM ELIGIBILITY/FAMILY COMP/CHANGES

A.	WHEN VERIFICATION IS REQUIRED	20
	1. Initial Eligibility	
	2. Ongoing Program Eligibility	
B.	VERIFICATION - METHODS AND DURATION OF VALIDITY.....	20
	1. Third Party Written	
	2. Third Party Oral	
	3. Document Review	
	4. Self-Certification	
C.	RELEASE OF INFORMATION	22
D.	VERIFYING PREFERENCES	22
	1. Federal Preferences	
	2. Local Preferences	
E.	FAMILY IDENTIFICATION VERIFICATION	25
	1. Verification of Legal Identity	
	2. Marital Status	
	3. Citizenship/Eligible Immigrant Status	
F.	VERIFYING FAMILIAL RELATIONSHIPS	27
	1. Verification of Guardianship	
	2. Evidence of a Family Relationship	
	3. Permanent Absence of Adult Member	
	4. Pregnancy	
	5. Verification of Change in Family Composition	
	6. Disability	
G.	VERIFYING INCOME.....	29
H.	VERIFYING ASSETS	32
I.	VERIFYING DEDUCTIONS/EXCEPTIONS/ALLOWANCES.....	34

1. Medical Need for a Larger Unit
2. Child Care Expenses
3. Medical Expenses
4. Assistance to Persons With Disabilities

Chapter 5

SUBSIDY STANDARDS/BRIEFINGS

[24 CFR 982.54(d)(9)]

A.	DETERMINING CERTIFICATE/VOUCHER SIZE [24 CFR 982.402].....	38
	1. Certificate/Voucher Subsidy Standards	
	2. Waiver of Subsidy Standards	
B.	UNDERHOUSED/OVERHOUSED FAMILIES	39
C.	UNIT SIZE SELECTED	40
	(When unit size selected differs from participant’s subsidy level)	
D.	ISSUANCE OF CERTIFICATES/VOUCHERS.....	41
E.	BRIEFING TYPES AND ATTENDANCE GUIDELINES.....	41
	1. Applicant Briefing	
	2. Briefing Packet Information	
F.	TRANSFER BRIEFINGS.....	43
G.	ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION	43
H.	TERM OF CERTIFICATE/VOUCHER	44
	1. Extensions	
	2. Expirations	
I.	SUSPENSIONS/TOLLING.....	44
J.	INTERCHANGEABILITY.....	44
K.	CERTIFICATE/VOUCHER ISSUANCE WHEN HOUSEHOLDS SEPARATE.....	45

Chapter 6

FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION

A.	INCOME AND ALLOWANCES	46
B.	CALCULATION OF TOTAL TENANT PAYMENT (TTP).....	47
C.	MINIMUM RENTS.....	47
D.	AVERAGING INCOME.....	48
E.	CALCULATING RETROACTIVE LUMP SUM ADDITIONS TO INCOME AND UNDERREPORTED INCOME.....	48
F.	PRORATION OF ASSISTANCE FOR “MIXED” FAMILIES.....	49
G.	ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE.....	49
H.	CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS.....	50
I.	UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS	50
J.	FAMILY COMPOSITION FACTORS WHICH AFFECT THE CALCULATION OF A FAMILY’S TTP.....	50
	1. Temporarily Absent Family Members	
	2. Definition of Visitor	
	3. Additions to Family Members	
	4. Military Leave	
	5. Full-Time Students	
	6. Absence of Any Member	

- 7. Absence due to Medical Reasons
- 8. Absence of Entire Family
- 9. Absence of Sole Member
- 10. Absence - Restraining Order
- 11. Reporting Requirements for Absent Family Members
- 12. Absence due to Incarceration
- 13. Foster Care/Absent Children
- 14. Absence of Adult
- 15. Confinement to Nursing Home

Chapter 7

REQUEST FOR LEASE APPROVAL/HQS INSPECTIONS

- A. **REQUEST FOR LEASE APPROVAL [24 CFR 982.305(b)]55**
 - 1. **Approval of RFLA**
 - 2. **Disapproval of RFLA**
- B. **ELIGIBLE TYPES OF HOUSING [24 CFR 982.353, 982.54(d)(15)].....56**
- C. **INELIGIBLE TYPES OF HOUSING.....56**
- D. **HACS LEASE REVIEW [24 CFR 982.308].....57**
- E. **SEPARATE AGREEMENTS57**
- F. **INITIAL INSPECTIONS.....57**
- G. **DISAPPROVAL OF PROPOSED RENT57**
- H. **INFORMATION TO OWNERS58**
- I. **OWNER DISAPPROVAL59**
- J. **CHANGE IN TTP PRIOR TO HAP EFFECTIVE DATE60**
- K. **SECURITY DEPOSIT60**
- L. **OWNER BRIEFING.....60**
- M. **AUTHORITY TO EXECUTE HAP CONTRACT61**
- N. **REQUIRED OWNER INFORMATION.....61**
- O. **CHANGE IN OWNERSHIP61**
- P. **HQS INSPECTION TYPES62**
- Q. **INSPECTION REQUIREMENTS62**
- R. **EXCEPTIONS TO HQS.....62**
- S. **ANNUAL INSPECTION PROCESS.....63**
 - 1. **Time Standards for Repairs**
 - 2. **No Show Policy**
- T. **EMERGENCY REPAIR ITEMS.....64**
- U. **ABATEMENT OF RENTS FOR HQS VIOLATIONS.....65**
 - 1. **Owner caused HQS Violations**
 - 2. **Extensions for Repair Completion**
 - 3. **Termination of HAP Contract**
 - 4. **Tenant-Caused HQS Violations**
- V. **ANNUAL RENT INCREASES66**
- W. **SPECIAL/COMPLAINT INSPECTIONS66**
- X. **QUALITY CONTROL INSPECTIONS.....66**

Chapter 8

OWNER RENTS, RENT REASONABLENESS, PAYMENT STANDARDS

A.	MAKING PAYMENTS TO OWNERS.....	67
B.	RENT ADJUSTMENTS	67
	1. Certificate Program	
	2. Disapproval/Offer of a New Lease	
	3. Voucher Program	
C.	RENT REASONABLENESS DETERMINATION	68
D.	RENT COMPARABILITY DATA.....	69
E..	PAYMENT STANDARDS FOR THE VOUCHER PROGRAM	
	[24 CFR 887.209 (b),887.351(c)(d)].....	69
	1. Increasing the Payment Standard	
	2. Lowering the Payment Standard	
	3. File Documentation	

Chapter 9

RECERTIFICATIONS/INTERIMS/ERRORS

A.	ANNUAL ACTIVITIES [24 CFR 882.212(a), 887.355]	71
B.	ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 882.212(a),	
	887.355]	71
	1. Requirements to Attend	
	2. Rescheduling/No-Show Policy	
	4. Verification of Information	
	5. Effective Dates for Changes in Total Tenant Payment	
C.	REPORTING INTERIM CHANGES [24 CFR 882.212(b), 887.357].....	73
	1. Changes in Family Composition	
	2. Changes in Income	
	4. Other Interim Reporting Issues	
D.	DELAYS IN PROCESSING/RETROACTIVE RENT ADJUSTMENTS.....	74
	1. Family Responsibility to Provide Documents	
	2. Retroactive Increases	
	3. Retroactive Decreases	
	4. Errors in the Calculation of the TTP	
E.	NOTIFICATION OF RESULTS OF REEXAMINATION	76

Chapter 10

HAP CONTRACT/LEASE TERMINATIONS

A.	LEASE TERMINATIONS.....	77
	1. Owner Initiated Lease Terminations	
	2. Owner Notice Requirements	
	3. Evictions	
	4. HAP Payments to Owner	

	5. Tenant Initiated Terminations	
B.	CONTRACT TERMINATIONS	80
	1. Termination by the HACS for Owner Breach	
	2. Other Causes for HAP Contract Termination	
	3. Notice of Termination	
C.	ALLOWABLE TRANSFERS AFTER HAP TERMINATION	81
D.	RESTRICTIONS ON TRANSFERS	81
E.	PROCEDURE FOR TRANSFERS	82
	1. Issuance of Certificate/Voucher	
	2. Remaining In-Place	
F.	PORTABILITY OVERVIEW [24 CFR 982.353]	82
G.	INCOMING PORTABILITY	82
	1. Absorption or Administration	
	2. Income/Family Composition/TTP	
	3. Requests for Lease Approval	
	4. Exception Rents (10% Exceptions) for Incoming Portables	
	5. Terminations	
	6. Required Verification	
	7. Billing Procedures	
H.	OUTGOING PORTABILITY	84
	1. Restrictions on Portability	
	2. Outgoing Portability Procedures	
	3. Outgoing Portability Packet	
	4. Payment to the Receiving HA	
	5. Claims	

Chapter 11
DENIAL OR TERMINATION OF ASSISTANCE

A.	GROUND FOR DENIAL/TERMINATION [24 CFR 982.552, 982.553]	87
	1. Form of Denial/Termination	
	2. Mandatory Denial	
	3. Grounds for Denial/Termination	
	4. Family Self-Sufficiency Program	
B.	FAMILY OBLIGATIONS [24 CFR 982.551]	88
	1. Obligations	
	2. Housing Authority Discretion	
	3. Enforcing Family Obligations	
	4. Drug-Related and Violent Criminal Activity	
	5. Notice of Termination of Assistance	
C.	PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.518]	94
	1. Termination due to Ineligible Immigrant Status	
	2. False or Incomplete Information	

	3. Procedure for Denial or Termination	
D.	\$0 ASSISTANCE TENANTS [24 CFR 982.455(a)]	94
	1. Pre-10/2/95 Contracts	
	2. Post-10/2/95 Contracts	
E.	OPTION NOT TO TERMINATE FOR MISREPRESENTATION [24 CFR 982.551, 982.552(c)]	95
F.	MISREPRESENTATION IN COLLUSION WITH OWNER [24 CFR 982.551, 982.552(c)]	95
G.	MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552(c)]	95

Chapter 12
CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS
(For Contracts Effective Before October 2, 1995)

A.	OWNER CLAIMS	97
B.	ELIGIBILITY FOR DAMAGE CLAIM INSPECTIONS	97
C.	NOTIFICATION OF DAMAGE CLAIM INSPECTION	98
D.	CLAIMS FOR UNPAID RENT	98
E.	ALLOWABLE CLAIMED DAMAGES	98
F.	VACANCY LOSS - CERTIFICATE PROGRAM	99
G.	PROCESSING CLAIMS	99
H.	TENANT/OWNER DISPUTE OF CLAIM DISPOSITION	99
I.	NOTIFICATION OF CLAIM APPROVAL	100

Chapter 13
OWNER OR FAMILY DEBTS TO THE HA

A.	REPAYMENT AGREEMENT [24 CFR 792.103, 982.552(b)(6-8)]	101
B.	TERMS OF THE AGREEMENT	101
C.	BREACH OF REPAYMENT	102
D.	SUBSEQUENT MONIES OWED	102
E.	OWNER DEBTS TO THE HACS	102

Chapter 14
COMPLAINTS AND APPEALS

A.	COMPLAINTS TO THE HA	103
B.	INFORMAL REVIEW PROCEDURES FOR APPLICANTS	103
	1. Notification to Applicants	
	2. Eligible Grounds for an Informal Review	

	3. Ineligible Grounds for a Review	
	4. Informal Review Process	
C.	INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d)(13)]	105
	1. Participant Notification	
	2. Grounds for an Informal Hearing	
	3. Ineligible Grounds for an Informal Hearing	
	4. Notification of Hearing	
	5. Rescheduling	
	6. Families Rights	
	7. Housing Authority Rights	
	8. Informal Hearing Process	
	9. Decisions for Which the HACS is not Bound	
D.	SPECIAL CONSIDERATION FOR THE DISABLED	108
E.	HEARING AND APPEAL PROVISIONS FOR “RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS” [24 cfr Part 5, Subpart E].....	109

Chapter 15
PROGRAM INTEGRITY/FRAUD PREVENTION

A.	PREVENTION OF PROGRAM ABUSE AND FRAUD	110
B.	DETECTION OF PROGRAM ABUSE AND FRAUD	
	1. Quality Control File Reviews	
	2. Observation	
C.	CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD.....	112
D.	THE HACS HANDLING OF ALLEGATIONS OF FRAUD	112
	1. File Review	
	2. Conclusion of Preliminary Review	
E.	INVESTIGATION PROCESS.....	113
F.	PLACEMENT OF DOCUMENTS, EVIDENCE	114
G.	CONCLUSION OF THE HACS INVESTIGATION	114
H.	EVALUATION OF FINDINGS	114
I.	PROCEDURES FOR DOCUMENTED VIOLATIONS.....	114
	1. Procedural Non-Compliance - Failure to Act	
	2. Procedural Non-Compliance - Overpaid Assistance	
	3. Intentional Misrepresentations	
	4. Dispositions of Cases Involving Misrepresentations	
	5. Case Conference for Serious Violations	
	6. Notification to Participant of Proposed Action	

APPENDICES

1.	GLOSSARY OF ACRONYMS/TERMS
----	----------------------------

- 2. INCOME INCLUSIONS/EXCLUSIONS**
- 3. UTILITY ALLOWANCE CHART**
- 4. FAIR MARKET RENTS**
- 5. BENEFIT PAYMENT STANDARDS**
- 6. FAMILY UNIFICATION PROGRAM**
- 7. SHELTER PLUS CARE PROGRAM**
- 8. DAMAGE CLAIM - "NORMAL WEAR & TEAR CHART"**

Chapter 1

STATEMENT OF GENERAL POLICIES

INTRODUCTION

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which recodified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the Section 8 Certificate and Voucher Programs, as described in and implemented through this Administrative Plan.

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

A. LOCAL OBJECTIVES

The Section 8 Program is designed to achieve three major objectives:

1. To provide affordable, decent, safe, and sanitary housing for very low income fam
2. To promote freedom of housing choice and spatial deconcentration of very low
3. To provide an incentive to private property owners to rent to very low income families by offering timely assistance payments.

In addition, the HA has established the following goals for the program:

1. To encourage, promote, and assist in self sufficiency of participant families.
2. To assist local economy by increasing occupancy rates and revenue into the com

B. PURPOSE OF THE PLAN

The purpose of the Administrative Plan is to establish policies for carrying out the Section 8 Existing Housing Programs in a manner consistent with HUD requirements and local objectives. This Plan covers both admission to and continued participation in these programs. All issues related to Section 8 Rental Assistance Programs not addressed in this document are governed by such Federal regulations, HUD Memos, Notices and guidelines, or other

applicable law.

The HACS is responsible for complying with all changes in HUD regulations related to the Section 8 Rental Assistance Programs. If such changes conflict with this Plan, HUD regulations shall have precedence. Prior to implementation, the original Plan and any changes shall be approved by the Board of Commissioners of the agency with a copy provided to HUD.

C. JURISDICTION

The jurisdiction of the HACS is the county of Stanislaus

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

The Authority shall not discriminate with respect to age, disability, race, color, creed, national or ethnic origin, sex, marital status, familial status, or sexual preference in the acceptance of applications, in the leasing of rental housing or related facilities (including land) or in the provision of housing assistance for any project or projects under its jurisdiction (covered by an Annual Contributions Contract under the United States Housing Act of 1937), or in the use or occupancy thereof.

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

In accordance with Section 504 of the Rehabilitation Act of 1973, Americans With Disabilities Act of 1992, and Fair Housing Act, as amended, no otherwise qualified individual with disabilities shall, solely by reason of disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity of the Housing Authority of the county of Stanislaus (HACS). The HACS will take appropriate measures to ensure that an individual with disabilities shall have equal access to available services, programs, and activities offered by it. These appropriate measures include but are not limited to:

- 1) provision of telecommunication devices for the deaf**
- 2) provision of sign language interpreters, as requested;**
- 3) provision of readers and amanuenses, as requested;**
- 4) utilization of barrier-free meeting places;**

- 5) **provision of a discrimination complaints procedure**
- 6) **assistance in site location of accessible units**

E. EQUAL EMPLOYMENT OPPORTUNITY

The HA practices affirmative action in hiring, promotion and conditions of employment. Position vacancies are advertised with the Department of Human Resources, minority organizations, and the general media. The HA's recruitment practices will apply outreach to community-based racial and ethnic groups so that the composition and culture of the staff reflects the composition and culture of the community, to the extent possible. All HA job postings will display the affirmative action/equal employment opportunity logo and slogan prominently.

F. SERVICE POLICY /REASONABLE ACCOMMODATIONS

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

The HACS's policies and practices will be designed to provide assurances that all persons with disabilities will be provided reasonable accommodation so that they may fully access and utilize the housing program and related services. The availability of specific accommodations will be made known by including notices on HA forms and letters to all families. *Verification of a Request for Accommodation:* All requests for accommodation or modification shall be verified with a certification from a physician.

G. TRANSLATIONS OF DOCUMENTS

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

Number of applicants and participants whose primary language is a language other than English.

The availability of existing organizations within the community which provides translation services to low income families.

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

H. FAMILY OUTREACH

The HA will publicize and disseminate information to make known the availability of housing assistance and related services for very low income families on a regular basis. When the HA's waiting list is open, the HA will publicize the availability and nature of housing assistance for very low income families in a newspaper of general circulation, minority media, and by other suitable means.

To reach persons who do not have access to reading materials, the HA will distribute fact sheets to local service providing agencies within HACS jurisdiction and utilize public service announcements through the local broadcasting media.

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

The HA encourages owners of decent, safe and sanitary housing units to lease to Section 8 families. The HA maintains a list of available units for the Section 8 Program and updates this list on a weekly basis. In addition, available units shall be posted at the HACS office.

HACS will conduct its outreach to owners and landlords of units outside areas of low income or minority concentration through meetings and recruitment sessions it holds with various owner's groups. The HACS primary vehicle for its outreach efforts will continue to be the local Landlord Training Programs held quarterly with the City of Modesto's Office of Housing and Neighborhoods, the local Rental Owner's Association, and periodic newsletters published by the HACS. Through the landlord training programs and the Rental Owner's Association, HACS will hold outreach and training sessions that focus on Section 8 issues. In addition, HACS will actively recruit suburban property owners and when available, grant exception rents for accessible and suburban properties.

HACS will identify areas of low income and minority concentration through annual monitoring of census tract information. Information and statistics will be obtained from HACS database, information published by the County's Consolidated Housing Plan and the U.S. Census among other sources.

J. PRIVACY RIGHTS

Applicants and participants, including all adults in their households, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD will release family information. The HA's policy regarding release of information is in accordance with State and local laws.

Any and all information which would lead one to determine the nature and/or severity of a person's disability shall be kept in a sealed envelope and marked "confidential." The information in this envelope must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by the Deputy Director of Section 8 Programs.

The HA'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. HA 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.

K. RELEASE OF TENANT INFORMATION TO PROPERTY OWNERS

In accordance with HUD requirements, upon request by a prospective landlord, the HACS will release the family's current address as shown in the HA's records and, if known to the HA, the name and address of the landlord at the family's current and prior address.

Upon a *written release from the Section 8 Certificate applicant or participant*, the HACS will release to the prospective landlord any claim and damage payments made by any Housing Authority on behalf of the participant, any history of drug trafficking, and the cause, if known, for any eviction actions. *A statement of the HA's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.*

L. MONITORING PROGRAM PERFORMANCE

Reports will maintained for:

- **Monitoring funding availability, to ensure the HA maintains adequate usage of ACC funding**
- **Tracking outstanding Certificates and Vouchers for expiration or suspension]**
- **Timeliness of annual activities**
- **Numbers of failed inspections and abatements**
- **Claim payments made**
- **Number and reason for moves and terminations of assistance.**
- **Number of new certificates and vouchers issued**
- **Repayment of amounts owed the HA**
- **Statistical data required for SEMAP reporting**

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

- 10% of annual reexaminations
- 10% of new applications
- 5% of the HQS inspections completed by each inspector
- 5% of claims processed

Chapter 2

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

A. INTRODUCTION - DEFINITION OF ADMISSION

This Chapter defines both HUD's and the HACS's criteria for admission and denial of admission to the Section 8 programs. Eligibility for admission shall be based solely on the factors described in this chapter. *A family who does not meet all criteria described in this chapter shall be denied admission to the Section 8 Programs.*

Eligibility for admission includes placement on a waiting list, issuance of a Section 8 Certificate, Voucher, or Statement of Family Responsibility, approval of a HAP Contract or lease, and approval to provide assistance under portability procedures.

B. VERIFICATION OF ELIGIBILITY CRITERIA

Eligibility criteria will not be verified until the applicant has reached the top of the wait list and interviewed for program eligibility unless the HA determines that such eligibility is in question, regardless of wait list placement.

C. FAMILY COMPOSITION DEFINITIONS

1. Family

- a. A single person who is either an elderly person, a displaced person, a disabled person, or
- b. Two or more persons sharing residency whose incomes and resources are available to meet the family's needs and have evidenced a stable family relationship (*Note: A child who i*
- c. A group of persons consisting of two or more elderly persons or disabled persons living toget
- d. A family continuously assisted under any 1937 Housing Act Program

2. Head of Household

The head of household is the adult member of the household who is designated by the family as head of household.

A family may designate an elderly or disabled family member as head of household solely to qualify for the Non-Citizen Rule.

3. Spouse

Spouse means the husband or wife of the head of household. For proper application to the Non-Citizen Rule, the spouse must be the only spouse of the head of household. The Non-Citizen Rule does not apply to companions, significant others, or co-heads.

4. Live-In Attendants

A Live-In Attendant is a person who resides in a family's unit in order to provide care for a family member.

- **Is determined by the HA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities,**
- **Is not obligated for the support of the person(s), and**
- **Would not be living in the unit except to provide care for the person(s).**

Eligibility Factors considered for Live-in Aides:

- **The live-in aide must pass the admissions criteria as described in Section G of this chapter.**
- **Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.**
- **Live-in aides are not subject to Non-Citizen Rule requirements.**
- **Live-in aides may NOT be considered as a remaining member of the tenant family.**
- **A relative must meet all of the elements in the live-in aide definition to qualify as a live-in aide.**
- **Family members of a live-in attendant may also reside in the unit providing doing so does not increase the subsidy by the cost of an additional bedroom and that the presence of the live-in attendant's family members do not overcrowd the unit.**

A Live in Aide may only reside in the unit with the approval of the Section 8 Director of the

HA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near-elderly (50-61) or disabled and must include the hours the care will be provided. Verification of need for a live-in attendant must be updated at least annually.

D. INCOME LIMITATION DEFINITIONS [24 CFR 982.201, 982.353]

In order to be eligible for admission as defined in the Chapter Overview, an applicant must be either a “very low-income” family or a “low-income” family. To determine income eligibility for a family, the HACS shall compare the Gross Annual Income of the family to the applicable income limit for the family size. Families whose Gross Annual Income exceeds the income limit shall be denied admission and offered an informal review.

1. Very Low

A Very Low Income Family is defined as a family whose annual gross income is below 50% of the area median income levels; or

2. Low

A Low-Income family is defined as a family whose annual gross income is below 80% of the

a. A low-income family that is continuously assisted under the 1937 Housing Act. An applicant in Section 23 programs.

b. A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 5

c. A low-income non-purchasing family residing in a HOPE1 or HOPE2 project

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

e. A low-income family displaced as a result of the prepayment of a mortgage or voluntary t

e. A low-income family residing in a HUD owned multifamily rental housing project when HUD

3. Income Limit Requirements for Portability:

Current Certificate or Voucher holders who are not yet program participants who exercise po

Present program participants who request portability and who request “Interchangeability” (as defined in Chapter 5), must be within the low income limit of the receiving family.

Families who are present participants who exercise portability with their current form of assistance must be within the low income limit of the receiving family.

- a. **The Certificate Program: The family’s “Net Tenant Payment”, must be less than the applicable low income limit.**
- b. **The Voucher Program: The family’s “Total Tenant Payment” minus any applicable charges must be less than the applicable low income limit.**

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

In order to be eligible for admission to the Section 8 Programs, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the six immigrant categories as specified by HUD.

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

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

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

Non-citizen students defined by HUD in the noncitizen regulations are not eligible for assistance.

Appeals. For this eligibility requirement only, the applicant is entitled to an informal hearing.

F. DISCLOSURE OF SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218]

The family must disclose the Social Security numbers assigned for all members six years of age or older and provide verification by presenting the original Social Security cards as issued by the Social Security Administration or by some other acceptable means as determined by the HACS.

If a family member has not been assigned a Social Security number, they (if an adult) or their guardian/parent will be required to sign a certification to that effect.

If a family member has been assigned a Social Security number but have no verification of such, the family member will be required to supply verification within 60 days of signing a certification identifying their assigned Social Security number. Elderly family members shall be given an additional 60 days to comply.

Failure to comply within the 60 day time period (with either the proof of a Social Security number or the written certification that a person has no Social Security number) will result in denial of eligibility, removal from the wait list, or termination from the program

G. OTHER CAUSES FOR DENIAL OF ADMISSION [24 CFR 982.552 (b)]

1. Housing Authority Policy

Applications received by the HACS from persons who meet any of the following conditions :

a. Former Section 8 Certificate, Voucher, or Conventional Housing, or Moderate Rel any HA. The applicant may have an request placement on the waiting list after the such persons may not be admitted under administered by HACS until the entire balance shall be allowed while the applicant is on agreement as defined in Chapter 13 program assistance. opportunity to repay this debt and informal review process. However, any housing assistance program they owe is paid in full. Repayment the wait list. Breach of this repayment would be subsequent cause for denial of

The HA reserves the right, in the case of extreme hardship, to amend the Repayment Agreement

b. Former participants or applicants of a federal housing program under the 1937 Act who have been found by HACS or any other housing authority to have committed program fraud, bribery, or any other corrupt or criminal act.

c. Applicants, who have been denied admission due to falsifying an application for a housing program for which the HACS administers.

d. Applicants who have submitted two previous falsified applications to the HACS for any program in which the HACS administers. The HACS shall permanently deny admission to the Section 8 Programs for this violation.

e. Applicants whose Net Tenant Payment equals or exceeds the applicable Fair Ma

f. Applicants who have been evicted from public housing or any Section 8 Voucher P

- g. Applicants who have committed acts of drug related or violent criminal activity**
- h. Former participants under the 1937 Act who have been terminated or denied admission due to violation(s) of family obligations as defined in CFR 982.551**

The HACS shall use discretion when determining denial of admission for any causes stated in this section. The determination to deny program assistance for the causes described shall be based on the seriousness of the case, the extent of participation or culpability of individual family members, whether the family members who violated the program regulations continue to reside with the family, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure to act.

2. HUD Recommended - Housing Opportunity Extension Act of 1996)

In accordance with HUD regulatory requirements, the HACS is required to deny admission to

- a. Former participants of public housing, Indian Housing, Section 23, or any Opportunity Extension Act of 1996, the illegal manufacture, sale, manufacture, sell, distribute or use** **the definition of drug-related criminal activity is distribution, use or possession with intent to a controlled substance.** **Sec**

The HACS shall waive this rule if the following conditions apply:

The applicant demonstrates successful completion of a rehabilitation program approved by the HACS; or

The circumstances leading to the eviction no longer exist. For example, the individual involved in

- b. If any family member fails to sign and submit consent forms for obtaining info**
- c. Current applicants who are determined to be presently using a controlled substance or pattern of abuse of alcohol may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.** **sub**

The following criteria shall be used to assess HACS determination to deny or admit a program u

- 1. An applicant "self-declaration"**
- 2. prior history under any of the programs administered by HACS**
- 3. Any other form of factual documentation which would indicate that the**

HACS shall waive the policy prohibiting admission in these circumstances if the person demonstrates to the HACS satisfaction that the person is no longer engaging in illegal use of a co

- 1. The applicant has successfully completed a supervised drug or alcohol**
- 2. Has otherwise been rehabilitated successfully; or**
- 3. Is participant in a supervised drug or alcohol rehabilitation program**

H. INELIGIBLE FAMILIES

Families who are determined to be ineligible shall be promptly notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to noncitizen status.

Denial of program assistance includes denial of wait list placement, denial or rescission of a Section 8 Certificate, Voucher, or Statement of Family Responsibility, refusal to enter into a HAP Contract or approve a lease, and refusal to process or provide assistance under portability procedures. See Chapter 19, "Complaints and Appeals" for additional information about reviews and hearings.

Chapter 3

RECEIPT OF APPLICATIONS/PREFERENCES/WAIT LIST MAINTENANCE

INTRODUCTION

This Chapter describes the HACS policies for receipt of applications, wait list preferences, and wait list maintenance. The policies set forth in this chapter shall be modified, if necessary, to provide reasonable accommodation for applicants with disabilities.

A. NOTIFICATION OF WAIT LIST OPENING/CLOSURE [24 CFR 982.206, 982.54(d)(1)]

HACS will utilize a variety of methods to announce the opening of the Section 8 Program Waiting List. Articles and notices will be placed in local newspapers that serve the county and in papers that serve specific regions and cities within the county. Notices will also be posted in public places such as libraries and community centers and will be distributed to various social service providing agencies throughout Stanislaus County. HACS will also specifically provide information to agencies that serve various disabled and minority populations.

The notice will contain the following information:

1. The dates, times, and locations where families may apply or obtain an
2. The programs for which applications will be taken
3. A statement notifying families of other available housing for which the HACS administers and has an open wait list.
4. Limitations, if any, on who can apply
5. The process for submitting the application to the HACS
6. The date, if known, of the wait list closure
7. The availability of the HACS's local preferences for admission

If the HACS cannot determine the wait list closure date when the wait list opening is announced, the wait list closure shall be published at a later date utilizing the same methods described in the wait list opening process. The HACS shall suspend the acceptance of applications when it is determined that the existing waiting list contains an adequate pool of applicants for use of available program funding. The HACS shall provide no less than three days notice of a waiting list closure.

Applications will be made available in an accessible format upon request from a person with a disability.

B. "INITIAL" APPLICATION INFORMATION [24 CFR 982.204 (b)]

The HACS will utilize a preliminary-application form (pre-application) to determine a family's placement on the Section 8 waiting list. HACS's pre-application form represents the official record of each family seeking assistance. Each pre-application must be signed by the applicant(s) and dated. In doing so, the applicant is certifying the accuracy of the information stated and submitted to the HACS. Applications completed by interpreters shall be signed by the interpreter along with a method of contact.

Each applicant shall be provided with a receipt or copy of their application which is intended to be used as proof of application submission while awaiting notification of acceptance or denial of admission to the program. The pre-application will contain questions designed to obtain the following information:

- Names of adult members and age of all members
- Sex and relationship of all members
- Street Address and phone numbers
- Mailing Address (If PO Box or other permanent address)
- Amount(s) and source(s) of income received by household members
- Disability inquiry related to program requirements (i.e., deductions)
- Information to assess qualification for preferences
- Social Security Numbers
- Race/ethnicity/Citizenship/eligible immigration status
- Arrests/Convictions for Drug Related or Violent Criminal Activity/Illegal drug use/Alcohol

Request for Specific Accommodation needed to fully utilize program and services
Current and previous landlords names and addresses
Emergency contact person and address
Program integrity questions regarding previous participation in HUD programs

C. APPLICATION ACCEPTANCE -- LIMITATIONS

- **Duplicate applications, including applications from a segment of an another applicant household, will be denied admission to the wait list.**
- **When two separate families apply together (example: mother and father apply with adult daughter and her husband and children), they will be treated as one family unit.**
- **Children who are subject to a joint custody agreement and who live with one parent at least 51% of the year shall be considered members of the household.**
- **Joint Custody of Minors - If both parents of a minor submit separate applications for the same minor, the parent who can show custody of the minor shall be allowed to claim the minor as his/her dependent on the pre-application. Proof of custody shall be in the form of court documents, school records, proof of TANF benefits, or some other acceptable form of documentation approved by the HACS**

D. FAMILY SEPARATION AND RETENTION OF WAIT LIST PLACEMENT

If a family unit separates while presently on the waiting list, the HACS will make every effort to encourage the family members to decide on who will retain the Section 8 application. Under no circumstances shall the authority allow the separate households to be admitted as two applicants to the wait list.

If the family unit cannot agree on who will retain the Section 8 application and there is no court determination, the HACS shall use the following guidelines on who will retain the application:

1st Priority

First priority will be given to victims of domestic violence if domestic violence is a contributing cause of the family breakup.

2nd Priority

Second priority will be given to the adult member of the household who retains primary physical custody of the majority of the household's minor children

3rd Priority

Third priority will be given to the adult member of the household who is disabled

4th Priority

Fourth priority will be given to the adult member who initially applied if another adult member was added at a later time.

5th Priority

When none of the circumstances listed above apply to the applicant family, sixth priority will be given by lottery.

Verification of the circumstances shall be required by the HACS. If either or both of the families do not provide the documentation requested by the HACS, removal from the waiting list for failure to supply requested verifications will occur.

E. NOTIFICATION OF APPLICANT STATUS

1. Wait list Admission

Applicants admitted to the Section 8 waiting list shall be notified in writing of their eligibility for admission to the wait list and the approximate time period prior to HACS offer of assistance.

2. Denial of Wait list Admission

Applicants determined ineligible for placement on the wait list shall be notified in writing of the following information:

- 1. The specific regulatory and/or policy language which is applicable to the HACS decision**
- 2. The specific reasons for this decision; and**
- 3. The family's right to an informal review**
- 4. The family's right to an informal hearing for determinations made in accordance with a family's ineligibility based on the Non-Citizen rule**

F. PRIORITIZATION OF APPLICANTS

Applicants for the Section 8 Housing Choice Voucher Program or Moderate Rehabilitation

Programs shall be ranked on the waiting list and consequently offered assistance according to the following local preference criteria:

- 1. Applicant families who have been readmitted to the waiting list under the**
- 2. Applicant families on the Section 8 Wait list who are presently**
- 3. Applicants who meet the definition of family/elderly/or disabled and who are not residing in any unit which is Federally subsidized (tenant paying 30% of income towards the rent)**
- 4. Applicants who meet the definition of a family/elderly/or disabled household and who are residing in a unit which is Federally subsidized**
- 5. Applicants who meet the definition of a single person and who are not residing in any unit which is Federally subsidized.**
- 6. Applicants who meet the definition of a single person and who are residing in subsidized housing.**

resi

Applicants who have identical local preferences shall be further ranked by the date and time of HACS's receipt of the application.

G. SPECIAL ADMISSIONS - HUD TARGETED PROGRAMS

HUD allows the HA to admit a family to a targeted program who is not presently on a wait list in order to utilize the HUD targeting funding when it is determined that no existing wait list applicants would otherwise be eligible for such programs.

Prior to any non-wait list admission to HUD targeted programs, the HACS shall review the existing wait list to determine if there may be eligible wait list applicants. Should there be an insufficient number of existing applicants who may be eligible for available assistance, HACS shall notify the public of acceptance of applications for the available funding in accordance with the guidelines set forth in each of the HUD Targeted Programs.

The HACS presently administers the following HUD Targeted Programs:

- 1. The Family Unification Program, as defined in Appendix 6**
- 2. The Shelter plus Care Program, as defined in Appendix 7**

As assistance becomes available in one of the HUD targeted programs described above, applicants shall be prioritized and offered assistance in the following order:

- 1. Current wait list applicants by order of their wait list placement**
- 2. Applicants who respond to the notification of available funding**
- 2. Applicants referred by service providing agencies participating in the specific**

HU

H. MODERATE REHABILITATION PROGRAM

The HACS Section 8 waiting list includes applicants for the Section 8 Voucher, Certificate and Moderate Rehabilitation Program.

In accordance with the Moderate Rehabilitation regulations, owners shall be required to fill vacant units by selecting families from the Section 8 wait list. Applicants who are nearing the top of the wait list will be referred to Moderate Rehabilitation Program property owners for consideration of tenancy.

Due to a current Certificate or Voucher holders inability to utilize their assistance in a Moderate Rehabilitation unit, current certificate or voucher holders will not be referred for vacancies.

If an applicant or group of applicants has been referred for vacant Moderate Rehabilitation units and have indicated they do not wish to be considered for future Mod Rehab vacancies, their application shall be identified and no future vacancy listings shall be provided to the family. Rather, the HACS shall move to the next group of applicants for referral to owners.

If HACS is unable to refer a sufficient number of interested applicants from the wait list to an owner of a Moderate Rehabilitation unit within 30 days of a vacancy notification, the owner may, with the prior approval of HACS, solicit applications from very low income families and refer such families to HACS for a determination of their eligibility. If such referred persons are eligible, HACS shall issue them a Statement of Family Responsibility. NOTE: Families who are referred by owners and who are not on the HACS waiting list would be ineligible for future relocation under the local preference provisions for over housed families as described in the "Prioritization of Applicants" Section of this chapter.

I. WAITING LIST MAINTENANCE

HACS wait list shall be reviewed and updated on a monthly basis. Revisions shall include information provided by current applicants which reflects changes in housing circumstances, income, address, or any other applicant revisions.

1. Purging Schedule

The Section 8 Wait list shall be purged annually. Applicants will be sent a questionnaire which must be returned in order for the applicant to remain on the wait list. An applicant's failure to return the questionnaire within a specified time period shall be cause for withdrawal from the wait list. The HACS shall notify the family in writing of the family's removal from the wait list and provide information on the applicant's right to an informal review of the decision.

2. Application Submission of Updated Information

Any revisions to an applicant's pre-application or case file must be reported by the applicant in writing on the HACS "update form". Applicants are responsible for notifying the HACS of changes in family composition, telephone number, address, income, etc. Staff will record the appropriate changes via computer. Applicants may be called into the office to verify their statements.

Staff shall not record any changes in writing on any form submitted by the client. Any notations by staff shall be written on a summary form and attached to the application.

J. REMOVAL FROM THE WAITING LIST

Applicants shall be removed from the wait list under the following circumstances:

- 1. Failure to respond to HACS notices or HACS inability to contact applicants because of their failure to provide HACS with a current mailing address.**
- 2. Refusal of all Section 8 Programs**
- 3. Ineligibility for program participation in accordance with Chapter 2**
- 4. Falsification of housing circumstances, income, or family composition for purposes of obtaining a**

Applicants shall be notified in writing of their removal from the wait list, the regulatory or policy language applicable to the decision, the specific reasons for the decision, and their right to an informal review.

K. REINSTATEMENT TO THE WAIT LIST

An applicant whose application has been withdrawn due to the reasons listed in Section J #1-3 can contact the HACS Section 8 Department in person within six months of the applicant's notification of withdrawal or denial date and request reinstatement to the wait list. The date of application shall be determined in accordance with the following:

- 1. If the applicant was removed from the wait list for failure to respond to HACS inquiries, r of application**
- 2. If the applicant had previously been denied, but subsequent changes now make the family eligi reinstatement.**

The provision to allow reinstatement shall be limited to one reinstatement per application submitted to the HACS. The only exception to this limitation would be upon a determination that a HACS administrative error resulted in improperly removing an applicant from the wait list.

Chapter 4

VERIFICATION OF ELIGIBILITY/FAMILY COMPOSITION/REPORTED CHANGES [24 CFR Part 5, Subparts B, D, E and F; 982.108]

INTRODUCTION

This Chapter contains the HACS's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. The HA will ensure that proper authorization from the family is always obtained before making verification inquiries.

A. WHEN VERIFICATION IS REQUIRED

Initial Eligibility Determination

Applicants who reach the top of the waiting list shall be interviewed in person to determine program eligibility. If the applicant includes a Head of Household and Spouse, both parties will be required to attend the interview. The HACS shall amend the policy in order to provide reasonable accommodation for persons with disabilities.

Ongoing Program Eligibility

Program participants shall be interviewed at least annually to determine continued participation under the Section 8 Programs. If changes occur or if income is sporadic or undetermined, program participants shall be required to provide verification of eligibility during interim or special reexamination interviews.

B. VERIFICATION - METHODS AND DURATION VERIFICATION IS VALID

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

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

Verifications may not be more than 60 days old at the time of Certificate/Voucher issuance for initial eligibility determinations. Upon receipt of a Request for Lease Approval, each case file shall be reviewed for a determination of whether updated verifications need to be obtained prior to approval of program participation. Current program participant verifications are valid for 120 days from date of receipt.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via mail. The family will be required to sign an authorization for the information source to release the specified information. Verifications received electronically directly from the source are considered third party written verifications.

If hand-delivered by the family, third party verification forms will be accepted so long as the verifications are returned in a sealed envelope on third party specified envelopes. However, the HA will accept original verifications not sealed in an envelope and hand delivered by the family from the following agencies

- * Social Security Administration
- * Department of Social Services
- * City or County Courts
- * Veterans Administration
- * Employment Development Department
- * Internal Revenue Service

Third-Party Oral Verification

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to complete a Certification of Oral Third-Party Verification along with completion of a HACS verification form corresponding to the type of information requested (i.e., employment verification form, Workman's Compensation verification form, etc.). The HA staff must originate the call.

Review of Documents

In the event that third-party written or oral verification is unavailable, the HACS will notate the file accordingly and utilize documents provided by the family as the primary source if the documents provide complete information. All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopied, staff viewing the document(s) will complete a Certification of Document Viewed Form.

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

Self-Certification/Self-Declaration

When verification cannot be made by third-party verification or review of documents, families will be required to submit a self-certification. Self-certification means a notarized statement under penalty of perjury and must be witnessed.

C. RELEASE OF INFORMATION

The family will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information.

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

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

D. VERIFICATION OF WAITING LIST PREFERENCES [24 CFR 5.410-5.430]

Federal Preferences

1. Involuntary Displacement :

- a. Families who claim they are being or have been displaced due to either a **disa**
- b. Families who claim they are being or have been displaced because of actions taken by the owner/agent of the unit the family is renting: *Notification by owner to family of the action/ written verification by the owner or agent/documents such as sales agreements, foreclosure notices or building permits.*
- c. Families who claim they are being or have been displaced due to domestic violence:

Written verification from police, social service agency, court, clergy person, physician, and/or public or private facility giving shelter and/or counseling to victims. Verification must be obtained (from a landlord or other source) that the abuser still resides at the unit the family where the family was displaced.

The family must certify that the abuser will not return to the household without the advance written approval of the HA. Before giving approval, the HA will require verification of the following:

That the family members involved have been through a counseling program and the service provider believes that a reconciliation is likely; or

Statement from social worker, psychologist, or other professional familiar with the abuser that he/she has received counseling/treatment and is unlikely to continue the abuse; or

Some other acceptable form as required by the HACS

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

Certification of threat assessment by a law enforcement agency; or

Oral or written recommendation from law enforcement agency or HUD.

- e. **Families who claim to be displaced by hate crimes.**

Written statement from law enforcement agency, HUD, Fair Housing or other

- f. **Displacement by inaccessibility of unit.**

Statement from the owner of the critical elements that are inaccessible, and

Inspection by HA to verify inaccessibility of critical elements; or

If the owner permits the tenant to make the modifications, verification that the family cannot afford the expense

- g. **Displacement by HUD disposition of a project: *Written verification from HUD.***

- h. **Determination of Standard Replacement Housing: *Inspection by a HA or other certified building inspector***

2. Living in Substandard Housing:

- a. **Families who claim to be living in a substandard housing unit: *Written verification by a government agency or HA inspection***

- b. **"Homeless" families: *written certification by a public or private facility providing shelter, the police, or a social services agency.***

Prior to processing the application, the HA requires a second certification from the same source that the applicant is not yet permanently housed and has been continuously homeless or temporarily housed since claiming the preference; or

An HA inspector may verify that the applicant is living in a place not normally used for human habitation.

If a family is in transitional housing and wishes the HA to hold the family's place on

the waiting list, a statement is required from the agency providing the transitional housing.

3. Rent Burden: Paying more than 50% of income for rent:

- a. Families will be required to verify their income, the amount of rent and utilities they are obligated to pay, and the period of time they have been residing in the unit.

Families must furnish copies of rental receipts/the lease/canceled checks/monthly

The HA may contact the landlord directly by mail or telephone

The HA compares the address with address(s) used on other documents in the file

In cases where the family pays rent to a co-renter or sublets the unit, the HA requires

If there is no lease or occupancy agreement and the family is receiving public assistance

If there is no lease or occupancy agreement, and the family is not receiving public license, school records.

- b. To verify the amount due to amortize the purchase price of a manufactured home, *copies of the most recent payment receipts, canceled checks or money order receipts, or a copy of the current purchase agreement.*

- c. At the family's option, the HA can use either the actual cost of utilities or the HA's Section 8 Existing utility allowance schedule. To verify the amount the family actually paid for utilities not included in the rent (if the Section 8 Utility Allowance Schedule is not used):

- *Copies of receipts, canceled checks, bills showing previous utility payments*
- *Written verification of consumption costs directly from the utility or*
- *Verification must be provided for a minimum period of 3 months*
- *Documentation of the amount of rent due must be provided for a period of three months.*

Local Preferences

1. "Absent Family Member Rule" - *Certification from facility where family resides*

2. **Overcrowded Moderate Rehabilitation Family - *HQS Inspection certifying unit does not meet HQS due to overcrowding of family and certification from***
3. **Working preference: Upon implementation by 10/01/01, this preference will be available for families with at least one member who is employed for a period of no less than 90 days. *The HA will require a statement from the employer.***
4. **Educational/Training participants: Upon implementation by 10/01/01, this preference is available for families who are graduates of or participants in educational or training programs designed to prepare the individual for the job market. *The HA will require a statement from the agency or institution providing the education or training.***

lan

Elderly Family households shall automatically be eligible for Local

pre

I. FAMILY IDENTIFICATION VERIFICATION

Verification of Legal Identity

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

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

- **Certificate of Birth, naturalization papers; or**
- **Church issued baptismal certificate; AND**
- **U.S. passport; or**
- **Company/agency Identification Card; or**
- **Department of Motor Vehicles Identification Card; or**
- **Current, valid Driver's license**

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

- **Certificate of Birth**
- **Adoption papers**
- **Custody agreement**
- **Health and Human Services ID**

- **School records**

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

Verification of Marital Status

- **Marriage Certificate**
- **Divorce decree along with Stipulations**
- **Certification of Legal Separation through court**

Verification of Citizenship/Eligible Immigrant Status

Each family member must declare their status once (either citizen, has eligible immigration status, or elects not to contend). Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the HA hearing is pending.

- **Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury. The HA will require citizens to provide documentation of citizenship.**
- **Eligible Immigrants who were Participants and 62 or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.**
- **Noncitizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The HA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the HA must request within ten days that the INS conduct a manual search.**
- **Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.**
- **Noncitizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.**

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

Time of Verification. For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. For participants, it is done at the first regular recertification after June 19, 1995. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in. Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial HA does not supply the documents, the HA must conduct the determination.

Extensions of Time to Provide Documents. The HA will grant an extension of 30 days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration. The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551), Alien Registration Receipt Card (I-151), Arrival-Departure Record (I-94), Temporary Resident Card (I-688), Employment Authorization Card (I-688B), Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

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

VERIFICATION OF FAMILIAL RELATIONSHIPS

Verification of guardianship

- Court-ordered assignment; or
- Verification from social services agency; AND
- School records

Evidence of a stable family relationship:

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

Verification of Permanent Absence of Adult Member

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

- **Husband or wife institutes divorce action.**
- **Husband or wife institutes legal separation**
- **Order of protection/restraining order obtained by one family member against another.**
- **Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.**
- **Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.**
- **If no other proof can be provided, the HA will accept a self-certification from the family.**
- **If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.**

Verification of Pregnancy

Verification of pregnancy is required when it is the sole basis for determining eligibility as a non-single, non-elderly family. IN cases where an immediate determination cannot be made, the Authroity will require a physician's certification.

Verification of Change in Family Composition

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

Verification of Disability

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

E. VERIFICATION OF INCOME

Employment Income

- **HACS Employment Verification; and**
- **last four check stubs or earning statements; and**
- **W-2 forms plus income tax return forms.**

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

Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

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

- **Benefit verification form completed by agency providing the benefits; or**
- **Award or benefit notification letters prepared and signed by the providing agency; or**
- **Computer report electronically obtained or in hard copy.**
- **Bank statements for direct deposits (for SSI Income ONLY).**

Unemployment Compensation

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

Welfare Payments or General Assistance

- **HA verification form completed by payment provider; or**
- **Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months; or**

- **Computer-generated Notice of Action; or**
- **Computer-generated list of recipients from Welfare Department.**

Alimony or Child Support Payments

- **Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules; or**
- **A (notarized) letter from the person paying the support; or**
- **Copy of latest check and/or payment stubs from Court Trustee. HA must record the date, amount, and number of the check; or**
- **Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.**

If payments are irregular, the family must provide:

- **A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement; or**
- **A notarized affidavit from the family indicating the amount(s) received.**
- **A welfare notice of action showing amounts received by the welfare agency for child support; or**
- **A written statement from an attorney certifying that a collection or enforcement action has been filed**

Net Income from a Business

In order to verify the net income from a business, the HA will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months. Acceptable methods of verification include:

- **IRS Form 1040, including:
Schedule C (Small Business)
Schedule E (Rental Property Income)
Schedule F (Farm Income)**
- **If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.**
- **Audited or unaudited financial statement(s) of the business.**
- **Credit report or loan application.**

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

Child Care Business

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

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

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

The HA will conduct interim reevaluations every 180 days and require the participant to provide a log with the information about customers and income.

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

Recurring Gifts

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

The person who provides the gifts, the value of the gifts, the regularity (dates) of the gifts, the purpose of the gifts.

A contribution or gift received at least quarterly or more frequent will be considered by HACS to be a regular contribution or gift. This includes rent and utility payments made, or other cash or in-kind contributions to the household.

Zero Income Status

Families claiming to have no income will be required to execute verification forms to

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

**The HA will request information from the State Employment Development Department.
The HA may request information from IRS.**

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

The family will be scheduled for a “special reexamination” every other month until such time a stable income has been established.

Full-Time Student Status

Only the first \$480 of the earned income of full time students, other than head or spouse, will be counted towards family income.

Financial aid, scholarships and grants received by full time students is not counted towards family income. Verification of full time student status includes:

- **Completion of third party HACS Student Status Verification Form**
- **Written verification from the registrar's office or other school official.**
- **School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.**

F. INCOME FROM ASSETS

Savings Account Interest Income and Dividends

Savings Acct:

- **Account statements, passbooks, certificates of deposit, or HA verification forms completed by the financial institution showing balance and interest rate.**

Stocks/Bonds

- **Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.**

Alternate form of Verification

- **IRS Form 1099 from the financial institution, provided that the HA must adjust the information to project earnings expected for the next 12 months along with proof of balance and interest amount.**

Interest Income from Mortgages or Similar Arrangements

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

Net Rental Income from Property Owned by Family

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

Real Property

- **Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.**
- **Real estate tax statements if the approximate current market value can be deduced from assessment.**
- **Financial statements for business assets.**
- **Copies of closing documents showing the selling price and the distribution of the sales proceeds.**
- **Appraisals of personal property held as an investment.**

Calculation - Market Value minus principal and selling costs = net value of real property

Lump Sum Receipts

- **Verification from institution releasing funds showing amount and the time period in which the lump sum covers or cause for the award.**

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

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

In determining the net value of the lump sum received, the HACCS shall deduct any attorney fees associated with the household's receipt of the lump sum award

Contributions to Retirement Funds - (Asset Calculation)

- **Verification of contribution amount from employer**

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

After retirement or termination of employment, count any amount the employee elects to receive as a lump sum (an asset)

Assets Disposed of for Less than Fair Market Value (FMV) during two years preceding effective date of certification or recertification

- 1. For all Certifications and Recertifications, the HA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.**
- 2. If the family certifies that they have disposed of assets for less than fair market value, verification [or certification] is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.**

Assets disposed of as a result of bankruptcy, foreclosure, or a divorce are not considered to be assets disposed for less than FMV.

H. VERIFICATION OF DEDUCTIONS/EXCEPTIONS/ALLOWANCES

Medical Need for Larger Unit

Medical need for a waiver of the occupancy standards as set forth in the HACS jurisdiction are limited to the following:

- 1. A live-in attendant is necessary for a family member; or**
- 2. Medical equipment which requires a separate room because of size or function; or**
- 3. A documented medical need that necessitates a separate room for a family member**

Applicants must provide a doctor's certification on HACS's verification form that explains the family's need for an aide, medical equipment or a separate room before a consideration for waiver will be granted.

Verification is required on an annual basis for an assignment of a larger certificate or voucher due to a medical need or the need for a live-in aide.

Child Care Expenses

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

- 1. Written verification from the person who receives the payments is required. If the child care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.**
- 2. Verifications must specify the child care provider's name, address, telephone number, Social Security Number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.**
- 3. Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.**

The maximum child care expense allowed must be less than the amount earned by the person enabled to work.

The number of hours claimed for child care may not exceed the number of hours the family member is attending school (including one hour to and from school)

The HACS shall survey the local care providers in the community as a guideline. If the hourly rate materially exceeds the guideline, the HA shall calculate the allowance using the guideline

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

HACS shall not allow child care expenses as a deduction if there is an adult household member capable of caring for the child who can provide the child care. Examples of those adult members who would be condiered unable to care for the child include:

A person with disabilities or elderly person unable to take care of a small child, as verified by

An adult child who is attending school or who's maturity level is such that the minor child woul

Medical Expenses

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

- **Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.**
- **Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.**
- **Written confirmation from the Social Security Administration's written of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.**
- **For attendant care:**
 - a. **A reliable, knowledgeable professional's certification that the assistance**

of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

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

- **Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.**
- **Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.**
- **Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. HA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.**
- **The HA will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.**

When HUD regulations are unclear, the HACS shall use IRS Publication 502 as a guide to determine allowable medical expenses.

Non-prescription medicines must be doctor-recommended in order to be considered a medical expense.

Assistance to Persons with Disabilities

- **Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.**
- **Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.**

For Attendant Care:

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

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

For Auxiliary Apparatus:

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



Chapter 5

**[24 CFR 982.54(d)(9)]
SUBSIDY STANDARDS/BRIEFINGS**

INTRODUCTION

The following chapter describes the HACS policy for determining a family's subsidy standard, the HACS's procedures for recertifying a family when a change occurs, and the conditions upon which a family may select a unit size which differs from the Certificate or Voucher bedroom size. The standard used for the Certificate or Voucher size is within the minimum unit size requirements of HUD's Housing Quality Standards.

A] DETERMINING CERTIFICATE/VOUCHER SIZE [24 CFR 982.402]

The standards set forth in this section apply to the number of bedrooms provided on the Certificate or Voucher. These standards do not determine the family's living arrangements.

The unit size on the Certificate or Voucher remains the same so long as the HACS's subsidy standard policy and the family's composition remains the same, regardless of the actual unit size rented.

Should the subsidy standard policy of the HACS be revised, the new policy shall be applied to current program participants ONLY under the following circumstances:

If the family relocates to another unit or executes a new lease and HAP Contract at the exist

8 Program Administration, verification shall be required on an annual basis.

These are the only three causes in which a waiver shall be granted. All other families will be assigned a bedroom size based on the HACS's Certificate/Voucher Issuance Guidelines.

B. UNDERHOUSED AND OVERHOUSED FAMILIES

1. Overcrowded Households

If a unit does not meet HQS space standards due to an increase in family size, the HA will issue a new certificate or voucher for a full 120 day period and assist the family in locating a suitable unit.

2. Overhoused households - Applicable to the Certificate Program Only:

If a certificate holder is occupying a unit which has more bedrooms than allocated under the HA's subsidy standards, the family can remain in the unit so long as the gross rent does not exceed the FMR for the unit size in which the family is eligible.

Overhoused Certificate family participants who are under-occupying a unit where the rent exceeds the applicable FMR will be given a maximum of 120 days to locate suitable housing before assistance is terminated. This policy may be amended in order to provide reasonable accommodation for persons with disabilities.

C. GUIDELINES WHEN UNIT SIZE SELECTED DIFFERS FROM ACTUAL CERTIFICATE OR VOUCHER ALLOCATION

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

1. Rent Limitation

For the Certificate Program, the HA must always apply *the lesser of* the FMR for the Certificate size or the unit size selected by the family.

For the Voucher Program, the HA uses the Payment Standard for the Voucher size or the unit size selected by the family, *whichever is less*.

2. Utility Allowance

The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's Certificate or Voucher.

3. Housing Quality Standards

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

HQS GUIDELINES FOR UNIT SIZE SELECTED

Maximum # of Persons in Household

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



Chapter 6

FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION

INTRODUCTION [24 CFR 813]

The following chapter describes the guidelines and formulas for calculating a participant's

Total Tenant Payment. Special factors may also impact tenant rent calculations. These factors and the HACS's policies on determining Total Tenant Payments for special circumstances are also described in this chapter.

A. INCOME AND ALLOWANCES

Income: A listing of income inclusions and exclusions is shown in Appendix 2

Annual Income is defined as the gross income anticipated to be received by the family during the 12 months following the certification or recertification effective date. Annual income, before any HUD allowed deductions, shall be used to determine whether a family meets the income limits for admission to the Section 8 Programs.

HUD has five allowable deductions used to determine a family's annual adjusted income:

- 1. Dependent allowance: \$480 each for family members (other than the head or spouse)**
- 2. 'Elderly' allowance: \$400 for families whose head or spouse is 62 or over or disabled.**
- 3. Allowable medical expenses for all family members are deducted for 'elderly' family members.**
- 4. Child care expenses for children under 13 are deducted when child care is necessary to allow an adult member to work or attend school or actively seek employment.**
- 5. Expenses for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.**

B. CALCULATION OF TOTAL TENANT PAYMENT

1. Certificate Program/Moderate Rehabilitation Program/ Voucher Program

The family's monthly rent share is calculated as 30% of a family's adjusted monthly gross income. The annual income is determined and verified through the interview process and information received from the family's income source(s).

Example: Adjusted gross income of \$18,000 divided by 12 months = \$1,500

$$\text{\$1,500 X 30\% = \$450.00 (Total Tenant Payment)}$$

If a program participant is required to pay utilities, this total tenant payment is reduced according to applicable utility allowance as described in Appendix 3

2. Voucher Program Subsidy Calculation

The family is allowed to pay more or less than 30% of their adjusted gross income for rent. To calculate the family's monthly rent share the Housing Authority subtracts the family's Total Tenant Payment (as calculated in Section 1, above) from a set payment standard which is based on unit size (See Appendix 5 for the current Benefit Payment Standard Schedule). The balance of this calculation is the Housing Authority's subsidy payment. The tenant then pays the difference between the Housing Authority's monthly subsidy and the contract rent negotiated with the landlord

Example: The Benefit Payment Standard for three bedrooms \$671.00

Tenant adjusted gross income of \$18,000 divided by 12 months = \$1,500
30% of tenant's monthly adjusted income is \$450.00 (\$1,500 X 30%) = TTP

Housing Authority maximum subsidy for any unit *at or greater than* the bedrooms for which the participant has been certified eligible for is calculated as f

Authority Payment Standard	=	\$671.00
Minus 30% of tenant's monthly income	=	\$450.00
Equals Housing Authority Rent Portion	=	\$221.00

If the participant opts to select a smaller sized unit than the family is certified to select, the payment standard for the actual unit size selected would be used and a smaller subsidy would

be paid by the HACS.

C. MINIMUM RENTS

In determining a minimum rent allowable under HACS policy, the family's TTP shall be based on the greatest of the following calculations and rounded to the nearest dollar:

- 1. 30% of the family's monthly adjusted income; or**
- 2. 10% of the family's gross monthly income; or**
- 3. \$50.00**

For extreme hardship cases, the HACS shall amend this policy and allow the TTP to be set at the minimum of the three rent calculation determinations for up to 90 days. A "special" reexamination shall be conducted at the end of 60 days. If it is determined that there have been no changes in income, the \$50.00 minimum rent policy shall be applied. Approval of hardship cases must be approved by the Section 8 Director.

D] AVERAGING INCOME [24 CFR 813.106 (d)]

When Annual Income cannot be anticipated for a full twelve months, the HAC's shall either :

- 1. Average known sources of income that vary to compute an annual income, or**
- 2. Annualize current income and conduct an interim reexamination when the family's income changes.**

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

The HAC's shall be required to consult the family on the method of calculation and allow the family to select which calculation option they would prefer. This option is available to families so long as the income calculation does not result in repeated interims during the course of the reexam year.

E. CALCULATING RETROACTIVE LUMP SUM ADDITIONS TO INCOME AND UNDERRE

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

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

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

The HA will go back to the date the lump-sum payment or underreported income was received, or to the date of admission, whichever is later.

The HA will determine the amount of income received versus income calculated by utilizing the HACS "Overpayment Calculation" form, and recalculate the tenant rent for each certification period to determine the amount due the HA.

A family who has had a change in income which was not reported and is an amount above the interim rule guidelines described in Chapter 8, Section C, shall be subject to an overpayment of housing assistance payments. The family shall be notified of the violation of family obligations and allowed to enter into a repayment agreement. Future instances of unreported income is grounds for program termination.

The family must pay this "retroactive" amount to the HA in either a lump sum or repayment agreement in accordance with the policies set forth in Chapter 13, Section B. The amount owed by the family is a collectible debt even if the family becomes unassisted.

Attorney Fees for Lump Sum Additions to Income

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

F. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 812.11]

Applicability

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

"Mixed" families shall be offered prorated assistance.

Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying that figure by the percent of the family members who actually are eligible. Total Tenant Payment is the gross rent minus the prorated assistance.

G. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

The HA must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The HA will count the difference between the market value and the actual payment received in calculating total assets.

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

H. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS

Under the following conditions, contributions to company retirement/pension funds shall be considered an asset:

1. While an individual is employed, count as assets the amounts the family can withdraw without ret
2. After retirement or termination of employment, count any amount the employee elects to receive :

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

The same Utility Allowance Schedule (See Appendix 3) is used for both the Certificate and Voucher Program. The Utility Allowance is intended to help defray the cost of utilities not included in the rent and is subtracted from Total Tenant Payment in order to establish the family's rent to the landlord. The allowances are based on actual rates and average consumption studies, not on a family's actual consumption. The HA will review the Utility Allowance Schedule on an annual basis and revise it if needed.

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

When the Utility Allowance exceeds the family's Total Tenant Payment, the HA will provide a Utility Reimbursement Payment for the family each month.

J. FAMILY COMPOSITION FACTORS WHICH AFFECT THE CALCULATION OF A FAMILY'S TTP

1. Temporarily Absent Family Members

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

2. Definition of Visitor

Any adult not included on the HUD 50058 who has been in the unit more than 60 consecutive days, or a total of 120 days in a 12-month period, will be considered to be living in the unit as an unauthorized household member. The following guidelines shall apply when determining whether an unauthorized occupant resides in the Section 8 unit:

Absence of evidence of any other address will be a consideration in determining the occupancy of the household member; and/or

Statements from neighbors and/or the landlord; and/or

Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary such as vehicle registration, employment residency address, tax returns, et

Custodial Visits - in a joint custody arrangement, a minor in the household less than 50% of the year shall be considered a visitor for purposes of determining the subsidy standard.

3. Additions to Family Members

Any income change resulting from additional family member(s) shall result in an interim rent adjustment. The family must report to the HACS within 30 days of the birth, adoption, or court-awarded custody of a child. The family must request prior approval of any other additional household members in writing. The following guidelines shall apply when admitting additional members to a household:

- a. **The landlord must approve the change in the number of occupants if the family cho**
- b. **The proposed occupants must meet the admissions criteria defined in Chapter 2, Section G; and**
- c. **The family can provide evidence of having previously establishing a "familial" rela**
- d. **The additional family member will be the proposed "spouse" of a family member of**

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

4. Military Leave

If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and other exceptions to military pay HUD may define) shall be counted as income.

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

5. Full Time Students

The following policy shall apply for full time students who attend school away from home:

Full time students who attend school away from the home and live with the family during school recess will be considered temporarily absent from the household unless it is determined that the Full time student has located permanent housing elsewhere.

The full time student's income and expenses (including shelter, fees, tuition, etc.) shall be included when determining the subsidy level and income.

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

Any member of the household will be considered permanently absent if s/he is away from the unit for 3 consecutive months except as otherwise provided in this Chapter.

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

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

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

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

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

Families must notify the HA if they are going to be absent from the unit for more than 30 consecutive days. To receive HA approval, the family must:

- 1. Maintain their rent and utility payments**
- 2. Notify the HACS in advance**
- 3. Cooperate in providing residency verification**

If the entire family is absent from the assisted unit for more than 90 consecutive days, the unit will be considered to be vacated and the assistance will be terminated.

If it is determined that the family is absent from the unit longer than the time specified in this Plan or it is believed that the family abandoned the unit, the HA will terminate the Housing Assistance Payments in accordance with the terms of the HAP Contract and terminate the family's continued participation under the Section 8 Program.

“Absence” means that no family member is residing in the unit.

In order to determine if the family is absent or has abandoned the unit, the HA may:

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

9. Special Circumstances for Absence of Sole Members of a Household:

If the sole member of the household is absent from the unit due to medical reasons such as entering a care facility or rehabilitation center and will be absent for a period greater than 90 days, the HACS shall terminate assistance.

If, within one year from the date of termination, the family is released, the HACS shall allow the family to reapply. The following documentation will be required:

- a. Verification from the facility indicating admittance and departure dates**
- b. Medical need for admission**
- c. Approval from the Section 8 Director**

10. Absence due to Restraining Order

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

11. Reporting Requirements for Absent Family Members

If an adult family member leaves the household for any reason, the family must report the change in family composition to the HACS in writing within 30 days.

The notice must contain a certification by the family as to whether the adult is temporarily or permanently absent.

12. Absence due to Incarceration

If the sole member is incarcerated for more than 90 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for more than 3 months. If a sole member is absent due to incarceration and is still considered eligible, the HACS may continue to pay the Housing Assistance Payments so long as the family follows the guidelines set forth in Section J (8) of this chapter. *The HA will determine and verify if the reason for incarceration is for drug-related or violent criminal activity.*

13. Foster Care and Absences of Children

If the family includes a child or children temporarily absent from the home due to placement in foster care, the HA will determine from the appropriate agency when the child/children will be returned to the home. The HACS will make a determination whether to reissue a new Certificate or Voucher based on court documents and the likelihood of the children's return.

14. Absence of Adult

If neither parent remains in the household and there are minor children, the HACS shall allow another adult to reside in the unit as a temporary "visitor" based on the following guidelines;

- a. The family receives landlord approval if the family is to remain in the unit**

- b. **The appropriate Social Service agency has verified this adult to be the caretaker for the children**
- c. **the caretaker, if it is determined will receive the Certificate or voucher, must** met
- d. **The parents can provide proof of length of absence (whenever feasible)**

If by the end of the 90 day time period, court-awarded custody or legal guardianship has been awarded to the “visitor/caretaker” and the adult family members have not returned, the caretaker’s income shall be included in determining the family’s TTP

The HA will transfer the certificate or voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 6 months and it is reasonable to expect that custody will be granted.

The HA will work with the appropriate service agencies, the family, and the landlord to provide a smooth transition in these cases. NOTE: The “visitor” rule has been amended under these circumstances.

15. Income of a Person Confined to a Nursing Home
[24 CFR 813.106 (a)]

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the HA will Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.



Chapter 7

REQUEST FOR LEASE APPROVAL AND HQS INSPECTIONS

INTRODUCTION [24 CFR 982.305 (a)]

This Chapter defines the types of eligible housing, the HA’s policies for initial inspections, lease requirements, owner disapproval, and the processing of a Request For Lease Approval (RFLA).

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

The Request for Lease Approval (RLA) and a copy of the proposed Lease must be submitted by the family during the term of the certificate or voucher. The Request for Lease Approval must be signed by both the owner and applicant or participant. *The HA will not permit the family to submit more than one RFLA at a time.*

1. Approval of RFLA

The Request will be approved if:

- 1. The unit is an eligible type of housing as described in Section B of this chapter.**
- 2. The unit meets HUD's Housing Quality Standards (and any additional criteria as i**
- 3. The rent is reasonable - See Chapter 8**
- 4. The security deposit amount is approvable.**
- 5. The proposed lease complies with HUD and HA requirements and State and Local Law.**
- 6. The owner is eligible to participate and there are no conflicts of interest.**

2. Disapproval of RLA

If, after an inspection and review of the documents submitted, the HA determines that the Request cannot be approved for any of the reasons listed above, the landlord and the family will be notified in writing. The HA will instruct the owner and family of the steps that are necessary to approve the Request.

If a unit fails the initial inspection for any causes stated above and the prospective tenant and owner continue to have an interest in processing the unit for approval, the owner will be given 7 calendar days to correct fail items in order to reinstate a denied Request for lease Approval without having to resubmit a new RFLA.

When, for any reason, an RLA is not approved, the HA will furnish another RLA form to the family along with the notice of disapproval so that the family can continue to search for

eligible housing. The time limit on the Certificate or Voucher will be suspended or “tolled” while the RFLA is being processed.

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

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

- 1. All structure types (i.e., apartments, single family dwellings, etc.)**
- 2. Manufactured homes where the tenant leases the mobile home and the pad.**
- 3. Manufactured homes where the tenant owns the mobile home and leases the pad (Certificate Program only).**
- 4. Independent Group Residences**
- 5. Units owned (but not subsidized) by the HA (following HUD-prescribed requirements). (Example: Conant Place)**

A family can own a rental unit but cannot reside in it while being assisted, except in the Certificate program for manufactured homes when the tenant owns the mobile home and leases the pad.

A family may lease in and have an interest in a cooperative housing development.

For contracts executed after 9/15/97, HUD disallows property owners from renting to relatives under the Section 8 Programs.

For contracts effective on or before 9/15/97, property owners may rent to relatives so long as the owner meets the Section 8 Program Requirements.

The HA may not permit a Certificate or Voucher holder to lease a unit which is receiving Project-Based Section 8 assistance or any duplicative rental subsidies.

C. INELIGIBLE TYPES OF HOUSING

The HA will not approve:

1. A unit occupied by the owner or by any person with an interest in the unit, other than manufactured homes described above.
2. Units owned by a relative
3. Nursing homes or other institutions that provide care.
3. School dormitories and institutional housing.
4. Any other types of housing prohibited by HUD.

D. HACS LEASE REVIEW [24 CFR 982.308]

Owners may either submit their own lease or permit the HA to furnish the lease.

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

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

E. SEPARATE AGREEMENTS

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

Owners and families may execute separate agreements for services, appliances and other items that are not included in the lease if the agreement is in writing and approved by the HA.

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

The HA is not liable for unpaid charges for items covered by separate agreements and

nonpayment of these agreements cannot be cause for eviction.

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

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

Initial inspections shall be scheduled and performed within seven working days from receipt of the RFLA form.

G. DISAPPROVAL OF PROPOSED RENT - Certificate Program

Under the Certificate Program, the “gross rent” (rent plus applicable utility allowance), must not exceed the Fair Market Rents established by HUD. In the event the requested rent exceeds the FMR, the HACS will attempt to negotiate a rent which falls below the HUD published FMR or amend the utility cost arrangements.

If the owner accepts the offer of a revised rent, the HA will continue processing the Request for Lease Approval and Lease. If the revised rent involves a change in the provision of utilities, notification of the proposed changes must be signed by both the property owner and tenant acknowledging the revision.

Exception Rents

If the HA is satisfied that the requested rent meets the test of rent reasonableness, the rent is less than 110% of FMR, and the HA has remaining “Exception Rent” authority, the HA may approve an Exception Rent. Exception Rents shall not be granted if the unit chosen contains a greater number of bedrooms than allocated on the Certificate.

If the exception rent is not an option (because of the size of the unit, or because the reasonable rent exceeds the exception rent, or because the HA has no authority left), and the family and landlord agree, the family may exercise “Interchangeability” and exchange their Certificate for a Voucher so long as the HA has Voucher funding available.

If the owner does not agree on the Contract Rent after negotiations with the HACS, the

HACS shall inform the family and owner that the lease is disapproved.

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

Owners will be informed of their responsibility to determine the suitability of their prospective tenants. Owners will be encouraged to screen applicants for rent payment history, eviction history, damage to units, and other factors related to the family's suitability as a tenant.

The HACS is required by HUD to provide prospective owners with the address of Section 8 Program applicants and the names and addresses of the current and previous landlord, if known.

In addition to the HUD required release of tenancy information, the HACS may provide a prospective landlord with the following information based on documentation in the case file. *This additional information shall only be provided upon signed release from the applicant or participant.*

**Eviction history; and/or
Damage to rental units; and/or
Drug Trafficking by family members**

The information will be provided for the last 3 years and will be provided in writing. Release of this information shall be provided only by the Section 8 Director, Section 8 Supervisor, or Housing Inspection's Manager. The HA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

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

I. OWNER DISAPPROVAL [24 CFR 982.306]

For purposes of this section, "owner" includes a principal or other interested party. The HA will disapprove the owner for the following reasons:

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

- b. HUD has informed the HA that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.**
- c. HUD has informed the HA that a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.**
- d. The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).**
- e. The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.**
- f. The owner has engaged in drug trafficking.**
- g. The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.**
- h. The owner has a history or practice of renting units that fail to meet State or local housing codes.**
- I. The owner has not paid State or local real estate taxes, fines or assessments.**

If an owner commits fraud or abuse or is guilty of frequent or serious contract violations, the HA will restrict the owner from future participation in the program commensurate with the seriousness of the offense. The HACS may also terminate some or all existing contracts with the owner.

Before imposing any penalty against an owner the HACS shall review all relevant facts of the case, and will consider such factors as the owner's record of compliance and the number of violations.

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

When the family reports changes in factors that will affect the Total Tenant Payment (TTP) prior to the effective date of the HAP contract, the information will be verified and the TTP will be recalculated effective the date of the initial HAP Contract.

If the verifications on file are older than 60 days, new verifications must be obtained regardless of whether a change has or has not occurred.

K. SECURITY DEPOSIT

Leases Effective prior to 10/2/95 -

The amount of Security Deposit which could have been collected by owners under both Voucher and Certificate contracts in effect prior to 10/2/95 is an amount not to exceed the Total Tenant Payment or \$50.00, whichever is greater

Leases in Effect on or after 10/2/95

Security deposits charged by owners for the Section 8 Certificate or Voucher Programs may not exceed those charged to unassisted tenants (nor the maximum prescribed by state and local law)

Families “In Place”

If the amount of deposit collected for an “in-place” tenant is less than the amounts shown above, the HACS shall recommend that the owner obtain the minimum security deposit amounts shown above. Any additional deposit or refund of deposit shall be settled between the landlord and tenant and must be provided to the HACS in order to retain accurate deposit records.

L. OWNER BRIEFING

Owners are encouraged to attend an orientation prior to commencement of program participation. The purpose of this orientation is to provide property owner of the responsibilities and roles of the owner, tenant, and Housing Authority. Owner briefings are held quarterly.

M. AUTHORITY TO EXECUTE A HAP CONTRACT

The following HA representatives are authorized to execute a contract on behalf of the HA:

**Executive Director;or
Section 8 Director;or
Section 8 Supervisor;or
Housing Insp.'s Manager**

N. REQUIRED OWNER INFORMATION

Owners must provide the current address of their residence (not a Post Office box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit.

Owners must provide an Employer Identification Number or Social Security Number and a copy of their Driver's License or other photo identification. Owners may be asked to submit proof of ownership of the property, such as a Grant Deed or Tax Bill, and a copy of the Management Agreement if the property is managed by a management agent.

The owner must provide a business or home telephone number.

O. CHANGE IN OWNERSHIP

A change in ownership does not require execution of a new contract.

The HA will process a change of ownership upon the written request of a new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title and the Federal Identification Number or Social Security number of the new owner.

The HA must receive a written request by the previous owner in order to change the HAP payee and/or the address to which payment is to be sent.

Chapter 7

REQUEST FOR LEASE APPROVAL AND HQS INSPECTIONS

INTRODUCTION [24 CFR 982.305 (a)]

This Chapter defines the types of eligible housing, the HA's policies for initial inspections, lease requirements, owner disapproval, and the processing of a Request For Lease Approval (RFLA).

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

The Request for Lease Approval (RLA) and a copy of the proposed Lease must be submitted by the family during the term of the certificate or voucher. The Request for Lease Approval must be signed by both the owner and applicant or participant. *The HA will not permit the family to submit more than one RFLA at a time.*

1. Approval of RFLA

The Request will be approved if:

- 1. The unit is an eligible type of housing as described in Section B of this chapter.**
- 2. The unit meets HUD's Housing Quality Standards (and any additional criteria as i**

3. **The rent is reasonable - See Chapter 8**
4. **The security deposit amount is approvable.**
5. **The proposed lease complies with HUD and HA requirements and State and Local Law.**
6. **The owner is eligible to participate and there are no conflicts of interest.**

2. Disapproval of RLA

If, after an inspection and review of the documents submitted, the HA determines that the Request cannot be approved for any of the reasons listed above, the landlord and the family will be notified in writing. The HA will instruct the owner and family of the steps that are necessary to approve the Request.

If a unit fails the initial inspection for any causes stated above and the prospective tenant and owner continue to have an interest in processing the unit for approval, the owner will be given 7 calendar days to correct fail items in order to reinstate a denied Request for lease Approval without having to resubmit a new RFLA.

When, for any reason, an RLA is not approved, the HA will furnish another RLA form to the family along with the notice of disapproval so that the family can continue to search for eligible housing. The time limit on the Certificate or Voucher will be suspended or “tolled” while the RFLA is being processed.

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

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

1. **All structure types (i.e., apartments, single family dwellings, etc.)**
2. **Manufactured homes where the tenant leases the mobile home and the pad.**
3. **Manufactured homes where the tenant owns the mobile home and leases the pad (Certificate Program only).**

4. **Independent Group Residences**
5. **Units owned (but not subsidized) by the HA (following HUD-prescribed requirements). (Example: Conant Place)**

A family can own a rental unit but cannot reside in it while being assisted, except in the Certificate program for manufactured homes when the tenant owns the mobile home and leases the pad.

A family may lease in and have an interest in a cooperative housing development.

For contracts executed after 9/15/97, HUD disallows property owners from renting to relatives under the Section 8 Programs.

For contracts effective on or before 9/15/97, property owners may rent to relatives so long as the owner meets the Section 8 Program Requirements.

The HA may not permit a Certificate or Voucher holder to lease a unit which is receiving Project-Based Section 8 assistance or any duplicative rental subsidies.

C. INELIGIBLE TYPES OF HOUSING

The HA will not approve:

1. **A unit occupied by the owner or by any person with an interest in the unit, other than manufactured homes described above.**
2. **Units owned by a relative**
3. **Nursing homes or other institutions that provide care.**
3. **School dormitories and institutional housing.**
4. **Any other types of housing prohibited by HUD.**

D. HACS LEASE REVIEW [24 CFR 982.308]

Owners may either submit their own lease or permit the HA to furnish the lease. In cases where the owner's lease is used, the HUD lease addendum must be attached and

executed.

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

E. SEPARATE AGREEMENTS

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

Owners and families may execute separate agreements for services, appliances and other items that are not included in the lease if the agreement is in writing and approved by the HA.

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

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

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

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

Initial inspections shall be scheduled and performed within seven working days from receipt of the RFLA form.

G. DISAPPROVAL OF PROPOSED RENT - Certificate Program

Under the Certificate Program, the “gross rent” (rent plus applicable utility allowance), must not exceed the Fair Market Rents established by HUD. In the event the requested rent exceeds the FMR, the HACS will attempt to negotiate a rent which falls below the HUD published FMR or amend the utility cost arrangements.

If the owner accepts the offer of a revised rent, the HA will continue processing the Request for Lease Approval and Lease. If the revised rent involves a change in the provision of utilities, notification of the proposed changes must be signed by both the property owner and tenant acknowledging the revision.

Exception Rents

If the HA is satisfied that the requested rent meets the test of rent reasonableness, the rent is less than 110% of FMR, and the HA has remaining “Exception Rent” authority, the HA may approve an Exception Rent. Exception Rents shall not be granted if the unit chosen contains a greater number of bedrooms than allocated on the Certificate.

If the exception rent is not an option (because of the size of the unit, or because the reasonable rent exceeds the exception rent, or because the HA has no authority left), and the family and landlord agree, the family may exercise “Interchangeability” and exchange their Certificate for a Voucher so long as the HA has Voucher funding available.

If the owner does not agree on the Contract Rent after negotiations with the HACS, the HACS shall inform the family and owner that the lease is disapproved.

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

Owners will be informed of their responsibility to determine the suitability of their prospective tenants. Owners will be encouraged to screen applicants for rent payment history, eviction history, damage to units, and other factors related to the family’s suitability as a tenant.

The HACS is required by HUD to provide prospective owners with the address of Section 8 Program applicants and the names and addresses of the current and previous landlord, if known.

In addition to the HUD required release of tenancy information, the HACS may provide a

prospective landlord with the following information based on documentation in the case file. *This additional information shall only be provided upon signed release from the applicant or participant.*

**Eviction history; and/or
Damage to rental units; and/or
Drug Trafficking by family members**

The information will be provided for the last 3 years and will be provided in writing. Release of this information shall be provided only by the Section 8 Director, Section 8 Supervisor, or Housing Inspection's Manager. The HA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

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

I. OWNER DISAPPROVAL [24 CFR 982.306]

For purposes of this section, "owner" includes a principal or other interested party. The HA will disapprove the owner for the following reasons:

- a. HUD has informed the HA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.**
- b. HUD has informed the HA that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.**
- c. HUD has informed the HA that a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.**
- d. The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).**
- e. The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.**

- f. The owner has engaged in drug trafficking.**
- g. The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.**
- h. The owner has a history or practice of renting units that fail to meet State or local housing codes.**
- I. The owner has not paid State or local real estate taxes, fines or assessments.**

If an owner commits fraud or abuse or is guilty of frequent or serious contract violations, the HA will restrict the owner from future participation in the program commensurate with the seriousness of the offense. The HACS may also terminate some or all existing contracts with the owner.

Before imposing any penalty against an owner the HACS shall review all relevant facts of the case, and will consider such factors as the owner's record of compliance and the number of violations.

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

When the family reports changes in factors that will affect the Total Tenant Payment (TTP) prior to the effective date of the HAP contract, the information will be verified and the TTP will be recalculated effective the date of the initial HAP Contract.

If the verifications on file are older than 60 days, new verifications must be obtained regardless of whether a change has or has not occurred.

K. SECURITY DEPOSIT

Leases Effective prior to 10/2/95 -

The amount of Security Deposit which could have been collected by owners under both Voucher and Certificate contracts in effect prior to 10/2/95 is an amount not to exceed the Total Tenant Payment or \$50.00, whichever is greater

Leases in Effect on or after 10/2/95

Security deposits charged by owners for the Section 8 Certificate or Voucher Programs may not exceed those charged to unassisted tenants (nor the maximum prescribed by state and local law)

Families “In Place”

If the amount of deposit collected for an “in-place” tenant is less than the amounts shown above, the HACS shall recommend that the owner obtain the minimum security deposit amounts shown above. Any additional deposit or refund of deposit shall be settled between the landlord and tenant and must be provided to the HACS in order to retain accurate deposit records.

L. OWNER BRIEFING

Owners are encouraged to attend an orientation prior to commencement of program participation. The purpose of this orientation is to provide property owner of the responsibilities and roles of the owner, tenant, and Housing Authority. Owner briefings are held quarterly.

M. AUTHORITY TO EXECUTE A HAP CONTRACT

The following HA representatives are authorized to execute a contract on behalf of the HA:

Executive Director;or
Section 8 Director;or
Section 8 Supervisor;or
Housing Insp.'s Manager

N. REQUIRED OWNER INFORMATION

Owners must provide the current address of their residence (not a Post Office box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit.

Owners must provide an Employer Identification Number or Social Security Number and a copy of their Driver's License or other photo identification. Owners may be asked to submit proof of ownership of the property, such as a Grant Deed or Tax Bill, and a copy of the Management Agreement if the property is managed by a management agent.

The owner must provide a business or home telephone number.

O. CHANGE IN OWNERSHIP

A change in ownership does not require execution of a new contract.

The HA will process a change of ownership upon the written request of a new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title and the Federal Identification Number or Social Security number of the new owner.

The HA must receive a written request by the previous owner in order to change the HAP payee and/or the address to which payment is to be sent.

Chapter 8

OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

INTRODUCTION

The following Chapter explains the HACS's procedures for determining rent reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

A. MAKING PAYMENTS TO OWNERS

Once the HAP Contract is executed, the HA begins processing payments to the landlord. The effective date and the amount of the HA payment is communicated via mail to the owner and the tenant. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made automatically to the HAP Register for the following month. Checks are disbursed by the Finance Department to the owner each month.

Checks may not be picked up by owner at the HA unless, due to a HACS administrative error, there was a delay in the processing of the owner's check.

Checks will only be disbursed on the 1st and 15th of the month. Exceptions may be made with the approval of the Section 8 Director in cases of hardship.

Checks that are not received will not be replaced until a written request has been received from the payee and a stop payment has been put on the check.

B. RENT ADJUSTMENTS [24 CFR 882.108]

1. Certificate Program

The HACS shall notify owners of their right to request a rent adjustment 90 days in advance of the anniversary date. The decision to approve or deny this request will be based on the following factors:

- a. HUD-published AAF calculations for the Fiscal Year; and**
- b. Rent reasonableness**

The adjustment may be an increase or a decrease, but may never result in a contract rent lower than the initial contract rent at commencement of the HAP Contract.

Rent adjustments to owners under the Certificate Program are effective on the anniversary date of the HAP Contract (unless the unit is in a failed condition at that time).

The change in rent does not affect the automatic renewal of the lease and does not require a new lease or contract or even an executed amendment. A notice of rent change will be sent to the owner and the family.

2. Disapproval of Requests for Adjustment/Offer of a New Lease

If the HACS rejects the owner's request for rent adjustment due to exceeding the AAF for the Fiscal year in which the request was made, the owner may offer the tenant a new lease subject to the rent meeting the Rent Reasonableness Criteria. The owner is required to provide the tenant with a sixty-day notice to the tenant. If the tenant accepts the offer and a new lease is executed, a new Housing Assistance Payments Contract must also be executed.

If the tenant refuses or the owner does not offer a new lease, the owner may institute court action to terminate tenancy for a business or economic reason in accordance with the lease after giving 90 days notice to the HA, HUD, and the family as required by law. The HA, upon notification from the Tenant or Owner, will issue a new Certificate to the family.

After the tenant has begun searching for a new housing unit and/or after court action has been initiated, the owner may decide to accept the current lease. If the owner and tenant agree, the lease and HAP Contract shall remain in effect so long as the lease and contract termination date has not lapsed.

3. Voucher Program

Owners may request a rent adjustment in the Voucher Program after expiration of the first year of the lease. Rent adjustments are effective with a sixty-day notice to the family and a copy to the HA. The HA will advise the family as to whether the rent is reasonable.

C. RENT REASONABLENESS DETERMINATIONS [24 CFR 882.106 (b), 982.4]

Rent reasonableness determinations shall be conducted under the following circumstances:

- 1. When units are placed under HAP Contract for the first time; or**
- 2. When owners request annual or special contract rent adjustments under the Certificate Program; or**
- 3. When an owner requests a rent increase under the Voucher Program.**

For the Certificate and Voucher Programs, the HA will determine and document on a case-by-case basis that the approved rent:

- 1. Does not exceed rents currently charged for new leases by the same owner for units equivalent in size location and amenity**
- 2. Is reasonable in relation to rents currently charged by other owners for comparable units in the unassisted market.**

D. RENT COMPARABILITY DATA

At least three comparable units will be used for each rent approval determination. All comparables must be based on the rent that the unit would command if leased in the current market.

The data for other unassisted units will be gathered from newspapers, Realtors, professional associations, inquiries of owners, and other available sources.

The market areas for rent reasonableness are census tracts within the HA's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items will be used for rent reasonableness documentation:

- Square Footage**
- Number of Bedrooms**
- Facilities**
- Location**
- Number of Bathrooms**

Quality
Amenities
Unit Type
Management and Maintenance Services

The HACS maintains an automated database which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data is updated on an ongoing basis and purged when the data is 12 months old.

E. VOUCHER PROGRAM - ADJUSTMENTS TO PAYMENT STANDARDS

[24 CFR 887.209 (b), 887.351 (c)(d)]

The Payment Standard is used to determine the maximum subsidy which can be paid by the HA on behalf of the family. Payment Standards may be adjusted to increase Housing Assistance Payments in order to maintain affordable rents for family's participating under the Voucher Program.

The HA will review the Payment Standard annually to determine whether an adjustment should be made for some or all unit sizes. In accordance with HUD requirements, the HACS shall maintain the Payment Standard for any bedroom size at a level between 80% and 100% of the existing Fair Market Rent.

1. Increasing the Payment Standard

In determining whether a change in Payment Standards are made, the following data shall be analyzed:

Assisted Families' Rent Burdens

The HA will review reports showing the percent of income used for rent by Voucher families to determine the extent to which the rent burden is more than 45% of income.

Availability of Suitable Vacant Units Below the Payment Standard

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

Quality of Units Selected

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

Other Deciding Factor

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

Note: The percentages used in the factors which determine an adjustment in the Payment Standard are HUD recommended figures.

2. Lowering of the Payment Standard

Statistical analysis may reveal the Payment Standard should be lowered. If it is determined that the Payment Standard must be lowered, such change will not occur with families currently participating under the voucher program until one of the following actions occur:

- a. There is a change in family composition which affects their voucher size
- b. An annual reexamination is conducted
- c. The family transfers to a new unit.

3. File Documentation

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



Chapter 9

RECERTIFICATION/INTERIMS/ERRORS

INTRODUCTION

HUD requires families to report all changes in household composition. The HA decides what the process shall be for these reporting requirements. The following Chapter defines the HACS's policy for conducting annual recertification, coordinating annual activities, the interim reporting requirements, and effective dates of rental adjustments based on timely reporting, failure to report, or administrative errors.

A. ANNUAL ACTIVITIES [24 CFR 882.212 (a), 887.355]

There are three activities the HA must conduct on an annual basis. These activities will be coordinated whenever possible:

- 1. Recertification of Income and Family Composition**
- 2. HQS Inspection**
- 3. Contract Rent Adjustments**

B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 882.212 (a), 887.355]

Families are required to be recertified at least annually. The HA will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview at least 90 days in advance of the anniversary date. No annual reexamination will be conducted if an interim reexamination had been completed within 120 days of the anniversary date of the lease.

If requested as an accommodation by a person with a disability, the HA will provide the notice in an accessible format and/or mail the notice to a third party, and/or conduct a home visit. These accommodations will be granted upon verification that they meet the need presented by the disability.

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

1. Requirements to Attend

All adult household members will be requested to attend the recertification interview. If, due to a hardship, an adult family member cannot attend the scheduled interview, the absent adult family member(s) must meet with the Housing Representative at least 45 days prior to the anniversary date to provide income information and sign necessary declarations.

If the head of household is unable to attend the initial annual interview the appointment will NOT be rescheduled. The spouse or other adult family member may attend the interview to begin the recertification process, provided that the head of household meets with the Housing Representative within 45 days of the anniversary date to complete the recertification process.

2. Rescheduling & No-Show Policy

Rescheduling of an Annual Reexamination - The written notification states which family members are required to attend the interview. The family may call to request another appointment no less than 5 days prior to the interview if no adult members can attend the interview.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the HA, the HA will send a notice of program termination.

If the family responds to the termination notice, a second and final interview will be scheduled. If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the HA will

- a. Terminate assistance to the family; and**
- b. Offer them an informal hearing.**

Exceptions to these policies may be made by Section 8 Director or Section 8 Supervisor if the family is able to document an emergency situation that prevented them from canceling or attending the appointment. Documentation will be required.

4. Verification of Information

The HA will follow the verification procedures and guidelines described in this Chapter 4. Verifications for reexaminations must be dated within the past 120 days.

5. Effective Dates for Changes in Total Tenant Payment at Annual Reexam

When proper 30- day notice can be provided by the HACS and the tenant provides information in a timely manner, changes to a family's Total Tenant Payment resulting from a regular reexamination shall become effective on the scheduled anniversary date of the lease.

Special Circumstances-

If the participant's TTP is increased, the scheduled effective date shall be at least 30 days from the date of notification, unless the participant caused a delay in the process (See Section D of this Chapter for processing delays and retroactive rent)

If the participant's TTP is lowered, the effective date shall be the anniversary date of the lease unless the tenant had previously reported an interim decrease in rent and the HACS did not conduct an interim until the regularly scheduled annual reexamination appointment.

Under these circumstances, the family's TTP shall be retroactively calculated to the month following the month in which the change was reported.

C. INTERIM REPORTING REQUIREMENTS

1. Change in Family Composition [24 CFR 882.213, 887.359 (a)(b)]

Families are required to report to the HACS any change in family composition within 30 days of the change. All additions to the household must be approved by the HACS in accordance with the policy set forth in Chapter 4

The HACS shall conduct an interim reexamination for any change in family composition. Included in this interim is a redetermination of the family's TTP, the family's Certificate or Voucher size, and whether the family is under or over housed.

2. Change in Income

Increases

Families are required to report any increases in income or assets of all household members to the HACS in writing within 30 days of the change. The change must be reported on the HACS

“Section 8 Change Report” and include verification, whenever possible.

Upon receipt of the “Section 8 Change Report”, the HACS will review the changes and conduct an interim reexamination for families whose income increases \$100.00 or more per month.

When an income interim is conducted, the HAC’s shall redetermine the family’s TTP and subsidy level. Proper 30-day notice shall be provided by HACS when an interim results in an increase in a family’s TTP.

Income Decreases

Families who report an interim change which results in a decrease in income shall be automatically scheduled for an interim interview within 14 days from notification of the change. The effective date of the change in rent shall be as follows:

If the family provides the verification of change within the time requested (21 days from the date the change was reported), the TTP shall be reduced the first of the month following the month in which the change was reported.

If the family delays the verification process and fails to provide verification within the 21 day time period, the interim rent adjustment shall be effective the month following the month in which the information was received by the HACS.

In the event of a severe reduction in income which would result in the family’s inability to pay the following month’s rent, the HACS may temporarily accept a family certification or some other form of verification in order to revise the TTP immediately until such time the family can supply the third party verification. This provision is subject to approval from the Section 8 Supervisor or Section 8 Director.

4. Other Interim Reporting Issues

Families who request an Interim rent reduction are required to report, within 30 days from the date of the change, any subsequent income increases when they occur. Failure to do so will result in a retroactive overpayment commencing the first of the month following the date of the change, regardless of the amount of income increase which has occurred.

An interim reexamination does not affect the date of the annual recertification.

An interim (Special) reexamination will be scheduled for families with Zero or Unstable income every 90 days.

Any changes reported by participants shall be reviewed to assess whether an interim is to be scheduled in accordance with the policies set forth in this section. If it is determined that an interim reexamination is not necessary, the “Section 8 Change Report” is to be filed in the family’s case file for verification of reporting requirements.

D. DELAYS IN PROCESS - RETROACTIVE RENT ADJUSTMENTS

This Section describes the HACS policies for retroactive rental adjustments due to delays in processing caused by both the HACS and program participants.

1. Family’s Responsibility to Provide Documents in a Timely Manner

It is the responsibility of the participant to ensure verifications have been received by the HACS, including third party verifications. Participants are required to contact the HACS before the verification submission deadline date in instances where the verifications cannot be obtained within the specified time period. *For purposes of defining a delay, a reasonable time period established by the HACS to submit required verification has been determined to be within 21 days from the interview appointment. Note: For interim decreases, the time period is limited to 21 days from the submission of the “Section 8 Change Report”*

2. Retroactive Increases

Note: In considering any retroactive rent increase, HACS shall take into consideration any delays it may have caused in the processing of the annual reexamination

Annual Reexamination

If the family fails to, without good cause, provide all income and family verifications within the 21 day specified time period; or

If the family submits incomplete information regarding family income during the annual reexamination interview; then

The increase in TTP shall be retroactive to the anniversary date of the lease. The HACS reserves the right to extend this retroactive policy to the date the increase occurred if the tenant was required to be scheduled for an interim (an increase of more than \$100 per month) and failed to report the change.

Interims

Participants who request in income decrease are required to report any subsequent increases.

If a participant requests an interim decrease and fails to report a subsequent increase, the family will be required to repay to the HACS any overpayment of HAP retroactive to first of the month following the date the change occurred. This policy shall apply regardless of the dollar amount of the income increase.

3. Retroactive Decreases

Annual Reexamination

If the HACS delays the annual reexamination process and determines that the participant's TTP should have been decreased at the anniversary date of the lease, the HACS shall retroactively adjust the participant's TTP to the anniversary date.

Interims

If the HACS determines that the participant did not cause a delay in the process and provided requested verifications within the specified time period, the HACS shall retroactively decrease the tenant's TTP effective the month following the month in which the change was reported.

4. Errors in the Calculation of the TTP

Housing Authority Caused Errors

If, due to a HACS administrative error, a participant's TTP is calculated incorrectly and the correction results in a decrease in the TTP, the TTP shall be decreased retroactively to the date the error occurred.

If the correction results in an increase in the TTP, the Authority shall correct the error and provide the client with a 30-day notice of rent adjustment.

Participant Caused Errors

If the TTP correction results in a decrease of the participant's TTP, such decrease shall be effective the first of the month following the date in which the tenant reported the error.

If the TTP correction results in an increase in the TTP, the increase shall be effective retroactively to the last anniversary date of the lease. If the error results in a large overpayment, participants shall be offered to enter into a repayment agreement and counseled on reporting responsibilities.

The HACS reserves the right to extend this retroactive policy to the date the increase occurred if the tenant was required to be scheduled for an interim (an increase of more than \$100 per month) and failed to report the change.

F. NOTIFICATION OF RESULTS OF RECERTIFICATION

The HUD form 50058 will be completed and transmitted as required by HUD.

Upon obtaining all appropriate information from the participant and calculating the TTP, the HACS shall send to the participant and owner a Notice of Rent Adjustment, stating the rent to be paid and the effective date of any change in the rent. This notice does not require the tenant or owner's signature. If the tenant disputes the TTP, informal hearing rights are provided to the tenant.

In the event the HACS does not conduct an annual or special re-examination in a timely manner to allow for proper 30-day notice of TTP prior to the anniversary date of the lease, the notice or rent adjustment must allow a minimum 30 day notice for rent increases.



Chapter 10

CONTRACT TERMINATIONS/TRANSFERS/PORTABILITY

INTRODUCTION

This Chapter defines the procedures for contract terminations, transfers, and portability procedures.

A. LEASE TERMINATIONS

1. Owner Initiated Lease Terminations

For contracts executed prior to 10/2/95, the Landlord shall not terminate the tenancy except for:

- a. **Serious or repeated violation of the terms and conditions of the Lease;or**
- b. **Violation of Federal, State, or local law which imposes obligations on a tenant** **in c**
- c. **“Other Good Cause”. The Landlord may not terminate the tenancy for “other** **goo**
The following are some examples of “other good cause”:

- 1. **Failure by the tenant family to accept the offer of a new Lease. In**
date of the new Lease term. The offer may **specify a reasonable time**
limit for acceptance by the Tenant Family.;or
- 2. **The landlord’s desire to utilize the unit for personal or family use or for**
- 3. **A business or economic reason for termination of the tenancy (such as**
- 4. **A history of disturbance of neighbors or housekeeping which results in**

This list of examples is intended as a non-exclusive statement of some situations included as “other good cause” but shall in no way be considered as a limitation on the application of “other good cause”. Note: If a landlord currently under the pre-10/2/95 contract

requirements wishes to change the terms of the lease to include a definite term after the first year of the contract (i.e., month-to-month, six month lease, etc.), the owner must offer the tenant a new lease. The change would require the tenant's approval and execution of a new lease and HAP Contract.

For Contracts executed on or after 10/2/95, the Owner may only terminate the lease for the following causes and under the following circumstances:

a. The Owner can terminate the lease at the end of the initial term, or at the end of any successive definite term (i.e., an agreement between the tenant and owner

whi

b. During the term of the lease for the following:

1. Serious or repeated violation of the terms and conditions of the lease; or

2. Violation of Federal, State, or local law that imposes obligations on the

3. Criminal Activity -- Defined as activity committed by the tenant, any

a. Any criminal activity that threatens the health, safety or right to

b. Any criminal activity that threatens the health, safety or right to

c. Any drug-related criminal activity on or near the premises

4. Other Good Cause

a. Failure by the tenant family to accept the offer of a new lease or

b. The owner's desire to utilize the unit for personal or family use

c. A business or economic reason for termination of the tenancy

During the first year of the lease term, the owner may not terminate for "other good cause" unless the owner is terminating the tenancy because of something the family did nor failed to do.

2. Owner Notice Requirements

The Owner is required to provide the tenant with proper notice which specifies the grounds for termination of tenancy. The following shall be considered proper notice:

- 1. 90-day notice shall be required for notice given for “Other Good Cause” that is not due to something the family did or failed to do; and**
 - 2. 30-day notice for all other cause such as violation of the terms of the contract**
- or**
- the end of a successive definite term after the first year.**

THE HACS SHALL REQUIRE THAT THE OWNER SPECIFY THE SECTION SET FORTH IN THE LEASE THAT HAS BEEN VIOLATED AS DOCUMENTATION FOR THE HA TO DETERMINE A FAMILY’S CONTINUED ELIGIBILITY FOR PROGRAM ASSISTANCE AND TO VALIDATE THE NOTICE REQUIREMENTS UNDER THE SECTION 8 PROGRAMS.

3. Evictions

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 notice of grounds for eviction must be given at or before commencement of any eviction ACTION.

Note: The HACS shall continue to make a Housing Assistance Payment to the Owner through an eviction action and the date the tenant vacates the unit so long as the HAC’s receives proper notification from the landlord of the pending eviction. Under these circumstances, the HACS shall place a hold on the contract rent rather than terminate the contract in computer system until the eviction has taken place. In order to claim HAP through lock-out, the landlord must provide the HACS with the documentation, including notice of lock-out.

4. HAP Payments to Owner

- **Pre 10/2/95 Contracts:**

No subsidy payments on behalf of the family will be made by the HACS to the owner beyond the termination date of the contract. The owner must reimburse the HA for any subsidies paid by the HACS for any period beyond this time period.

➤ **For post 10/2/95 contracts:**

The owner may retain the HAP for the month in which the family vacates the unit. No claim for additional rents can be collected beyond that time period.

➤ **Families who elect to remain in the unit after the Section 8 HAP Contract is terminated shall be responsible for the full rent due to the owner. *Note: See Section E (1) of this chapter for execution of a new contract when a tenant decides to remain in place after a contract has been terminated.***

5. Tenant Initiated Terminations

In order for a family to continue to receive assistance under the Section 8 Programs, the family must give proper notice to the landlord prior to vacating a unit.

For Contracts executed prior to 10/2/95, the tenant may vacate the unit under the following conditions:

- 1. The tenant may vacate the unit during the first year through a mutual rescission between the tenant and landlord; or**
- 2. The tenant may terminate the Lease, without cause, at any time after the first year**

For Contracts executed on or after 10/2/95 the tenant may vacate the unit under the following conditions:

- 1. Upon mutual rescission between the landlord and tenant; or**
- 2. Upon proper notification at the end of the agreed upon successive definite term. Failure to do so will be grounds for termination due to a violation of family obli**

Note: The HACS may allow families to terminate assistance within the first year of the lease or during the term of the lease if it is determined that the family's health or safety is in jeopardy. This provision is subject to approval from the HACS and must be verified through

documentation as required by the HACS.

B. CONTRACT TERMINATIONS [24 CFR 982.404 (a), 982.454,982.552 (a)(3)]

The term of the HAP Contract coincides with the term of the lease. The contract between the owner and the HA may be terminated by the HA, or by the owner or tenant terminating the lease. The following describes when the HACS shall terminate a contract.

1. Termination of the Contract by the Housing Authority for Owner Breach

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

- a. The owner has violated any obligation under the HAP contract for the dwelling unit**
- b. The owner has violated any obligations under any other housing assistance pay**
- c. The owner has committed fraud, bribery, or any other corrupt or criminal act in con**
- d. The owner has engaged in drug trafficking**

2. Other Causes for HAP Termination

The HACS shall also terminate the contract if:

- a. The HACS terminates assistance to the family**
- b. The family is required to move from a unit which is under-occupied (Certificate Pro**
- c. Funding is no longer available under the ACC**
- d. 180 days has lapsed since the last housing assistance payment was made to the owner**

3. Notice of Termination

The HACS will provide the owner and family with at least thirty days written notice of termination of the contract

C. ALLOWABLE TRANSFERS AFTER HAP TERMINATION

A family may move to a new unit if:

- 1. The assisted lease for the old unit has been terminated because the HACS has** **terr**
- 2. The owner has given the family a notice to vacate; or**
- 3. The family has given notice to vacate and continues to meet the eligibility** **crit**

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

Families in serious violation of the terms of their existing lease will not be permitted to transfer until such violations are corrected. A serious violation of the terms of a lease may include non-payment of rent, tenant-caused HQS violations, or moving in violation of the lease terms. The HACS may conduct an inspection to determine whether HQS violations are corrected prior to executing a new HAP Contract and Lease for a new unit. Denial of move restrictions must be reviewed and approved by the Section 8 Supervisor, Section 8 Director, or the Housing Inspection's Manager.

E. PROCEDURE FOR TRANSFERRING

1. Issuance of Certificate/Voucher

If the family has not been recertified within the last 120 days, the HA will issue the family a certificate or voucher to move. To be eligible to be interviewed and receive a transfer Certificate or voucher, the family must provide a copy of the notice given by either the family or the owner.

2. Remaining In-Place

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits. If the owner and tenant notifies the HACS of a rescission of the cancellation of the lease prior to the lease termination date, the HACS shall rescind the termination and continue HAP payments.

If the family does not notify the HACS prior to the termination date, a new lease and contract must be executed for the unit if the family chooses to remain in the unit.

F. PORTABILITY OVERVIEW [24 CFR 982.353]

Portability is defined as a program applicant or participant's ability to relocate and receive assistance to lease a unit outside of the initial HA's jurisdiction. The unit may be located:

- 1. In the same state as the initial HA;**
- 2. In the same metropolitan statistical area (MSA) as the initial HA, but in a different state;**
- 3. In an MSA adjacent to the MSA of the initial HA, but in a different state.**
- 4. In the jurisdiction of an HA anywhere within the United States that administer:**

G. INCOMING PORTABILITY [24 CFR 982.354, 982.355]

1. Absorption or Administration

The HA will accept a family with a valid Certificate/Voucher from another jurisdiction and administer or absorb the Certificate/Voucher. If administering, the family will be issued a "Portability" Certificate or Voucher by the HA with the same issuance and expiration date. The HA may grant extensions in accordance with this Administrative Plan.

The HA will absorb all incoming portable families provided that there is funding available with the following exceptions:

**Housing Authority of the County of Santa Clara
San Francisco Housing Authority
San Mateo Housing Authority**

Whether administering or absorbing an incoming portable family, the receiving HA's policies will prevail including extension, subsidy standard, and other related policy issues.

2. Income/Family Composition and TTP of Incoming Portables

The HACS shall conduct a recertification interview to ensure accuracy of a program participant's income. The recertification process shall not delay the process of conducting an HQS inspection, commencing a HAP Contract or executing a lease.

If a change in family composition occurs prior to the family completing the transfer process, the HACS shall contact the initial HA to inquire whether the family is required to receive approval of additional family members from the initial HA. If the family is required to receive approval prior to completing the transfer process, the HACS shall not process the portability request until approval is received from the initial HA.

If the family's income is such that a \$0 subsidy amount is determined prior to lease-up in the HA's jurisdiction, the HA will refuse to enter into a contract on behalf of the family at \$0 assistance.

3. Requests for Lease Approval

A briefing will be mandatory for all portability families.

When the Family submits a Request for Lease Approval, it will be processed using the HACS's policies. If the Family does not submit a Request for Lease Approval or does not execute a lease, the Initial HA will be notified within 30 days by the HA.

If the Family leases up successfully, the HA will notify the Initial HA within 30 days, and the billing process will commence.

If the HA denies assistance to the family, the HA will notify the Initial HA within 15 days and the family will be offered a review or hearing by the HACS.

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

4. Exception Rents for Incoming Portables

When an Exception Rent is requested by an incoming Certificate holder, the HA will check with the Initial HA to determine whether exception rent authority is available through the initial HA.

5. Terminations

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

The Initial HA will be responsible for collecting amounts owed by the Family for claims paid and for monitoring repayment. If the Initial HA notifies the HA that the Family is in arrears or the Family has refused to sign a Repayment Agreement, the HA will terminate assistance to the family in accordance with the Breach Policy set forth in this Plan.

6. Required Incoming Portable Documents

As Receiving HA, the HACS will require the following documents from the Initial HA:

- a. A copy of the family's Certificate or Voucher, with issue and expiration dates, form**
- b. The most recent HUD 50058 form and verifications.**
- c. Declarations and verifications of U.S. citizenship/eligible immigrant status.**
- d. The most recent information related to eligibility and rent payments.**
- e. Persons designated for inquiries on eligibility and billing.**
- f. The Administrative Fee Schedule for billing purposes.**

7. Billing Procedures

As Receiving HA, the HA will bill the Initial HA monthly for Housing Assistance Payments. The HA will bill 100% of the Housing Assistance Payment, 100% of Special Claims and 80% of the Administrative Fee (at the Initial HA's rate) and any other HUD-approved fees, for each "Portability" Certificate/Voucher leased as of the first day of the month.

The HA will notify the Initial HA of changes in subsidy amounts and will expect the Initial HA

to notify the HA of changes in the Administrative Fee amount to be billed.

H OUTGOING PORTABILITY [24 CFR 982.353, 982.355]

When a family requests to move to outside of the HA's jurisdiction, the request must specify the area to which the family wants to move.

If the family is moving to a unit located in the same state as the HACS, in the same MSA, but in a different state, or in an adjacent MSA in a different state, and there is not an HA in the area where the unit is located, the initial HA will be responsible for the administration of the family's assistance. The HA will choose a management company, another HA or a private contractor to administer the assistance

1. Restrictions on Portability

Families will not be permitted to exercise portability during the initial 12 month period after admission to the program, if neither the head or spouse had a domicile (legal residence) in the HA's jurisdiction at the date of their initial application for assistance.

The HACS shall allow an exception for extreme hardship cases so long as the receiving HA agrees to the transfer. For example, an elderly household where a move would be detrimental to the health of the individual(s) or if a client recently obtained employment during the time on the wait list and the commute would be greater than 50 miles or greater, etc.) This exception must be approved by the Section 8 Director and the Receiving HA.

2. Outgoing Portability Procedures

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

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

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

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

3. Outgoing Portability Packet Information

The HACS will provide the following documents and information to the Receiving HA:

- a. A copy of the family's Certificate or Voucher, with issue and expiration dates, form**
- b. The most recent HUD 50058 form and verifications.**
- c. Declarations and verifications of U.S. citizenship/eligible immigrant status.**
- d. Current information related to eligibility and rent payments.**
- e. Persons designated for inquiries on eligibility and billing.**
- f. The Administrative Fee Schedule for billing purposes.**

4. Payment to the Receiving HA

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

When billed, the HA will reimburse the Receiving HA for 100% of the Housing Assistance Payment, 100% of the Special Claims paid on HAP contract effective prior to 10/2/95, and 80% of the Administrative Fee (at the initial HA's rate), and any other HUD-approved fees.

5. Claims

The HACS will be responsible for collecting amounts owed by the family for claims paid and for monitoring the repayment. The HACS will notify the Receiving HA if the family is in

arrears or if the family has refused to sign a Repayment Agreement, and the Receiving HA will be asked to terminate assistance to the family as allowed by this Administrative Plan.

Chapter 11

DENIAL OR TERMINATION OF ASSISTANCE

INTRODUCTION

The HA may deny or terminate assistance for a family because of the family's action or failure to act. The HA will provide families with a written description of the Family Obligations under the program, the grounds under which the HA can deny or terminate assistance, and the HA's informal hearing procedures. This Chapter describes when the HA is required to deny or terminate assistance, and the HA's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

A. GROUNDS FOR DENIAL/TERMINATION [24 CFR 982.552, 982.553]

Form of Denial/Termination

Denial of assistance for an applicant may include any or all of the following:

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

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

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

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

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

- 1. If any member of the family fails to sign and submit HUD or HA required consent forms for obtaining information.**
- 2. If no member of the family is a U.S. citizen or eligible immigrant.**
- 3. Post 10/2/95 Contracts - If the family is under contract and 180 days have elapsed since the HA's last housing assistance payment was made.**
- 4. Pre 10/2/95 Contracts - If the family is under contract and 360 days have**

elap

Grounds for Denial or Termination of Assistance [24CFR 982.552 (b)]

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

- 1. The family violates any family obligation under the program as listed in 24 CFR 982.551.**
- 2. Any member of the family has ever been evicted from public housing.**
- 3. The family currently owes rent or other amounts to the HA or to another HA in connection with Section 8 or public housing assistance under the 1937 Act.**
- 4. The family has not reimbursed any HA 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.**
- 5. The family breaches an agreement with an HA to pay amounts owed to an HA, or amounts paid to an owner by an HA.**
- 6. The family has engaged in or threatened abusive or violent behavior toward HA personnel.**

"Abusive or violent behavior towards HA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered

insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

"Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

Actual physical abuse or violence will always be cause for termination.

Family Self Sufficiency (FSS)

Failure to fulfill the obligations and conditions of the FSS contract is grounds for termination of assistance.

The HACS has exercised the option not to terminate Section 8 Rental assistance for FSS families who fail to comply with the FSS Contract of Participation without good cause.

B. FAMILY OBLIGATIONS [24 CFR 982.551]

- 1. The family must supply any information that the HA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR part 812). "Information" includes any requested certification, release or other documentation.**
- 2. The family must supply any information requested by the HA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.**
- 3. The family must disclose and verify Social Security Numbers (as provided by 24 CFR part 750) and must sign and submit consent forms for obtaining information in accordance with 24 CFR part 760 and 24 CFR part 813.**
- 4. All information supplied by the family must be true and complete.**
- 5. The family is responsible for an HQS breach caused by the family as described in 982.404(b).**

- 6. The family must allow the HA to inspect the unit at reasonable times and after reasonable notice.**
- 7. The family may not commit any serious or repeated violation of the lease.**
- 8. The family must notify the owner and, at the same time, notify the HA before the family moves out of the unit or terminates the lease on notice to the owner.**
- 9. The family must promptly give the HA a copy of any owner eviction notice.**
- 10. The family must use the assisted unit for residence by the family. The unit must be the family's only residence.**
- 11. The composition of the assisted family residing in the unit must be approved by the HA. The family must promptly inform the HA of the birth, adoption or court-awarded custody of a child. The family must request HA approval to add any other family member as an occupant of the unit.**
- 12. The family must promptly notify the HA if any family member no longer resides in the unit.**
- 13. If the HA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or HA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.**
- 14. Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.**
- 15. The family must not sublease or let the unit.**
- 16. The family must not assign the lease or transfer the unit.**
- 17. The family must supply any information or certification requested by the HA to verify that the family is living in the unit, or relating to family absence from the unit, including any HA-requested information or certification on the purposes of family absences. The family must cooperate with the HA for this purpose. The family must promptly notify**

the HA of absence from the unit.

18. The family must not own or have any interest in the unit.
19. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
20. The members of the family may not engage in drug-related criminal activity or violent criminal activity.
21. An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

Housing Authority Discretion

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

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

Enforcing Family Obligations

Explanations and Terms

The term "Promptly" when used with the Family Obligations always means "within 30 days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach: An HQS inspector will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by the Housing Inspection's Manager.

Lease Violations: The following criteria will be used to decide if a serious or repeated violation of the lease will cause a termination of assistance:

- **If the owner terminates tenancy through court action for serious or repeated violation of the lease; and**
- **If there are police reports, neighborhood complaints, prior history of violations, or other third party information which has been verified by the HACS; or**
- **If the family vacates a unit owing money or causing damage to the unit and fails to correct the violations**

Notification of Eviction: If the family requests assistance to move and they did not notify the HA of an eviction within 10 days of receiving the Notice of Lease Termination, the move will be denied.

Interest in Unit: The owner may not reside in the assisted unit regardless of whether (s)he is a member of the assisted family, unless the family owns the mobile home and rents the pad under the Certificate Program.

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

In the event of false citizenship claims, the HA will give the family member the opportunity to elect not to contend their status in lieu of termination of the entire family.

Drug Related and Violent Criminal Activity

Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance.

Drug-related criminal activity means *on or off the premises, not just on or near the premises.*

Violent criminal activity includes any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property, and

The activity is being engaged in by any Family member.

Ineligibility if Evicted for Drug-Related Activity

Persons evicted from public housing, Indian housing, Section 23, or any Section 8 program because of drug-related criminal activity are ineligible for admission to Section 8 programs for a three-year period beginning on the date of such eviction.

The HA will waive this requirement if:

The person demonstrates successful completion of a rehabilitation program approved by the HA, or

The circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person is incarcerated.

Applicants will be denied assistance if they have been:

arrested, convicted, or evicted from a unit due to violent criminal activity within the last three years prior to the date of the certification interview.

Participants may be terminated who have been:

arrested, convicted, evicted from a unit due to drug-related or violent criminal activity within the last three years prior to the date of the notice to terminate assistance, and whose activities have created a disturbance in the building or neighborhood.

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

In appropriate cases, the HA may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the HA may consider individual circumstances

with the advice of Juvenile Court officials.

Screening Out Illegal Drug Users and Alcohol Abusers

The HA will deny participation in the program to applicants in cases where the HA determines there is reasonable cause to believe that the person is illegally using a controlled substance, or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. This includes cases where the HA determines that there is a *pattern* of illegal use of a controlled substance, or *pattern* of alcohol abuse.

The HA will consider the use of a controlled substance or alcohol to be a *pattern* if there is mo

The HA will waive this policy if the person demonstrates to the HA's satisfaction that the person is no longer engaging in the illegal use of a controlled substance or abuse of alcohol, and:

Has successfully completed a supervised drug or alcohol rehabilitation program;

Has otherwise been rehabilitated successfully; or

Is participating in a supervised drug or alcohol rehabilitation program.

Confidentiality of Criminal Records

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

Required Evidence

***Preponderance of evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more**

probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred.

Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

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

Notice of Termination of Assistance

In any case where the HA decides to terminate assistance to the family, the HA must give the family written notice which states:

The reason(s) for the proposed termination,

The effective date of the proposed termination,

The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.

The date by which a request for an informal hearing must be received by the HA.

The HA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reason for termination of assistance.

Note: The termination date may be revised if the tenant requests an Informal Hearing. The revised termination date would be for the purpose of providing the landlord with proper 30-day notice of termination from the date of notification of the hearing officer's decision regarding the termination.

C. PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.518]

Termination due to Ineligible Immigrant Status

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

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

False or Incomplete Information

When the HA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the HA may give him/her an opportunity to provide a new declaration as an eligible immigrant or to elect not to contend their status. The HA will then verify eligible status, deny, terminate, or prorate as applicable.

Procedure for Denial or Termination

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with the HA either after the INS appeal or in lieu of the INS appeal.

After the HA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of process for requesting a review for prorated assistance.

D. \$0 ASSISTANCE TENANTS [24 CFR 982.455 (a)]

Old Contracts

For contacts which were effective prior to 10/2/95, the HA is liable for unpaid rent and damages if the family vacates during the allowable 12 months after the last HAP payment.

The HA must perform all of the functions normally required, such as reexaminations and inspections. The participant will be notified of the right to remain on the program at \$0 assistance for 12 months. If the family is still in the unit after 12 months, the assistance will be terminated.

New Contracts

For contracts effective after 10/2/95, the HA has no liability for unpaid rent or damages, and the family may remain in the unit at \$0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If within the 180 day time frame an owner rent increase or a decrease in the Total Tenant Payment cause the family to be eligible for a housing assistance payment, the HA will resume assistance payments for the family.

In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

E. OPTION NOT TO TERMINATE FOR MISREPRESENTATION

[24 CFR 982.551, 982.552(c)]

If the family has misrepresented any facts that caused the HA to overpay assistance, the HA may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement. or reimburses the HA in full.

The HACS approval to continue assistance is subject to the level of misrepresentation and whether there were any prior misrepresentations of family composition, income, or any other eligibility factors which would result in overpayment of assistance or other violations resulting in non-compliance with the program regulations.

F. MISREPRESENTATION IN COLLUSION WITH OWNER

[24 CFR 982.551, 982.552 (c)]

If the family is willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, the HA will deny or terminate assistance.

In making this determination, the HA will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

G. MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552 (c)]

It is a Family Obligation to supply information, documentation, and certification as needed for the HA to fulfill its responsibilities. The HA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the HA to inspect the unit and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the HA will be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the HA to inspect the unit.

The family will be given information about the requirement to keep appointments, and the number of times appointments will be rescheduled as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- 1. Eligibility for Admissions**
- 2. Verification Procedures**
- 3. Certificate/Voucher Issuance and Briefings**
- 4. Housing Quality Standards and Inspections**
- 5. Recertifications**
- 6. Appeals**

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

Medical emergency

Incarceration

Family emergency

Procedure when Appointments are Missed or Information not Provided

For most purposes in this Plan, the family will be given 2 opportunities before being issued a notice of termination or denial for breach of a family obligation.

After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing:

The notice will be rescinded if the family offers to cure and the family does not have a history of non-compliance.

Chapter 12

CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS (For Contracts in Effect Prior to October 2, 1995)

INTRODUCTION

This Chapter describes the HA's policies, procedures and standards for servicing Contracts which were effective prior to October 2, 1995.

A. OWNER CLAIMS

Under HAP Contracts effective prior to October 2, 1995, owners may submit Claims for damages, unpaid rent, and vacancy loss (vacancy loss cannot be claimed in the Voucher Program) after the tenant has vacated the unit.

The HA will pay properly filed claims to the owner as a function of the contract, but the tenant is ultimately responsible to reimburse the HA for claims paid to the owner.

B. OWNER ELIGIBILITY FOR DAMAGE CLAIM INSPECTIONS

Move-out inspections shall be performed by the HACS Housing Inspectors only after the tenant has vacated the unit. The inspections are performed to assess the condition of the unit,

and possibly evaluate tenant or owner caused HQS to determine a program participant's continued eligibility for the program.

The owner must notify the HA of the move-out and request an inspection within 72 hours of awareness of the vacancy in order to submit a claim for damages.

A damage claim will not be approved *unless* the move-out inspection is requested and completed prior to any work being completed. In the event that the HA is unable to inspect within 7 days or the owner is required to complete repairs to ensure the security of the unit, the owner will be permitted to use date-stamped photographs or a video to substantiate the claim. Claims for items not shown on the video or photographs will not be accepted for claim processing.

Owners requesting a Damage Claim Inspection shall be provided with a Damage Claim Packet. The owner must conduct a pre-inspection of the unit, noting any observed damage which is above and beyond normal wear prior to the HACS Damage Claim Inspection. This assessment must be provided at the HACS Damage Claim Inspection.

All notices to tenants during the processing of a claim must include and owner's proof of mailing or of personal delivery.

All unpaid rent, damage, and vacancy loss claim forms must be fully complete when they are submitted (including receipts for repairs), and they must be submitted within 45 days of the Damage Claim Inspection.

C. NOTIFICATION OF DAMAGE CLAIM INSPECTION

The owner and tenant will be notified of the date and time of the HACS Damage Claim inspection. If the owner is not present, the move-out inspection will be rescheduled unless the landlord agrees to allow another representative to attend the inspection.

D. CLAIMS FOR UNPAID RENT [24 CFR 887.215, 882.112 (d)]

Unpaid rent applies to the tenant's portion of rent during the tenant's term of residency. It does not include the tenant's obligation for rent beyond the termination date of the HAP

Contract.

For Pre 10/2/95 Contracts: To compensate an owner for a tenant vacating the unit without notice, the HACS's shall allow Vacancy Loss. The landlord shall not also be entitled to claim compensation for 30-day notice requirements.

E. CLAIMED DAMAGES - ALLOWED/DISALLOWED

The following items are allowable and disallowed expenses to be submitted to the HACS for approval of a Damage Claim:

- 1. In the event that a tenant is deceased, the HA will allow compensation for lack of notice under the vacancy loss provisions.**
- 2. Reasonableness of costs for replacement of items such as carpets, drapes, or appliances will be based on depreciation of items listed in the "Normal Wear and Tear Chart" as described in Appendix 8**
- 3. The owner must provide information regarding the purchase date and price of items in which the owner is requesting replacement in order for the HACS to calculate the loss.**
- 4. Damages which were caused during tenancy, were repaired and billed, but remain unpaid at move-out, can be considered "other items due under the lease" and included in the claim.**
- 5. Eligible items to be included on the damage claim must have been the tenant's responsibility under the lease or State law.**
- 6. Claims for unpaid utility bills, if the responsibility of the tenant under the terms of the lease, shall be allowed in the claim.**
- 7. Costs of filing eviction to remove the tenant or any other legal fees, may be reimbursed.**
- 8. Claims for normal wear and tear, previously existing conditions, routine turnover preparation, (such as routine cleaning and cyclical interior painting) shall not be approved.**

9. Separate agreements are not considered a tenant obligation under the lease and the HA will not reimburse the owner for any claims under these agreements.

F. VACANCY LOSS IN THE CERTIFICATE PROGRAM [24 CFR 887.105]

Vacancy Loss is applicable to the Certificate Program only. Vacancy loss is paid if the move was in violation of the notice requirements in the lease, or the result of an eviction.

In order to claim vacancy loss, the unit must be available for lease and the landlord must:

- 1. Notify the HA within 72 hours upon learning of the vacancy, or prospective vacancy, and**
- 2. Pursue all possible activities to fill the vacancy, including, but not limited to:**
- 3. Contacting applicants on the owner's waiting list, if any;**
- 4. Seeking eligible applicants by listing the unit with the HA,**
- 5. Advertising the availability of the unit, and**
- 6. Not rejecting potentially eligible applicants except for good cause.**

G. PROCESSING CLAIMS

Any amount owed by the tenant to the owner for unpaid rent or damages will first be deducted from the maximum security deposit which the owner could have collected under the program rules. If the maximum allowable security deposit is insufficient to reimburse the owner for the unpaid tenant rent or other amounts which the family owes under the lease, the owner may request reimbursement from the HA up to the limits for each program.

If the owner claims vacancy loss, the security deposit that s/he collected or could have collected will not be deducted from the vacancy loss claim.

H. TENANT/OWNER DISPUTE OF CLAIM DISPOSITION

Upon HACS preliminary decision of the amount due under the claim, the family and owner shall be informed through correspondence which is sent to the last known address of each

party.

The notification will state the determined amount, the type of claim, and describe the claim's procedure for contesting the claim.

The HA will offer the family and owner 15 days to contest the claim. If either the family or owner disputes the claim, the HA will schedule a claims review with the owner and tenant in order to resolve the differences. If either the tenant or owner fails to attend the meeting, the HA will proceed with the scheduled claims unless there are extenuating circumstances.

At the Claim Review, the amount and type of claim will be discussed with the family. If the family agrees with the amount and type of claim, the family will be offered a Repayment Agreement.

If the family does not agree to sign a Payment Agreement, the HA will require full payment. Failure to repay or enter a repayment agreement shall result in program termination and the claim shall be submitted to the credit bureau for collection.

If the family demonstrates that the claim, or parts of it, is invalid, the HA will adjust the amount.

I. NOTIFICATION OF CLAIM APPROVAL

After a determination has been made, the HA will notify the family and owner in writing of the decision. If it has been determined that the family owes money, the HA will pursue collection to repay either in a lump sum or through a payment agreement. The notice will warn the family that their assistance may be terminated and they may be denied future participation in the program if they do not reimburse the HA as required.

□

Chapter 13

OWNER OR FAMILY DEBTS TO THE HA

INTRODUCTION

This Chapter describes the HA's policies for the recovery of moneys which have been overpaid for families, and to owners. When families or owners owe money to the HA, the HA will make every effort to collect it. The HA will use a variety of collection tools to recover debts including, but not limited to:

Requests for lump sum payments, Civil suits, Repayment agreements, Abatements, Reductions Collection agencies and Credit bureaus

A] REPAYMENT AGREEMENT FOR FAMILIES [24 CFR 792.103, 982.552 (b)(6-8)]

The HACS shall allow families to enter into repayment agreement under the following circumstances. The family will be eligible to enter into a Repayment Agreement if the family either:

- 1. Currently owes rent or other amount to the HACS or another housing authority in connection with the Section 8 or public housing assistance under the 237 Act; or**
- 2. Currently owes an overpayment of Housing Assistance Payments; or**
- 3. Has not reimbursed any housing authority for amount paid to an owner under a under the lease**

HA

B. TERMS OF THE AGREEMENT

The terms of the agreement shall require the family to make an initial minimum payment of 10% of the opened claim amount within 2 calendar months of the final decision and between 12 and 24 equal monthly installments. The length of the repayment agreement shall be based upon the amount owed and the family's income status.

The initial payment must be received by the 1st of the month following the month in which the initial down payment was made.

After the initial payment, all subsequent payments are due by the first of the following month. Payment will be considered delinquent if not received in the HACS office by the fifth of each

month at 5:00 p.m..

Supervisors must approve all repayment agreements. The Section 8 Director may approve repayment agreements that do not fall within the guidelines specified above.

Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the Section 8 Director.

C. BREACH OF REPAYMENT AGREEMENT

The HACS will declare a repayment agreement in breach if the family fails to make the 10% initial payment within 2 calendar months of the final decision or if the family fails to make two consecutive payments on time with no prior notification of a hardship request to amend the terms of the agreement. Failure to abide by the terms of the repayment agreement policy will result in program termination for the family.

D. SUBSEQUENT MONEYS OWED

If the family has a Repayment Agreement in place and incurs an additional debt to the HA the HA will not enter into more than one Repayment Agreement at a time with the same family.

E. OWNER DEBTS TO THE HA

If the HA determines that the owner has retained Housing Assistance or Claim Payments the owner is not entitled to, the HA may reclaim the amounts from future Housing Assistance or Claim Payments owed the owner for any units under contract.

If future Housing Assistance or Claim Payments are insufficient to reclaim the amounts owed, the

HA will require the owner to pay the amount in full within 30 days; or

the HACS shall pursue collections through the local court system and restrict the owner from future participation until the debt is paid in full.

Chapter 14

COMPLAINTS AND APPEALS

INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the HA. This Chapter describes the policies, procedures and standards to be used when families disagree with an HA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the HA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE HA

The HA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The HA shall require that all complaints be put in writing. HQS complaints may be reported by telephone and followed up in writing.

The HA hearing procedures will be provided to families in the briefing packet.

B. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

[24 CFR 982.54 (d) (12), 982.554]

Reviews are provided for applicants who are denied assistance prior to the effective date of a HAP Contract. NOTE: The exception to this rule is for decisions concerning denial of assistance for eligible immigrant status. Under these circumstances, the applicant is entitled to an informal hearing.

1. Notification to Applicants

When the HA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

- a. The reason(s) they are ineligible; and**
- b. the time limit for requesting a review; and**
- c. the procedure for requesting a review if the applicant does not agree with the decision**

2. Eligible Grounds for an Informal Review

The HA must provide applicants with the opportunity for an Informal Review of decisions denying:

- a. Qualification for preference**
- b. Listing on the HA's waiting list**
- c. Issuance/Denial/Rescission of a Certificate or Voucher**
- d. Participation in the program**
- e. Refusal to enter into a HAP contract or approve a lease; and**
- f. Refusal to process or provide assistance under the Portability procedures**

3. Ineligible Grounds for a Review

Informal Reviews are not required for established policies and procedures and HA determinations such as:

- a. Discretionary administrative determinations by the HA**
- b. General policy issues or class grievances**
- c. A determination of the family unit size under the HA subsidy standards**
- d. Refusal to extend or suspend a Certificate or Voucher**
- e. Disapproval of lease**
- f. Determination that unit is not in compliance with HQS**
- g. Determination that unit is not in accordance with HQS due to family size or**

composition

4. Informal Review Process

A request for an Informal Review must be received in writing or by telephone by the close of the business day, no later than 30 days from the date of the HA's notification of denial of assistance. An "Informal Request Form" is then sent to the participant/applicant which must be returned within 10 days from the date sent. The informal review will be scheduled within 20 days from the date the "Informal Request Form" is received by the HACS.

The Informal Review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person.

The Review may be conducted by either a management staff person or an individual from outside the HACS and may be conducted by mail or telephone if acceptable to both parties.

The applicant will be given the option of presenting oral or written objections to the decision. Both the HA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

A Notice of the Review findings will be provided in writing to the applicant within 14 days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

C. INFORMAL HEARING PROCEDURES [24 CFR 982.555 (a-f), 982.54(d)(13)]

1. Participant Notification

When the HA makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The HA will give the family prompt notice of such determinations which will include:

- a. The proposed action or decision of the HA;**

- b. The date the proposed action or decision will take place;**
- c. The family's right to an explanation of the basis for the HA's decision.**
- d. The procedures for requesting a hearing if the family disputes the action or decision;**
- e. The time limit for requesting the hearing.**
- f. To whom the hearing request should be addressed**

2. Grounds for an Informal Hearing

The HA must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following HA determinations:

- a. Determination of the family's annual or adjusted income and the computation of the housing assistance payment**
- b. Appropriate utility allowance used from schedule**
- c. Family unit size determination under HA subsidy standards**
- d. Determination that Certificate program family is underoccupied in their current unit and a request for exception is denied**
- e. Determination to terminate assistance for any reason.**
- f. Determination to terminate a family's FSS Contract, withhold supportive services, or propose forfeiture of the family's escrow account.**
- g. Determination to pay an owner claim for damages, unpaid rent or vacancy loss.**

The HA shall provide the opportunity for an informal hearing prior to termination of assistance.

3. Ineligible Grounds for an Informal Hearing

Informal Hearings are not required for established policies and procedures and HA determinations such as:

- a. Discretionary administrative determinations by the HA**
- b. General policy issues or class grievances**
- c. Establishment of the HA schedule of utility allowances**
- d. An HA determination not to approve an extension or suspension of a certificate or voucher term**

- e. An HA determination not to approve a unit or lease
- f. An HA determination that an assisted unit is not in compliance with HQS (HA must provide hearing for family breach of HQS because that is a family obligation determination)
- g. An HA determination that the unit is not in accordance with HQS because of the family size
- h. An HA determination to exercise or not exercise any right or remedy against the owner under a HAP contract

4. Notification of Hearing

It is the HA's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the HA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and regulations.

The program participant requesting a hearing must request the "Informal Hearing Request Form" within 30 days from the receipt of notification of action and return the form to the HACS within 10 days from the date of the form. When the HACS receives form, a hearing shall be scheduled within 20 days. The notification of the hearing will contain:

- a. The date and time of the hearing
- b. The location where the hearing will be held
- c. The family's right to bring evidence, witnesses, legal or other representation at the family's expense
- d. The right to view any documents or evidence in the possession of the HA upon which the HA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing.
- e. A notice to the family that the HA will request a copy of any documents or evidence the family will use at the hearing.

5. Rescheduling

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which affects the health, safety or welfare of the family.

If the family does not appear at the scheduled time, and did not make arrangements in advance, the HA will automatically reschedule the hearing. If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the HA within 72 hours, excluding weekends and holidays. The HA will reschedule the hearing only if the family can show good cause for the failure to appear.

6. Families Rights

Families have the right to:

- a. Present written or oral objections to the HA's determination.**
- b. Examine the documents in the file which are the basis for the HA's action, and all documents submitted to the Hearing Officer;**
- c. Copy any relevant documents at their expense;**
- d. Present any information or witnesses pertinent to the issue of the hearing;**
- e. Request that HA staff be available or present at the hearing to answer questions pertinent to the case; and**
- f. Be represented by legal counsel, advocate, or other designated representative at their own expense.**

If the family requests copies of documents relevant to the hearing, the HA will make the copies for the family and assess a charge of \$1.00 per copy. In no case will the family be allowed to remove the file from the HA's office.

7. Housing Authority Rights

In addition to other rights contained in this Chapter, the HA has a right to:

- a. Present evidence and any information pertinent to the issue of the hearing;**
- b. Be notified if the family intends to be represented by legal counsel, advocate, or another party;**
- c. Examine and copy any documents to be used by the family prior to the hearing;**
- d. Have its attorney present; and**
- e. Have staff persons and other witnesses familiar with the case present.**

8. Informal Hearing Process

The Informal Hearing shall be conducted by the Hearing Officer appointed by the HA who is neither the person who made or approved the decision, nor a subordinate of that person. The HA appoints hearing officers who are HA management staff persons.

The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The family must request an audio recording of the hearing, if desired, no less than 3 days prior to the hearing date.

The Hearing Officer may ask the family for additional information and/or might adjourn the Hearing in order to reconvene at a later date, before reaching a decision.

The Hearing Officer will determine whether the action, inaction or decision of the HA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the Hearing Findings shall be provided in writing to the HA and the family within days and shall include:

- a. A clear summary of the decision and reasons for the decision;**
- b. If the decision involves money owed, the amount owed; and**
- c. The date the decision goes into effect.**
- d. The Code of Civil Procedure applicable to a participant's seeking judicial**

revisi

9. Decisions For Which the HACS is Not Bound

The HA is not bound by hearing decisions:

- a. Which concern matters in which the HA is not required to provide an**

opportunity for a hearing

- b. Which conflict with or contradict to HUD regulations or requirements;**
- c. Which conflict with or contradict Federal, State or local laws; or**
- d. Which exceed the authority of the person conducting the hearing.**

The HA shall send a letter to the participant if it determines the HA is not bound by the Hearing Officer's determination within 7 days. The letter shall include the HA's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

D. CIRCUMSTANCES FOR APPS/PARTICIPANTS WITH DISABILITIES

When applicants are denied placement on the waiting list, or the HA is terminating assistance, the HACS will consider the presence of a disability as a mitigating circumstance during the informal review process.

Examples of possible mitigating circumstances: a) A person with a cognitive disorder may not have understood the requirement to report increases in income, b) A person may not understand the need to make regular repayments on a promissory note, c) Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.

E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS" [24 CFR Part 5, Subpart E]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while the HA hearing is pending but assistance to an applicant may be delayed pending the HA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual

search do not verify the claim, the HA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the HA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the HA a copy of the appeal and proof of mailing or the HA may proceed to deny or terminate. The time period to request an appeal may be extended by the HA for good cause.

The request for an HA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in section C of this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the HA will deny the applicant or participant family.

If there are eligible members in the family, the HA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

Participants whose assistance is pro-rated (either based on their statement that some members a regarding determinations of tenant rent and Total Tenant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review/hearing similar to the process of termination for any other type of fraud.

CHAPTER 15

PROGRAM INTEGRITY ADDENDUM

INTRODUCTION

The US Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental assistance than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits which exceed their legal entitlement.

The HACS is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources are utilized for income-eligible families.

This Chapter outlines the HA's policies for the prevention, detection and investigation of program abuse and fraud.

A. PREVENTATION OF PROGRAM ABUSE AND FRAUD

The HACS will utilize the following methods and practices to educate families on their responsibilities and minimize program abuse, non-compliance, and willful violations of program rules by applicants and participating families.

- 1. *Things You Should Know.* This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify the HA's expectations for cooperation and compliance.**
- 2. *Program Orientation Session.* Mandatory orientation sessions will be conducted by the HA staff for all prospective program participants, either prior to or upon issuance of a certificate or voucher. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Family Obligations Form" to confirm that all rules and pertinent regulations were explained to them.**
- 3. *Resident Counseling.* The HA will routinely provide participant counseling as a part of every re**
- 4. *Review and explanation of Forms.* Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.**

5. **Use of Instructive Signs and Warnings.** Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse
6. **Participant Certification.** All family representatives will be required to sign a "Participant Certification" form, as contained in HUD's Participant Integrity Program Manual.

B. DETECTION OF PROGRAM ABUSE AND FRAUD

The HA Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

1. Quality Control File Reviews

Prior to initial certification, and at the completion of all subsequent recertifications, 15% of files will be reviewed. Such reviews shall include, but are not limited to:

- a. **Assurance that verification of all income and deductions is present.**
- b. **Authenticity of file documents.**
- c. **Ratio between reported income and expenditures.**
- d. **Review of signatures for consistency with previously signed file Documents.**
- e. **All forms are correctly dated and signed.**

2. Observation

The HACS staff will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

- a. **Inspection observations will be documented in the family's file.**
- b. **Public Record Bulletins may be reviewed by Management and Staff.**
- c. **State Wage Data Record Keepers. Inquiries to State Wage and Employment**

- record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits
- d. **Credit Bureau Inquiries.** Credit Bureau inquiries may be made (with proper autl
1. When an allegation is received by the HA wherein unreported income sources are disclosed.
 2. When a participant's expenditures exceed his/her reported income, and no plausible explanation is given.

C. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will the HA undertake an inquiry or an audit of a participating family arbitrarily. The HA's expectation is that participating families will comply with HUD requirements, provisions of the certificate or voucher, and other program rules. The HA staff will make every effort (formally and informally) to orient and educate all families to prevent unintentional violations.

The HA will initiate an investigation of a participating family only in the event of one or more of the following circumstances:

1. **Referrals, Complaints, or Tips.** The HA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.
2. **Internal File Review.** A follow-up will be made if HA staff discovers (as a function of a certification or recertification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, the HA's knowledge of the family, or is discrepant with statements made by the family.
3. **Verification of Documentation.** A follow-up will be made if the HA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information or credit bureau reports, reports from other agencies).

D. THE HA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

The HA staff will encourage all participating families to report suspected abuse to the HACS.

All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the participant's file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The Section 8 Department will not follow up on allegations which are vague or otherwise non-specific. They will only review allegations which contain one or more independently verifiable facts.

1. File Review

When a review of the case file or a complaint results in an allegation of abuse or fraud, an internal file review will be conducted to determine:

- a. If the subject of the allegation is a client and to determine whether or not the information reported has been previously disclosed by the family.**
- b. It will then be determined if the HA is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.**

2. Conclusion of Preliminary Review

If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the Section 8 Department will initiate an investigation to determine if the allegation is true or false.

.

E. HOW THE HA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If the HA determines that an allegation or referral warrants follow-up, the HACS will commence an investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the HA will secure the written authorization from the program participant for the release of income and credit information.

Sources and verification types include, but are not limited to:

- a. **Credit Bureau Agencies**- In cases involving previously unreported income sou
- b. **Verification of Credit**. In cases where the financial activity conflicts with file dat:
- c. **Employers and Ex-Employers**. Employers or ex-employers may be contacted to verify wages which may have been previously undisclosed or misreported.
- d. **Witnesses**. Neighbors and/or other witnesses may be interviewed who are beli
- e. **Other Agencies**. Investigators, case workers or representatives of other benefit agencies may be contacted.
- f. **Public Records**. If relevant, the HA will review public records kept in any court or police records, state wage records, utility records and postal records. juri
- g. **Interviews with Head of Household or Family Members**. The HA will discuss professionalism will be maintained by the HA staff person who conducts such interviews. Under no circumstances will inflammatory language, accusation, or any unprofessional conduct or language be tolerated by the management. If possible, an additional staff person will attend such interviews. the

F. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE HA

Documents and other evidence obtained by the HA during the course of an investigation will be considered “work product” and will either be kept in the participant’s file, or in a separate “work file.” In either case, the participant’s file or work file shall be kept in the Section 8 Director’s office. Such cases under review will not be discussed among HA Staff unless they are involved in the process, or have information which may assist in the investigation.

G. CONCLUSION OF THE HA’S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Section 8 Director. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

H. EVALUATION OF THE FINDINGS

If it is determined that a program violation has occurred, the HA will review the facts to determine:

- 1. The type of violation (procedural, non-compliance, fraud).**
- 2. Whether the violation was intentional or unintentional.**
- 3. What amount of money (if any) is owed by the family.**
- 4. If the family is eligible for continued occupancy.**

I. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED

Once a program violation has been documented, the HA will propose the most appropriate remedy based upon the type and severity of the violation.

1. Procedural Non-compliance

This category applies when the family “fails to” observe a procedure or requirement of the HA , but does not misrepresent a material fact, and there is no retroactive assistance payments owed by the family. Examples of non-compliance violations are: failure to appear at a pre-scheduled appointment or failure to return verification in time period specified by the HA.

In such cases a warning notice will be sent to the family which contains the following:

- a. A description of the non-compliance and the procedure, policy or obligation** **whi**
- b. The date by which the violation must be corrected, or the procedure complied with.**
- c. The action which will be taken by the HA if the procedure or obligation is not complied with by the date specified by the HA.**

- d. **The consequences of repeated (similar) violations.**

2. Procedural Non-compliance - Overpaid Assistance

When the family owes money to the HA for failure to report changes in income or assets, the HA will issue a Notification of Overpayment of Assistance. This Notice will contain the following:

- a. **A description of the violation and the date(s).**
- b. **Any amounts owed to the HA .**
- c. **The right to disagree and to request an informal hearing with instructions for the request of such hearing.**

Participant Fails to Comply with HA's Notice. If the Participant fails to comply with the HA's notice, and a family obligation has been violated, the HA will initiate termination of assistance.

Participant Complies with HA's Notice. When a family complies the HA's notice, the staff person responsible will meet with him/her to discuss and explain the Family Obligation or program rule which was violated. The staff person will complete a Participant Counseling Report, give one copy to the family and retain a copy in the family's file.

3. Intentional Misrepresentations

When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the HA, the HA will evaluate whether or not:

- a. **the participant had knowledge that his/her actions were wrong, and**
- b. **the participant willfully violated the family obligations or the law.**

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various certification, briefing certificate, Personal Declaration and Things You Should Know are adequate to establish knowledge of wrong-doing.

The participant willfully violated the law. Any of the following circumstances will be

considered adequate to demonstrate willful intent:

- a. An admission by the participant of the misrepresentation.**
- b. That the act was done repeatedly.**
- c. If a false name or Social Security Number was used.**
- d. If there were admissions to others of the illegal action or omission.**
- e. That the participant omitted material facts which were known to him/her (e.g., employment of self or other household member).**
- f. That the participant falsified, forged or altered documents.**
- g. That the participant uttered and certified to statements at a interim (re)determination which were later independently verified to be false.**

4. Dispositions of Cases Involving Misrepresentations

In all cases of misrepresentations involving efforts to recover monies owed, the HA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

- a. Criminal Prosecution: If the HA has established criminal intent, and the case meets the criteria for prosecution, the HA will:**

Refer the case to the local State or District Attorney, notify HUD's RIGI, and terminate rental assistance.

- b. Administrative Remedies: The HA may either:**

Terminate assistance and demand payment of restitution in full; or

Terminate assistance and execute an administrative repayment agreement in accordance with the HA's Repayment Policy; or

Terminate assistance and pursue restitution through civil litigation.

Continue assistance at the correct level upon repayment of restitution in full

Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the HA's repayment policy.

5. The Case Conference for Serious Violations and Misrepresentations

When the HA has established that material misrepresentation(s) have occurred, a Case Conference will be scheduled with the family representative and the HA staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by the HA. The purpose of such conference is to review the information and evidence obtained by the HA with the participant, and to provide the participant an opportunity to explain any document findings which conflict with representations in the family's file. Any documents or mitigating circumstances presented by the family will be taken into consideration by the HA. The family will be given 14 days to furnish any mitigating evidence.

A secondary purpose of the Participant Conference is to assist the HA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the HA will consider:

- a. The duration of the violation and number of false statements.**
- b. The family's ability to understand the rules.**
- c. The family's willingness to cooperate, and to accept responsibility for his/her actions**
- d. The amount of money involved.**
- e. The family's past history**
- f. Whether or not criminal intent has been established.**
- g. The number of false statements.**

6. Notification to Participant of Proposed Action

The HA will notify the family of the proposed action no later than 21 days after the case conference by certified mail.

Chapter 14

COMPLAINTS AND APPEALS

INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the HA. This Chapter describes the policies, procedures and standards to be used when families disagree with an HA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the HA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE HA

The HA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The HA shall require that all complaints be put in writing. HQS complaints may be reported by telephone and followed up in writing.

The HA hearing procedures will be provided to families in the briefing packet.

B. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

[24 CFR 982.54 (d) (12), 982.554]

Reviews are provided for applicants who are denied assistance prior to the effective date of a HAP Contract. NOTE: The exception to this rule is for decisions concerning denial of assistance for eligible immigrant status. Under these circumstances, the applicant is entitled to an informal hearing.

1. Notification to Applicants

When the HA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

- a. The reason(s) they are ineligible; and
- b. the time limit for requesting a review; and
- c. the procedure for requesting a review if the applicant does not agree with the decision

2. Eligible Grounds for an Informal Review

The HA must provide applicants with the opportunity for an Informal Review of decisions denying:

- a. Qualification for preference**
- b. Listing on the HA's waiting list**
- c. Issuance/Denial/Rescission of a Certificate or Voucher**
- d. Participation in the program**
- e. Refusal to enter into a HAP contract or approve a lease; and**
- f. Refusal to process or provide assistance under the Portability procedures**

3. Ineligible Grounds for a Review

Informal Reviews are not required for established policies and procedures and HA determinations such as:

- a. Discretionary administrative determinations by the HA**
- b. General policy issues or class grievances**
- c. A determination of the family unit size under the HA subsidy standards**
- d. Refusal to extend or suspend a Certificate or Voucher**
- e. Disapproval of lease**
- f. Determination that unit is not in compliance with HQS**
- g. Determination that unit is not in accordance with HQS due to family size or composition**

4. Informal Review Process

A request for an Informal Review must be received in writing or by telephone by the close of the business day, no later than 30 days from the date of the HA's notification of denial of assistance. An "Informal Request Form" is then sent to the participant/applicant which must be returned within 10 days from the date sent. The informal review will be scheduled within 20 days from the date the "Informal Request Form" is received by the HACS.

The Informal Review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person.

The Review may be conducted by either a management staff person or an individual from outside the HACS and may be conducted by mail or telephone if acceptable to both parties.

The applicant will be given the option of presenting oral or written objections to the decision. Both the HA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

A Notice of the Review findings will be provided in writing to the applicant within 14 days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

C. INFORMAL HEARING PROCEDURES [24 CFR 982.555 (a-f), 982.54(d)(13)]

1. Participant Notification

When the HA makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The HA will give the family prompt notice of such determinations which will include:

- a. The proposed action or decision of the HA;**
- b. The date the proposed action or decision will take place;**
- c. The family's right to an explanation of the basis for the HA's decision.**
- d. The procedures for requesting a hearing if the family disputes the action or decision;**
- e. The time limit for requesting the hearing.**
- f. To whom the hearing request should be addressed**

2. Grounds for an Informal Hearing

The HA must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following HA determinations:

- a. Determination of the family's annual or adjusted income and the computation of the housing assistance payment**
- b. Appropriate utility allowance used from schedule**
- c. Family unit size determination under HA subsidy standards**
- d. Determination that Certificate program family is underoccupied in their current unit and a request for exception is denied**
- e. Determination to terminate assistance for any reason.**
- f. Determination to terminate a family's FSS Contract, withhold supportive services, or propose forfeiture of the family's escrow account.**
- g. Determination to pay an owner claim for damages, unpaid rent or vacancy loss.**

The HA shall provide the opportunity for an informal hearing prior to termination of assistance.

3. Ineligible Grounds for an Informal Hearing

Informal Hearings are not required for established policies and procedures and HA determinations such as:

- a. Discretionary administrative determinations by the HA**
- b. General policy issues or class grievances**
- c. Establishment of the HA schedule of utility allowances**
- d. An HA determination not to approve an extension or suspension of a certificate or voucher term**
- e. An HA determination not to approve a unit or lease**
- f. An HA determination that an assisted unit is not in compliance with HQS (HA must provide hearing for family breach of HQS because that is a family obligation determination)**
- g. An HA determination that the unit is not in accordance with HQS because of the family size**
- h. An HA determination to exercise or not exercise any right or remedy against the owner under a HAP contract**

4. Notification of Hearing

It is the HA's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the HA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and regulations.

The program participant requesting a hearing must request the "Informal Hearing Request Form" within 30 days from the receipt of notification of action and return the form to the HACS within 10 days from the date of the form. When the HACS receives form, a hearing shall be scheduled within 20 days. The notification of the hearing will contain:

- a. The date and time of the hearing**
- b. The location where the hearing will be held**
- c. The family's right to bring evidence, witnesses, legal or other representation at the family's expense**
- d. The right to view any documents or evidence in the possession of the HA upon which the HA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing.**
- e. A notice to the family that the HA will request a copy of any documents or evidence the family will use at the hearing.**

5. Rescheduling

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which affects the health, safety or welfare of the family.

If the family does not appear at the scheduled time, and did not make arrangements in advance, the HA will automatically reschedule the hearing. If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the HA within 72 hours, excluding weekends and holidays. The HA will reschedule the hearing only if the family can show good cause for the failure to appear.

6. Families Rights

Families have the right to:

- a. Present written or oral objections to the HA's determination.**
- b. Examine the documents in the file which are the basis for the HA's action, and all documents submitted to the Hearing Officer;**
- c. Copy any relevant documents at their expense;**
- d. Present any information or witnesses pertinent to the issue of the hearing;**
- e. Request that HA staff be available or present at the hearing to answer questions pertinent to the case; and**
- f. Be represented by legal counsel, advocate, or other designated representative at their own expense.**

If the family requests copies of documents relevant to the hearing, the HA will make the copies for the family and assess a charge of \$1.00 per copy. In no case will the family be allowed to remove the file from the HA's office.

7. Housing Authority Rights

In addition to other rights contained in this Chapter, the HA has a right to:

- a. Present evidence and any information pertinent to the issue of the hearing;**
- b. Be notified if the family intends to be represented by legal counsel, advocate, or another party;**
- c. Examine and copy any documents to be used by the family prior to the hearing;**
- d. Have its attorney present; and**
- e. Have staff persons and other witnesses familiar with the case present.**

8. Informal Hearing Process

The Informal Hearing shall be conducted by the Hearing Officer appointed by the HA who is neither the person who made or approved the decision, nor a subordinate of that person. The HA appoints hearing officers who are HA management staff persons.

The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The family must request an audio recording of the hearing, if desired, no less than 3 days prior to the hearing date.

The Hearing Officer may ask the family for additional information and/or might adjourn the Hearing in order to reconvene at a later date, before reaching a decision.

The Hearing Officer will determine whether the action, inaction or decision of the HA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the Hearing Findings shall be provided in writing to the HA and the family within days and shall include:

- a. A clear summary of the decision and reasons for the decision;**
- b. If the decision involves money owed, the amount owed; and**
- c. The date the decision goes into effect.**
- d. The Code of Civil Procedure applicable to a participant's seeking judicial review of the decision**

9. Decisions For Which the HACS is Not Bound

The HA is not bound by hearing decisions:

- a. Which concern matters in which the HA is not required to provide an opportunity for a hearing**
- b. Which conflict with or contradict to HUD regulations or requirements;**
- c. Which conflict with or contradict Federal, State or local laws; or**
- d. Which exceed the authority of the person conducting the hearing.**

The HA shall send a letter to the participant if it determines the HA is not bound by the Hearing Officer's determination within 7 days. The letter shall include the HA's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

D. CIRCUMSTANCES FOR APPS/PARTICIPANTS WITH DISABILITIES

When applicants are denied placement on the waiting list, or the HA is terminating assistance,

the HACS will consider the presence of a disability as a mitigating circumstance during the informal review process.

Examples of possible mitigating circumstances: a) A person with a cognitive disorder may not have understood the requirement to report increases in income, b) A person may not understand the need to make regular repayments on a promissory note, c) Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.

E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS" [24 CFR Part 5, Subpart E]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while the HA hearing is pending but assistance to an applicant may be delayed pending the HA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the HA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the HA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the HA a copy of the appeal and proof of mailing or the HA may proceed to deny or terminate. The time period to request an appeal may be extended by the HA for good cause.

The request for an HA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in section C of this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the HA will deny the applicant or participant family.

If there are eligible members in the family, the HA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

If any family member fails to provide documentation or certification as required by the

regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review/hearing similar to the process of termination for any other type of fraud.

Annual Statement
Capital Fund Program (CFP) Part: I Summary

Capital Fund Grant Number: CA39PO2650100

FFY of Grant Approval: 2000

Original Annual Statement
The Housing Authority of the County of Stanislaus

Line No.	Summary by Development Account	Total Estimate Cost
1	Total Non-CGP Funds	
2	1406 Operations	-0-
3	1408 Management Improvements	326,000.00
4	1410 Administration	158,000.00
5	1411 Audit	
6	1415 Liquidated Damages	
7	1430 Fees and Costs	90,000.00
8	1440 Site Acquisition	
9	1450 Site Improvement	290,000.00
10	1460 Dwelling Structures	500,000.00
11	1465.1 Dwelling Equipment-Non-expendable	45,000.00
12	1470 Non Dwelling Structures	
13	1475 Non Dwelling Equipment	25,000.00
14	1485 Demolition	
15	1490 Replacement Reserve	
16	1492 Moving to Work Demonstration	
17	1495.1 Relocation Costs	
18	1498 Mod Used for Development	
19	1502 Contingency	147,238.00
20	Amount of annual Grant (Sum of lines 2-19)	1,581,238
21	Amount of line 20 Related to LBP activities	0
22	Amount of line 20 Related to Section 504 Compliance	0
23	Amount of line 20 Related to Security	0
24	Amount of line 20 Related to Energy Conservation Measures	0

Annual Statement
Capital Fund Program (CFP) Part II: Supporting Table

Development Number/Name	General Description of Major Work Categories	Development Account Number	Development Estimated Cost	Total
HA-Wide Activities				
CA26-10	Replace range and refrigerators	1465.1	\$45,000	
CA26-18/19	Replace HVAC UNITS	1460	\$200,000	
CA26-03	Exterior Modification	1460	\$300,000	
CA26-1	Install Solar sprinkler clock controls	1450	\$10,000	
CA26-2	Install Solar sprinkler clock controls	1450	\$10,000	
CA26-3	Replace sprinkler lines/system, install Parking area.	1450	\$180,000	
CA26-3	Landscape	1450	\$50,000	
CA26-3	Parking Lot	1450	\$40,000	
<hr/>				

Annual Statement
Capital Fund Program (CFP) Part III: Implementation Schedule

Development Number/Name	All Funds Obligated (Quarter Ending Date)	All Funds Expended (Quarter Ending Date)
HA-Wide Activities		
CA26-10	3/30/2002	9/30/2002
CA26-3	3/30/2002	9/30/2002
CA26-2	3/30/2002	9/30/2002
CA26-1	3/30/2002	9/30/2002
CA26-18	3/30/2002	9/30/2002
CA26-19	3/30/2002	9/30/2002