

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

PHA Plans

5 Year Plan for Fiscal Years 2000 - 2004

Annual Plan for Fiscal Year 2000

**NOTE: THIS PHA PLANS TEMPLATE (HUD 50075) IS TO BE COMPLETED IN ACCORDANCE WITH
INSTRUCTIONS LOCATED IN APPLICABLE PIH NOTICES**

HUD 50075
OMB Approval No: 2577-0226
Expires: 03/31/2002

PHA Plan Agency Identification

PHA Name: Rockville Housing Enterprises

PHA Number: MD007

PHA Fiscal Year Beginning: (10/2001)

Public Access to Information

**Information regarding any activities outlined in this plan can be obtained by contacting:
(select all that apply)**

- 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: (select all that apply)

- Main administrative office of the PHA
- PHA development management offices
- PHA local offices
- Main administrative office of the local government
- Main administrative office of the County government
- Main administrative office of the State government
- Public library
- PHA website
- Other (list below)

PHA Plan Supporting Documents are available for inspection at: (select all that apply)

- Main business office of the PHA
- PHA development management offices
- Other (list below)

5-YEAR PLAN
PHA FISCAL YEARS 2000 - 2004
[24 CFR Part 903.5]

A. Mission

State the PHA's mission for serving the needs of low-income, very low income, and extremely low-income families in the PHA's jurisdiction. (select one of the choices below)

- The mission of the PHA is the same as that of the Department of Housing and Urban Development: To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.
- The PHA's mission is: (state mission here)

OUR MISSION:

Effective and innovative public agency dedicated to enhancing opportunities for self – sufficiency and quality, safe, affordable housing for the citizens of the City of Rockville.

B. Goals

The goals and objectives listed below are derived from HUD's strategic Goals and Objectives and those emphasized in recent legislation. PHAs may select any of these goals and objectives as their own, or identify other goals and/or objectives. Whether selecting the HUD-suggested objectives or their own, **PHAS ARE STRONGLY ENCOURAGED TO IDENTIFY QUANTIFIABLE MEASURES OF SUCCESS IN REACHING THEIR OBJECTIVES OVER THE COURSE OF THE 5 YEARS.** (Quantifiable measures would include targets such as: numbers of families served or PHAS scores achieved.) PHAs should identify these measures in the spaces to the right of or below the stated objectives.

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

- PHA Goal: Expand the supply of assisted housing
Objectives:
- Apply for additional rental vouchers:
 - Reduce public housing vacancies:
 - Leverage private or other public funds to create additional housing opportunities:
 - Acquire or build units or developments
 - Other (list below)
- PHA Goal: Improve the quality of assisted housing
Objectives:

- Improve public housing management: (PHAS score)
- Improve voucher management: (SEMAP score) 94%
- Increase customer satisfaction:
- Concentrate on efforts to improve specific management functions:
(list; e.g., public housing finance; voucher unit inspections)
- Renovate or modernize public housing units:
- Demolish or dispose of obsolete public housing:
- Provide replacement public housing:
- Provide replacement vouchers:
- Other: (list below)

- PHA Goal: Increase assisted housing choices
Objectives:
 - Provide voucher mobility counseling:
 - Conduct outreach efforts to potential voucher landlords
 - Increase voucher payment standards
 - Implement voucher homeownership program:
 - Implement public housing or other homeownership programs:
 - Implement public housing site-based waiting lists:
 - Convert public housing to vouchers:
 - Other: (list below)

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 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: (list below)

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:
 - 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: (list below)

Other PHA Goals and Objectives: (list below)

**Annual PHA Plan
PHA Fiscal Year 2000**
[24 CFR Part 903.7]

i. Annual Plan Type:

Select which type of Annual Plan the PHA will submit.

Standard Plan

Streamlined Plan:

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

Troubled Agency Plan

ii. Executive Summary of the Annual PHA Plan

[24 CFR Part 903.7 9 (r)]

Provide a brief overview of the information in the Annual Plan, including highlights of major initiatives and discretionary policies the PHA has included in the Annual Plan.

iii. Annual Plan Table of Contents

[24 CFR Part 903.7 9 (r)]

Provide a table of contents for the Annual Plan, including attachments, and a list of supporting documents available for public inspection.

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Annual Plan

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- ii. Table of Contents
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 - 7. Capital Improvement Needs
 - 8. Demolition and Disposition
 - 9. Designation of Housing
 - 10. Conversions of Public Housing
 - 11. Homeownership
 - 12. Community Service Programs
 - 13. Crime and Safety
 - 14. Pets (Inactive for January 1 PHAs)
 - 15. Civil Rights Certifications (included with PHA Plan Certifications)
 - 16. Audit
 - 17. Asset Management
 - 18. Other Information

Attachments

Indicate which attachments are provided by selecting all that apply. Provide the attachment's name (A, B, etc.) in the space to the left of the name of the attachment. Note: If the attachment is provided as a **SEPARATE** file submission from the PHA Plans file, provide the file name in parentheses in the space to the right of the title.

Required Attachments:

- Admissions Policy for Deconcentration
- FY 2000 Capital Fund Program Annual Statement

- Most recent board-approved operating budget (Required Attachment for PHAs that are troubled or at risk of being designated troubled ONLY)

Optional Attachments:

- PHA Management Organizational Chart
 FY 2000 Capital Fund Program 5 Year Action Plan
 Public Housing Drug Elimination Program (PHDEP) Plan
 Comments of Resident Advisory Board or Boards (must be attached if not included in PHA Plan text)
 Other (List below, providing each attachment name)

Supporting Documents Available for Review

Indicate which documents are available for public review by placing a mark in the “Applicable & On Display” column in the appropriate rows. All listed documents must be on display if applicable to the program activities conducted by the PHA.

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
	State/Local Government Certification of Consistency with the Consolidated Plan	5 Year and Annual Plans
	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
	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
	Public Housing Deconcentration and Income Mixing	Annual Plan: Eligibility,

List of Supporting Documents Available for Review

Applicable & On Display	Supporting Document	Applicable Plan Component
X	Documentation: 1. 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 2. Documentation of the required deconcentration and income mixing analysis	Selection, and Admissions Policies
	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
	Schedule of flat rents offered at each public housing development <input 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
	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 <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Grievance Procedures
	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for the active grant year	Annual Plan: Capital Needs
X	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grant	Annual Plan: Capital Needs
	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
	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans or any other approved proposal for development of public housing	Annual Plan: Capital Needs
	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing
	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted	Annual Plan: Conversion of Public Housing

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
	conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act	
	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
	Policies governing any Section 8 Homeownership program <input type="checkbox"/> check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
X	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
	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 (PHEDEP) semi-annual performance report for any open grant and most recently submitted PHDEP application (PHDEP Plan)	Annual Plan: Safety and Crime Prevention
	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
	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)

1. Statement of Housing Needs

[24 CFR Part 903.7 9 (a)]

A. Housing Needs of Families in the Jurisdiction/s Served by the PHA

Based upon the information contained in the Consolidated Plan/s applicable to the jurisdiction, and/or other data available to the PHA, provide a statement of the housing needs in the jurisdiction by completing the following table. In the "Overall" Needs column, provide the estimated number of renter families that have housing needs. For the remaining characteristics, rate the impact of that factor on the housing needs for each family type, from 1 to 5, with 1 being "no impact" and 5 being "severe impact." Use N/A to indicate that no information is available upon which the PHA can make this assessment.

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford- ability	Supply	Quality	Access- ibility	Size	Loca- tion
Income <= 30% of AMI	975	5	5	3	4	3	5

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion
Income >30% but <=50% of AMI	702	5	5	3	3	3	4
Income >50% but <80% of AMI	654	4	4	3	3	3	4
Elderly	574	5	4	3	4	2	4
Families with Disabilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Black Non-Hispanic Households	319	5	5	3	4	3	4
Hispanic Households	191	5	5	3	4	3	4
White Non-Hispanic Households	932	5	5	3	4	3	4
Race/Ethnicity							

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: FY 2001
- 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)

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

State the housing needs of the families on the PHA's waiting list/s. **Complete one table for each type of PHA-wide waiting list administered by the PHA.** PHAs may provide separate tables for site-based or sub-jurisdictional public housing waiting lists at their option.

Housing Needs of Families on the Waiting List			
Waiting list type: (select one)			
<input type="checkbox"/> Section 8 tenant-based assistance			
<input checked="" type="checkbox"/> Public Housing			
<input type="checkbox"/> Combined Section 8 and Public Housing			
<input type="checkbox"/> Public Housing Site-Based or sub-jurisdictional waiting list (optional)			
If used, identify which development/subjurisdiction:			
	# of families PH / Sec 8	% of total families PH / Sec 8	Annual Turnover PH / Sec 8
Waiting list total	630 / 808		199 / 50
Extremely low income <=30% AMI	529 / 706	84% / 88%	
Very low income (>30% but <=50% AMI)	94 / 93	15% / 12%	
Low income (>50% but <80% AMI)	5 / 6	1% / 1%	
Families with children	555 / 668	88% / 83%	
Elderly families	40 / 67	6% / 9%	
Families with Disabilities	0 / 119	0% / 15%	
Race/ethnicity - White	133 / 150	21% / 19%	
Race/ethnicity - Black	472 / 628	75% / 78%	
Race/ethnicity - Hispanic	45 / 0	7% / 0%	
Race/ethnicity - Asian	25 / 30	4% / 4%	
Characteristics by Bedroom Size (Public			

Housing Needs of Families on the Waiting List			
Housing Only)	630	100%	199
1BR	119	19%	20
2 BR	233	37%	85
3 BR	241	38%	84
4 BR	37	6%	10
5 BR	0	0	0
5+ BR	0	0	0
Is the waiting list closed (select one)? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes If yes: How long has it been closed (# of months)? PH - 2 months / Sec 8 - 24 months Does the PHA expect to reopen the list in the PHA Plan year? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			

C. Strategy for Addressing Needs

Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list **IN THE UPCOMING YEAR**, and the Agency's reasons for choosing this strategy.

(1) Strategies

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:

Select all that apply

- 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:

Select all that apply

- Apply for additional section 8 units should they become available
- 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

Select all that apply

- 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

Select all that apply

- Employ admissions preferences aimed at families who are working
- Adopt rent policies to support and encourage work
- Other: (list below)

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:

Select all that apply

- 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:

Select all that apply

- 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:

Select if applicable

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

Strategy 2: Conduct activities to affirmatively further fair housing

Select all that apply

- 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)

2. Statement of Financial Resources

[24 CFR Part 903.7 9 (b)]

List the financial resources that are anticipated to be available to the PHA for the support of Federal public housing and tenant-based Section 8 assistance programs administered by the PHA during the Plan year. Note: the table assumes that Federal public housing or tenant based Section 8 assistance grant funds are expended on eligible purposes; therefore, uses of these funds need not be stated. For other funds, indicate the use for those funds as one of the following categories: public housing operations, public housing capital improvements, public housing safety/security, public housing supportive services, Section 8 tenant-based assistance, Section 8 supportive services or other.

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
1. Federal Grants (FY 2000 grants)		
a) Public Housing Operating Fund	\$85,000	
b) Public Housing Capital Fund	\$344,064	
c) HOPE VI Revitalization		
d) HOPE VI Demolition		
e) Annual Contributions for Section 8 Tenant-Based Assistance	\$2,038,853	
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)	\$38,968	
g) Resident Opportunity and Self-Sufficiency Grants	\$45,000	
h) Community Development Block Grant	\$100,000	Public Housing Capital Improvements
i) HOME		

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
Other Federal Grants (list below)		
2. Prior Year Federal Grants (unobligated funds only) (list below)		
3. Public Housing Dwelling Rental Income		
4. Other income (list below)		
4. Non-federal sources (list below)		
Total resources	\$2,665,853	

3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.7 9 (c)]

A. Public Housing

Exemptions: PHAs that do not administer public housing are not required to complete subcomponent 3A.

(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: (Top 20 names per bedroom size)
- When families are within a certain time of being offered a unit: (state time)
- Other: (describe)

b. Which non-income (screening) factors does the PHA use to establish eligibility for admission to public housing (select all that apply)?

- Criminal or Drug-related activity
- Rental history
- Housekeeping
- Other (describe) Credit / outstanding Debts.

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 (select all that apply)

- 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 (list below)

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?

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?

3. Yes No: May families be on more than one list simultaneously

If yes, how many lists?

4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?

- 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 (list below)

(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? (select one)

- One
- Two
- Three or More

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:

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

c. 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

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 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.

See A&O

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
- 1 Residents who live and/or work in the jurisdiction
- 2 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)
- 2 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? (select all that apply)

- At an annual reexamination and lease renewal
- Any time family composition changes
- At family request for revision
- Other (list)

(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? (select all that apply)

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:

Employing new admission preferences at targeted developments
If selected, list targeted developments below:

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? (select all that apply)

- 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 (list below)

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? (select all that apply)

- Not applicable: results of analysis did not indicate a need for such efforts
- List (any applicable) developments below:

Lincoln Terrace
David Scull Court
Scattered Sites

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:

B. Section 8

Exemptions: PHAs that do not administer section 8 are not required to complete sub-component 3B.

Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).

(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)

(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)

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:

(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)

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.

See Admin Plan

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)

- 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)

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

- 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)

- 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)

- 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)

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

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

- Through published notices
- Other (list below)

4. PHA Rent Determination Policies

[24 CFR Part 903.7 9 (d)]

A. Public Housing

Exemptions: PHAs that do not administer public housing are not required to complete sub-component 4A.

(1) Income Based Rent Policies

Describe the PHA’s income based rent setting policy/ies for public housing using, including discretionary (that is, not required by statute or regulation) income disregards and exclusions, in the appropriate spaces below.

a. Use of discretionary policies: (select one)

- 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:

c. 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 (select all that apply)

- 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) (select one)

- 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)

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? (select all that apply)

- 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 (list below)

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? (select all that apply.)

- 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

Exemptions: PHAs that do not administer Section 8 tenant-based assistance are not required to complete sub-component 4B. **Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).**

(1) Payment Standards

Describe the voucher payment standards and policies .

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)
Exception Rents approved by HUD adopted as Payment Standard.

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)

(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)]

Exemptions from Component 5: High performing and small PHAs are not required to complete this section. Section 8 only PHAs must complete parts A, B, and C(2)

A. PHA Management Structure

Describe the PHA's management structure and organization.

(select one)

- 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:

B. HUD Programs Under PHA Management

List Federal programs administered by the PHA, number of families served at the beginning of the upcoming fiscal year, and expected turnover in each. (Use "NA" to indicate that the PHA does not operate any of the programs listed below.)

Program Name	Units or Families Served at Year Beginning 10/2001 PH / Sec 8	Expected Turnover PH / Sec 8
Public Housing	169	16
Section 8 Vouchers	138	13
Section 8 Certificates	37	4
Section 8 Mod Rehab	5	1
Special Purpose Section 8 Certificates/Vouchers (list individually)	50 Mainstream Disabled 50 Welfare to Work	4 5
Public Housing Drug Elimination Program (PHDEP)	169	N/A
Other Federal Programs(list individually)		
FSS	30 / 40	5 / 4

C. Management and Maintenance Policies

List the PHA's public housing management and maintenance policy documents, manuals and handbooks that contain the Agency's rules, standards, and policies that govern maintenance and management of public housing,

including a description of any measures necessary for the prevention or eradication of pest infestation (which includes cockroach infestation) and the policies governing Section 8 management.

(1) Public Housing Maintenance and Management: (list below)

Admissions and Occupancy Policy, Personnel Manual, Procurement Policy, Family Leave Policy, Equal Housing Opportunity Policy, Drug – Free Workplace Policy, Facilities Use Policy, Ethics Policy, Pest Control Policy, Blood – Borne Diseases Policy, Capitalization Policy.

(2) Section 8 Management: (list below)

Administrative Plan, Personnel Manual, Procurement Policy, Family Leave Policy, Equal Housing Opportunity Policy, Drug – Free Workplace Policy, Facilities Use Policy, Ethics Policy, Pest Control Policy, Blood – Borne Diseases Policy.

6. PHA Grievance Procedures

[24 CFR Part 903.7 9 (f)]

Exemptions from component 6: High performing PHAs are not required to complete component 6. Section 8-Only PHAs are exempt from sub-component 6A.

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? (select all that apply)

- 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)]

Exemptions from Component 7: Section 8 only PHAs are not required to complete this component and may skip to Component 8.

A. Capital Fund Activities

Exemptions from sub-component 7A: PHAs that will not participate in the Capital Fund Program may skip to component 7B. All other PHAs must complete 7A as instructed.

(1) Capital Fund Program Annual Statement

Using parts I, II, and III of the Annual Statement for the Capital Fund Program (CFP), identify capital activities the PHA is proposing for the upcoming year to ensure long-term physical and social viability of its public housing developments. This statement can be completed by using the CFP Annual Statement tables provided in the table library at the end of the PHA Plan template **OR**, at the PHA's option, by completing and attaching a properly updated HUD-52837.

Select one:

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

-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

Agencies are encouraged to include a 5-Year Action Plan covering capital work items. This statement can be completed by using the 5 Year Action Plan table provided in the table library at the end of the PHA Plan template **OR** by completing and attaching a properly updated HUD-52834.

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 (state name)

-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)

Applicability of sub-component 7B: All PHAs administering public housing. Identify any approved HOPE VI and/or public housing development or replacement activities not described in the Capital Fund Program Annual Statement.

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)]

Applicability of component 8: Section 8 only PHAs are not required to complete this section.

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: Demolition <input type="checkbox"/> Disposition <input type="checkbox"/>
3. Application status (select one) Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: <u>(DD/MM/YY)</u>
5. Number of units affected:
6. 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)]

Exemptions from Component 9; Section 8 only PHAs are not required to complete this section.

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:	
1b. Development (project) number:	
2. Designation type:	
Occupancy by only the elderly	<input type="checkbox"/>
Occupancy by families with disabilities	<input type="checkbox"/>
Occupancy by only elderly families and families with disabilities	<input type="checkbox"/>
3. Application status (select one)	
Approved; included in the PHA’s Designation Plan	<input type="checkbox"/>
Submitted, pending approval	<input type="checkbox"/>
Planned application	<input type="checkbox"/>
4. Date this designation approved, submitted, or planned for submission: (DD/MM/YY)	
5. If approved, will this designation constitute a (select one)	
<input type="checkbox"/> New Designation Plan	
<input type="checkbox"/> Revision of a previously-approved Designation Plan?	
6. Number of units affected:	

7. Coverage of action (select one)

- Part of the development
 Total development

10. Conversion of Public Housing to Tenant-Based Assistance

[24 CFR Part 903.79(j)]

Exemptions from Component 10; Section 8 only PHAs are not required to complete this section.

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)

- Units addressed in a pending or approved demolition application (date submitted or approved:
- Units addressed in a pending or approved HOPE VI demolition application (date submitted or approved:)
- Units addressed in a pending or approved HOPE VI Revitalization Plan (date submitted or approved:)
- Requirements no longer applicable: vacancy rates are less than 10 percent
- Requirements no longer applicable: site now has less than 300 units
- 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

11. Homeownership Programs Administered by the PHA

[24 CFR Part 903.7.9 (k)]

A. Public Housing

Exemptions from Component 11A: Section 8 only PHAs are not required to complete 11A.

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 checked="" 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: 1	
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)]

Exemptions from Component 12: High performing and small PHAs are not required to complete this component. Section 8-Only PHAs are not required to complete sub-component C.

A. PHA Coordination with the Welfare (TANF) Agency

1. Cooperative agreements:

- Yes No: Has the PHA has 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)?

If yes, what was the date that agreement was signed? 26/04/99

2. Other coordination efforts between the PHA and TANF agency (select all that apply)

- 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? (select all that apply)

- 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 (list below)

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)
<i>Family Self – Sufficiency Prog.</i>	<i>50</i>	<i>100</i>	<i>PHA Main Office</i>	<i>Both</i>
GED Prep Course	3	N/A	PHA Main Office	Both
Computer Courses	8	N/A	Community Based Office	Both
Community Service Partnership	169	N/A	Community Wide	Both
Community Resource Center	N/A	N/A	PHA Main Office	Both

(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: 40/30/00)
Public Housing	50	27
Section 8	47	38 As of 05/01/00

- 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)]

Exemptions from Component 13: High performing and small PHAs not participating in PHDEP and Section 8 Only PHAs may skip to component 15. High Performing and small PHAs that are participating in PHDEP and are submitting a PHDEP Plan with this PHA Plan may skip to sub-component D.

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 used 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? (list below)

Lincoln Terrace
David Scull Court
Scattered Sites

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)

Lincoln Terrace
David Skull Court
Scattered Sites

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)

2. Which developments are most affected? (list below)

D. Additional information as required by PHDEP/PHDEP Plan

PHAs eligible for FY 2000 PHDEP funds must provide a PHDEP Plan meeting specified requirements prior to receipt of PHDEP funds.

- 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: **MD007C01**)

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)?

17. PHA Asset Management

[24 CFR Part 903.7 9 (q)]

Exemptions from component 17: Section 8 Only PHAs are not required to complete this component. High performing and small PHAs are not required to complete this component.

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 at Attachment (File name)

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)

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 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

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)

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

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary).

1. Consolidated Plan jurisdiction: Montgomery County, MD

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

Application for Section 8 Housing Vouchers for the Mainstream Disabled, which is a targeted population in Montgomery County.

Plan and development of Senior housing in the city of Rockville.

Other: (list below)

4. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: (describe below)

D. Other Information Required by HUD

Use this section to provide any additional information requested by HUD.

Attachments

Use this section to provide any additional attachments referenced in the Plans.

APPENDIX F: Utility Allowance (Insert)

PHA Plan Table Library

Component 7 Capital Fund Program Annual Statement Parts I, II, and II

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

Capital Fund Grant Number 501 FFY of Grant Approval: (2000)

Original Annual Statement

Line No.	Summary by Development Account	Total Estimated Cost
1	Total Non-CGP Funds	
2	1406 Operations	140,000
3	1408 Management Improvements	20,000
4	1410 Administration	
5	1411 Audit	8,850
6	1415 Liquidated Damages	
7	1430 Fees and Costs	
8	1440 Site Acquisition	
9	1450 Site Improvement	20,000
10	1460 Dwelling Structures	107,000
11	1465.1 Dwelling Equipment-Nonexpendable	
12	1470 Nondwelling Structures	
13	1475 Nondwelling Equipment	48,214
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)	344,064
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 Measures	

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

Development Number/Name HA-Wide Activities	General Description of Major Work Categories	Development Account Number	Total Estimated Cost
MD39P00750100-0	Operations	1406	140,000
MD39P00750100-0	Rehabilitation of there offices in administration Building	1470	20,000
MD39P00750100-0	Audit	1411	8,850
MD39P00750100-2	Replace existing underground electrical wiring at David Scull ct.	1450	18,000
MD39P00750100-1 & MD39P00750100-2	Replace window screens	1460	20,000
MD39P00750100-2	Repair siding and gutters at Lincoln Terrace and David Scull ct.	1460	29,000
MD39P00750100-2	Replace tile floor s in 5 Senior units	1460	15,000
MD39P00750100-2	Replace privacy screen at 76 units at David Scull ct.	1460	25,000
MD39P00750100-3	Replace/repair sewer lines at 226 N. Van Buren St. & 609 Crabb St.	1450	20,000
MD39P00750100-0	Upgrade / purchase computer equipment and software	1475	15,000
MD39P00750100-0	Lawn equipment for resident use	1475	3,200
MD39P00750100-0	Lawn Tractor & trailer	1475	15,000
MD39P00750100-3	10 storage sheds for Scattered site units	1470	15,014
Total			344,064

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)
MD39P00750100-0	3/31/2002	3/31/2003
MD39P00750100-1	3/31/2002	3/31/2003
MD39P00750100-2	3/31/2002	3/31/2003
MD39P00750100-3	3/31/2002	3/31/2003

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				

Rockville Housing Enterprises

PUBLIC HOUSING

ADMISSIONS AND OCCUPANCY POLICY

April 2000

CONTENTS

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- VII. DWELLING LEASES
- VIII. TERMINATION OF RESIDENCY

APPENDICES:

- A. GLOSSARY
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- C. ONE STRIKE YOU'RE OUT
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I. INTRODUCTION

The guidelines set forth in this policy incorporates requirements of the U.S. Department of Housing and Urban Development (HUD), in the Public Housing Occupancy Handbook 7465.1 Rev-2 dated August, 1987. All issues not addressed in this document related to tenants and participants, are governed by changes in Federal regulations via HUD notices and memoranda as well as Board approved policies.

The purpose of the Admissions and Occupancy Policy is to establish the fundamental criteria and procedures for admissions to, and the continued occupancy of, the Authority's conventionally owned public housing units assisted by HUD.

The policy is designed to achieve the Authority's statutory objective of developing and operating socially and financially sound low-income housing developments that provide decent homes and suitable living environments and foster economic and social diversity in the tenant body as a whole.

The Public Housing program is designed to achieve the following major goals:

1. To provide housing opportunities to eligible local residents consistent with the purposes and requirements of applicable state and federal laws.
2. To preclude admission of applicants whose habits and practices reasonably may be expected to have detrimental effect on other tenants or the development.
3. To maintain a tenant body in each community composed of families with a broad range of incomes within the Authority's area of operation.
4. To protect the financial stability of the Authority's communities and programs.
5. To protect the privacy of applicants and residents.
6. To provide for efficient and orderly administrative processing and procedures.

RHE was founded in 1957 to provide public and assisted housing to the citizens of Rockville, Maryland, a city located in the suburbs of Washington, DC. A five-member Board of Commissioners appointed by the Mayor and City Council of Rockville governs the agency. The Board of Commissioners is made up of a diverse group of community leaders that meet monthly to establish and oversee all RHE policies and activities, including selection of the Executive Director, who oversees all day-to-day agency functions, including fiscal, property management and programmatic activities. The Public Housing Manager reports to the Executive Director and has overall responsibility for the Public Housing communities and programs.

In late 1997 and early 1998, the Board of Commissioners and staff of RHE undertook an effort to redefine the mission and goals of the agency for the new millennium. RHE plans to move beyond simply

managing public housing to “serving people of all levels of income who need housing.” Clear benchmarks were established to measure progress toward these goals. RHE’s new mission statement reads as follows:

To be an “effective and innovative public agency dedicated to enhancing opportunities for self-sufficiency and quality, safe, and affordable housing for citizens of the city of Rockville.”

Specific goals related to the mission include:

- n To be an outstanding landlord. (The Traditional Public Housing Authority.)
- n To assist residents in the move to self-sufficiency. (The Service-Oriented PHA.)
- n To transform RHE into an effective affordable housing provider. (The Entrepreneurial PHA.)

The Board also outlined specific objectives, funding sources, time frames, partners, and staffing and evaluation measures needed to achieve these goals.

Housing Programs

RHE owns and administers 169 public housing units in the city. Because of its long history in providing housing assistance, RHE is a known resource for low-income individuals in Rockville. The agency receives inquiries on a daily basis from applicants interested in the Public Housing Program.

Grants and Programs

RHE has also received funding for a number of programs that address the housing and service needs of residents, including:

Family Self-Sufficiency (FSS) Program RHE has received funding to offer a family self-sufficiency program to both Section 8 and public housing recipients. The program focuses on assisting families to become economically independent within 5 years. Services include basic education courses, job training, childcare and counseling. The FSS Coordinator for Public Housing recruits and maintains records of families who participate in the program. He/She coordinates program activities, assist clients and staff by providing referrals to services available in the community, and assists with coordinating the FSS Program Coordinating Committee (PCC), which has an advisory role.

CIAP Grants.Funds have been used for physical improvements such as lead based paint abatement, roof replacement, asbestos work, concrete driveways, drainage work, heat modification, installation of floor tile, chain link fence repair, replacement of stoves and refrigerators, kitchen cabinet replacement, storm door replacement and landscaping.

Drug Elimination GrantsThese grants have assisted in eradicating drugs and drug activity from RHE housing. Funds have been used for a Drug Elimination Grant Coordinator, computer training, educational materials, GED and ESL instructors and recreational activities.

Community Development Block Grants have been used for capital improvements and the youth employment program.

Fair Housing Goals

RHE complies 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 (24CFR 982.54). Except as otherwise provided in 24CFR Part 8, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because of RHE facilities being inaccessible to or unusable by persons with disabilities. RHE's offices are accessible to persons with disabilities and telephone access for the hearing impaired is available through a TTY telephone number. It is the policy of RHE to ensure that all persons with disabilities will be provided reasonable accommodation so that they may fully access and utilize the housing program and related services. Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability. RHE's Equal Opportunity Officer will verify all requests for accommodations or modifications.

RHE has developed relationships with organizations that can provide translation services to families for which English is not their first language. These services are available at the request of the applicant.

In the selection and leasing process, RHE will provide all applicants with written materials on Federal, State and local laws; and, a copy of the housing discrimination complaint form to be used as an available recourse if they believe they are victims of discrimination (24CFR 960.203).

In administering the program, RHE also publishes and disseminates information about the availability and nature of housing assistance, including communicating the status of housing availability to other service providers in the community, advising them of housing eligibility guidelines so that they can make appropriate referrals for housing assistance.

The program is explained to families. Additional efforts are made by RHE to house disabled persons in handicapped accessible units.

In order to effectively administer this program, both in terms of efficient management and attainment of the program's goals, RHE has developed this comprehensive Admissions and Occupancy Policy. The Policy allows for an administration sufficiently flexible to provide services and support to those in leased units, as well as provide for leasing of additional units. RHE is responsible for complying with all changes in HUD regulations pertaining to these programs. Such Federal regulations, HUD Memos, Notices and guidelines, or other applicable law governs all issues related to Public Housing not addressed in this document. It is the RHE Board of Commissioners that must approve this Admissions and Occupancy Policy or any subsequent changes to the Policy, with an approved Commission copy provided to HUD.

II. USE OF THE ADMISSIONS AND OCCUPANCY POLICY

The Rockville Housing Authority has full responsibility for the satisfactory completion of all contractual obligations with HUD and for complying with all subsequent changes in regulations when implementing the Admissions and Occupancy Policy. If such changes conflict with the Policy, HUD regulations will have precedence. The administrative burden for implementation and compliance with the Federal regulations rests with RHE.

Administration of Program Functions

The administration of this Admissions and Occupancy Policy is the responsibility of the Public Housing Department of RHE.

III. WAITLIST

Overview of the Waiting List

RHE's policy is to ensure that all families who express an interest in Public Housing are given an equal opportunity to apply, and are treated in a fair and consistent manner.

RHE maintains a single waiting list for all applicants for admittance into Public Housing. RHE also maintains a separate waiting list for the Section 8 program. If other lists are open, RHE does offer every applicant the opportunity to be placed on any other available assisted housing lists.

Waiting List Preferences

Section 514 of the Quality Housing and Work Responsibility Act of 1998 repeals the federal preference requirements. All applicants, at the time they apply, are awarded local preference points to which they are entitled and placed on the waiting list.

An Applicant will be placed on the waitlist in the chronological order in which they apply and based on the number of preference points assigned. The preferences for which an individual may qualify and the points assigned are as follows.

Preferences

Living and Working in the City Limits of Rockville	4
Living or Working in the City Limits of Rockville	2

An Applicant who qualifies for any Preferences will receive assistance “before” any other applicant who is not qualified. An applicant qualifies for a preference if they meet any of the following conditions:

Living “and” Working in the City of Rockville

1. Having a City of Rockville mailing address. (Which does not include a Post Office Box number) or
2. Statements of residents on pictured identification, for example a drivers license, or
3. Registration of children in local schools, **and**
4. Head or co-head either working or hired to work within the corporate limits of Rockville.

Living “or” Working in the City of Rockville

1. Having a City of Rockville mailing address. (Which does not include a Post Office Box number) or
2. Statements of residence or pictured identification, for example a drivers license, or
3. Registration of children in local schools, or
4. Head or co-head either working or hired to work within the corporate limits of Rockville.

Working Family

Applicant households who reside outside of the corporate limits of Rockville and whose head, co-head or sole member is age 62 or older or is receiving social security disability benefits or any other payments based on the individual’s inability to work; or those who are in or have either the head or co-head be employed for at least three months or that the employment income must be accountable under HUD’s definition of annual income.

Preference Qualification

Initial Self-Certification

No verification of preferences is required at pre- application. Families self-certify preference eligibility and are placed on the waiting list according to date, time, and preferences claimed. An applicant may update their waiting list status in writing to RHE, including any claimed preference, at any time while on the list.

Final Verification of Preferences

The family’s preference eligibility based on the full application process and current circumstances must be verified through a scheduled interview by Public Housing staff and after completion of third-party verification prior to offering a unit.

Preference Denial

If at final verification of preferences it is determined that the family does not qualify for the claimed preference, the family is given written notice of the reason for the determination, has the right to an informal review; and then, is returned to the waiting list and reassigned on the list without regard to the denied preference.

Opening the Waiting List

The opening of the waiting list will be advertised through public notice in a local City of Rockville newspaper of general circulation, on the City of Rockville Cable Channel (53) and in appropriate Minority media. In addition, other organizations will be notified including the Rockville Mayor's Office, Rockville City Council, the Montgomery County Department of Health and Human Services, and local non-profit agencies. The public notice will state where and when to apply, a brief description of the Public Housing program, and a statement that current applicants or residents of other assisted RHE housing programs must submit a separate application to apply for Public Housing.

IV. APPLICATIONS PROCESS

Admission to the Waiting List

Families who wish to apply for placement on the waiting list must complete a written preliminary application for housing, when the list is open. Reasonable accommodation and assistance will be made to persons with disabilities during the application process.

How to Apply

The application process involves **two phases**. The first phase is the **initial pre-application** assistance, which results in the family's placement on the waiting list. The second phase is the **full "Application for Housing Assistance"**, which is completed when the family reaches the top of the waiting list. In the second phase, final eligibility of the family is determined through verification provided by the family and third-party verification completed by the Public Housing staff.

Preliminary Applications

When the Public Housing waiting list is open, RHE pre-applications and instructions are available at RHE's main office (14 Moore Drive in Rockville, MD) or by mail during the open period. RHE staff is available to help families with the pre-application process. The RHE pre-application form requests minimal information about the applicant family and the applicant's signature. The pre-application process does not require any additional certification, but rather, relies on self-certification. All completed pre-applications mailed to RHE will only be accepted during specified postmarked dates.

Applications delivered in person will be stamped upon receipt at the Housing Authority office with both date and time, during the period that the waiting list is open. RHE staff will then process them for initial eligibility.

Notification of Initial Applicant Status

RHE will provide written notification of preliminary eligibility by mail to each applicant that submits a completed pre-application within sixty days of the submission deadline.

Purging the Waiting List

The waiting list may be purged on an annual basis by a mailing a request to all applicants for current information and confirmation of continued interest. The same guidelines apply to applicants that fail to respond to a purge mailing. There is a grace period of 30 days after completion of a purge for reinstatement to the waiting list. Additional extension will be given for disabled applicant's needing a reasonable accommodation.

Closing the Waiting List

RHE will provide public notice of the closure of the Public Housing waiting list at least 30 days in advance of any closure. A decision to close the list is made if there are enough applicants already on the list to fill any unit vacancies for the next 12-18 months.

FULL APPLICATION

Application Processing

In order to minimize delays in the selection process, a pool of completed, eligible applicant files will be maintained by the RHE Public Housing Office. In order to enter the selection pool, a predetermined number of applicants from the top of the waiting list, (chosen by preference, application date and time), are notified in writing and are scheduled for an eligibility interview. After the interview and verification process is completed, RHE will make a final determination of eligibility. If the family is determined eligible, they will be mailed notification and placed in the pool pending available Public Housing units.

Order of Selection

The order of selection of Public Housing applicants from the waiting list is maintained, first by order of preference, and then, by date and time of application. Each application is placed in a separate applicant file. At a minimum, the following information must be maintained for each applicant:

1. Applicant name
2. Bedroom size assigned to the family
3. Date and time of application
4. Qualification for any local preference; and
5. Racial or ethnic designation of the head of household (for statistical purpose only).

Timing of Applicant Selection

Selection from the pool will be based on the waiting list preference sequence coupled with the date of completion of the verification process. Available Public Housing units govern all pool selections.

V. ELIGIBILITY CRITERIA FOR ADMISSIONS

RHE will admit, as residents, only applicant families who, at the time of admission, satisfy the following economic and non-economic criteria:

Economic Criteria

Each Applicant Family shall satisfy the following maximum income and assets requirements:

1. **Income.** Income limits are repealed in accordance with HUD regulations. Because of our unit count RHE must maintain at least 40% of its properties for very low-income applicants.
2. **Assets.** Net Family Assets do not exceed the applicable Maximum Asset Limits as set by HUD.

Non-Economic Criteria

Each Applicant Family shall satisfy the following non-economic requirements. Compliance shall be determined from information obtained from the application process. The non-economic requirements are:

1. **Family Applicant** The applicant must qualify as a family which is defined as two or more persons who will live together regularly in the dwelling unit and are:
 - n related by blood
 - n married or co-habitants (as defined in the glossary)
 - n adopted

All family members who will be housed through Public Housing must be listed and verified as household members at the time of acceptance in the Program. Additions to the household will only be permitted if they meet the criteria established for eligibility. If the addition to the family is a minor, then he/she must be placed in the household through birth, adoption, court order or proof of legal custody.

2. **Single Applicant** A single applicant may also constitute a Family, but only if he or she is:
 - n Elderly (62 or older)
 - n Pregnant female
 - n In the process of obtaining legal custody of a dependent under 18 years
 - n Handicapped or disabled single with none of the above criteria, but who meets the preference requirements of the program.

Independence

The definition of Family includes at least one Adult who is capable of meeting his or her obligations under the lease and do not pose a danger to their own health and safety or to the other residents of the community or RHE employees.

Accordingly, RHE attempts to provide sound housing units in a decent environment and requires that its Families provide for themselves their other essential living requirements, without becoming an

unacceptable burden upon neighboring residents or the RHE staff; such as housekeeping, nursing and health care, personal counseling and financial management.

RHE also requires that at least one responsible member of each Family be capable of understanding and discharging the obligations imposed upon Families by the RHE's lease, including obligations for the payment of rent and other charges and for maintenance, cleanliness and safety of the leased premises.

In special circumstances, with the approval of the Public Housing Manager, these requirements may be satisfied by a formalized arrangement between the Applicant Family and a relative, case worker, nurse or other suitable person who has agreed to provide and is capable of providing the necessary assistance and care.

The continued need for third person assistance and care shall become a special condition of the lease. The person providing such assistance shall not assume the status of a remaining member of the Tenant Family in the event that the Tenant vacates the premises for any reason.

Financial Responsibility

The Family's past performance and present condition must indicate a reasonable probability that the Family will meet its future financial obligations to the RHE. The prospective ability and willingness of the Family to meet their limited financial obligations to the RHE will be determined by Applicants who owe no rent or other amounts to the Housing Authority or to another PHA as a result of participation in the Public Housing or Section 8 programs.

Applicants owing debts from previous assistance through Public Housing Occupancy and/or the Section 8 Program will be notified in writing of the amount owed, and will be given ten (10) days to enter a repayment agreement. If, after entering into a repayment agreement, the applicant defaults, the pre-application will be withdrawn from the waiting list.

If, at the time the applicant's name reaches the top of the waiting list, the debt is still outstanding, the applicant will be required to pay the debt in full before receiving assistance.

Failure to do so will result in the applicant being removed from the waiting list, with the opportunity for an informal review. In either case, the applicant will be given the opportunity of an informal review.

Previous eviction for failure to pay rent shall not automatically disqualify an Applicant Family, but may be the basis for further inquiry and ineligibility.

Conduct

The Family's past performance in present and prior housing should indicate a reasonable probability that the Family:

1. Will refrain from habits, practices and conduct, including criminal activity, that would likely disturb neighbors, damage property, or adversely affect the health, safety or welfare of the Authority's tenants or employees.
2. Has not committed fraud in connection with any Federal housing assistance program.
3. Has no record of being an unsatisfactory Public Housing resident prior to the date of admission.
4. Has no record of criminal activity involving acts of physical violence to persons or property, or

other criminal or drug related acts that would adversely affect the health, safety or welfare of other Residents or the Applicant himself. RHE reserves the right to deny housing assistance to a family or single applicant if a family member is engaged in or has been evicted from Assisted Housing due to drug-related or violent criminal activity in the past three years.

5. Is not subject to a lifetime registration requirement under the State sex offender registration procedure.

In these cases, RHE is not required to list the family or single applicant on the wait list or to admit the family into its program(s). A waiver, however, may be granted for an individual who clearly did not participate in or have knowledge of drug related or criminal activity or if the circumstances leading to eviction no longer exist.

Removing Applicants from the Waiting List

An applicant that fails to respond to an RHE mailing requesting an update or information, will be given 10 business days to respond to RHE. If they fail to respond within 10 business days, they will be removed from the waiting list. If the initial mailing is returned to RHE by the Post Office without a forwarding address, the applicant will be removed from the list without further notice, and the envelope and letter will be placed in the applicant's file. If the initial mailing is returned to RHE with a forwarding address, it will be resent to the forwarded address. An applicant removed from the waiting list for failure to respond to RHE will not be entitled to reinstatement unless the applicant has a disability and asks for a reasonable accommodation to respond.

1. Acceptance of Housing

Acceptance of housing in any program removes the applicant from the waiting list for that program only. He or she will remain on all other housing waitlists to which he/she has applied unless he/she requests removal in writing.

2. Refusal of Housing

If the applicant refuses the public housing unit offered, the applicant will be removed from the public housing wait list. The applicant will remain on the wait list for other programs.

Informal Review for Applicants

Process

The RHE Public Housing staff will promptly mail written notice of a decision denying assistance to the applicant. The notice will summarize the reasons for RHE's decision and will allow the applicant ten business days to request in writing an informal review. The applicant will be scheduled an informal review date with the Public Housing Hearing Officer. After the informal review, the applicant will be notified in writing of the Hearing Officer's decision and the reasons. The determination of RHE's Hearing Officer is final. There is no other administrative appeal.

When Informal Review is Required

An informal review must be offered to any applicant denied assistance, including an applicant's change in status on the waiting list due to denial of a preference.

When Informal Review is Not Required

1. For RHE discretionary administrative determinations
2. For general policy issues or class grievances
3. For assignment of the family's unit size under RHE's subsidy standards

VI. FINAL SELECTION AND ASSIGNMENT

Factors in the Selection Process for Admission to Public Housing

The following plan for selection of applicants and assignment of dwelling units are consistent with the objective of Title VI of the Civil Rights Act of 96 and HUD regulations and requirements to assure equal opportunity and non-discrimination on grounds of race color or national origin.

The procedures used for selection of Residents shall be designed to house a Resident body in each community composed of families with a broad range of incomes and rent paying ability. The selection process or placement of an applicant in Public Housing is based upon the following factors:

- n Preference points and ranking status
- n Application date and time
- n Bedroom size
- n Elderly and non-elderly status
- n Eligibility criteria

Preference Points

Preference points will only be awarded upon written verification of the applicant's preference status at the time of the eligibility interview. An applicant who does not submit verification of their preference status will not be awarded preference points.

Application Date and Time

An applicant's position on the waiting list will be maintained in order of date and time of application and within required bedroom sizes. The date and time of receipt of each application received will be stamped on the application.

Non-Citizenship

In accordance with Section 214 of the Housing and Community Development Act of 1980, RHE will restrict providing housing assistance to non-citizen housing applicants and participants.

Bedroom Size

The following occupancy standards will be used to determine the number of bedrooms required to accommodate a family at leasing (except that such standards could be waived at the discretion of the Executive Director or designee when necessary to achieve or maintain full occupancy or when extraordinary family situations or circumstances exist):

Occupancy Standards

Bedroom	Minimum # of Persons in Household	Maximum # of Persons in Household
0 BR	1	1
1BR	1	2
2 BR	2	4
3 BR	3	6
4 BR	4	8
5-6 BR	6	10-12

Notes:

1. Dwellings will be assigned so that, except in the case of infants or very young children, it will not be necessary for persons of the opposite sex, other than husband and wife, to occupy the same bedroom.
2. Children who have reached the age of three (3) years will be given a separate bedroom from that single parent when a vacancy occurs and a transfer feasible.
3. Children of opposite sex will not be required to share a bedroom after reaching the age of five (5) years when a vacancy occurs and a transfer is feasible, and for dependents of the same sex where the age difference is greater than 5 years.

The preceding categories of occupancy standards are guidelines only. A family may elect to occupy a

smaller unit than these guidelines would dictate if they so choose.

Elderly and Non-Elderly Status

Elderly and disabled or handicapped families are given preference in admission to communities for the elderly. Management retains the right, however, to house a single handicapped or disabled person in a one bedroom “accessible” family unit.

Intake Certification Interview

1. **Who attends** All adult members of the household, age 18 and over are required to attend the eligibility interview.
2. **The packet** of verification forms are presented to every scheduled applicant as part of the eligibility interview to be completed by the family.
3. **Annual Income** See Appendix: Definitions “Annual Income”
 - a. **Minimum Income** There is no minimum income requirement. Families who verify their income at zero may be served, but must report any income in the month it begins.
 - b. **Averaging Income** All current income should be annualized. If income cannot be anticipated, average the known sources of income, or annualize the current income and conduct an interim exam if income changes.
 - c. **Over Income** Families whose income is over the limit established for its household size, may lease a dwelling if there are no eligible applicants. The rent cannot be less than the cost to operate the unit.
 - d. **Income of Absent Family Member** Any member of the household will be considered permanently absent if they are away from the unit for more than three consecutive months or more than 120 days in a calendar year. An absence due to medical reasons allows for up to 180 days away from the family, provided there is verification. If the family member is temporarily absent and plans to return to the family, their income must be included to determine eligibility.
 - e. **Income of Dependent** Earned income of minors is not included, but benefits and other non-earned income is included. If the adult is a full-time student, only the first \$480 is included as income, provided the family member is not the head of household or spouse.
4. **Asset Income**
 - a. Inclusions
 - 1) Amounts in savings and checking accounts
 - 2) Stocks, bonds, and other investment accounts
 - 3) Equity in real property and other capital investments
 - 4) Cash value of trusts available to the family
 - 5) Retirement savings accounts
 - 6) Lump sum payments including inheritances, lottery winnings, capital gains, and insurance

- settlements
 - 7) Personal property held as investments, such as collections
 - 8) Cash value of life insurance policies
 - 9) Assets disposed for less than fair market value during the two years preceding the eligibility certification for the program
 - b. Exclusions
 - 1) Necessary personal property not listed in “Inclusions”
 - 2) Interest in Indian trust lands
 - 3) Assets that are part of an active business
 - 4) Assets not accessible, such as a trust
 - 5) Handicapped-equipped vehicles
 - 6) Equity in cooperatives or manufactured homes occupied by the family
- 5. **Adjusted Income** See Appendix: Definitions, “Adjusted Income”
 - a. **Medical Expenses** A medical allowance is given to any family in which the head/co-head is elderly (62 years or older) or disabled. The expenses are allowed for the entire family.
 - b. **Childcare Expenses** A childcare allowance for the care of children under 13 years of age is given to enable a family member to work or go to school. The expense cannot exceed the amount earned for a member to work.
The childcare cost cannot be reimbursed by anyone outside the family.
 - c. **Disability Assistance Expenses** A disability assistance allowance is given for a family’s anticipated expenses for care attendants and auxiliary apparatus to any adult family member, including the disabled member to work.

Verification Procedures

All verification of information should be not more than 60 days old and will be processed by Public Housing staff.

1. **Order of Preference** The following order will be used to confirm verification of information:
 - a. **Third-Party Written Verification** Mailed by RHE staff to the source and returned by first class mail.
 - b. **Third-Party Oral Verification** Oral third-party verification is to be used when third-party written verification is delayed or not possible. If third party verification is not possible, the reason must be documented in the file.
 - c. **Review of Documents** RHE will use documents provided by the family as the primary source only if third-party written and oral verification is not possible.
 - d. **Certification/Self-Declaration** When verification cannot be done by third-party or document review, families will be required to submit a self-certification.
2. **Acceptable Documents** A self-certification does not need to be notarized, but it must be signed and dated by the family member affected. Third- party verification cannot ever be

hand carried by the family. If the third-party oral verification is by telephone, RHE staff must originate the phone call. Oral verification must be written down by staff, including the date of the conversation, which they spoke to and the information provided. If staff has to review documents, all documents must be original or faxed copies from an agency, no photocopies will be accepted. If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, RHE will utilize the third-party verification.

Elderly, Disabled & Handicapped Applicants

When a vacancy occurs in an elderly housing community, one (1) offer of an appropriate size unit will be made to the applicant based on type and size of the unit available and date and time the application was received at the property where the greatest number of vacancies exist.

If the applicant refuses the offer of a unit for a reason other than the approved valid reasons for health hardship, the applicant will be removed from the public housing waiting list.

Family Applicants

When a vacancy occurs in a family housing community, one (1) offer of an appropriate size unit will be made to the applicant based on type and size of unit available and date and time the application was received at the property where the greatest number of vacancies exist.

If the applicant refuses the offer of a unit for a reason other than the approved valid reasons for health hardship, the applicant will be removed from the public housing waiting list.

If the applicant is willing to accept the unit offered but is unable to move at the time of the offer and presents clear evidence of his inability to move, refusal of the offer shall not count and the applicant will be placed at the bottom of the eligible applicant list.

Standards for Resident Selection

RHE shall use information that may provide a basis for denial of housing based on the past conduct of the applicant or members of his/her family. To obtain such information, all families are subject to the following:

1. Credit report from a local credit bureau;
2. A rental history report from a current or previous landlord;
3. Information from social workers, police departments, parole officers, court system, drug treatment facilities, and other relevant reports.

Assignment Process

1. Applicants are selected from the top of the Public Housing list based on date and time of application, preference points, and suitable type or size of unit with consideration given to elderly and/or handicapped status factors which could adversely affect the health, safety or welfare of other residents.
2. Eligible applicants are assigned by the Public Housing Department to the appropriate

- community based on current and anticipated vacancies.
- Each fiscal year RHE will reserve a minimum of 40 percent of its public housing new admissions for families whose incomes do not exceed 30 percent of the area's median income. To this extent, RHE will avoid the concentration of very low-income families in certain public buildings or communities.

Hardship Criteria for Applicants and Residents of HE

There are two (2) bases for hardship requests relative to the offering of a unit to new applicants:

- Health-** The physical unit itself is not appropriate because of applicant's incapacities; its location precludes home-bound support or mitigates against access to required long-term medical care or
- Economic Hardship**The unit's location would cause loss of job, severe economic hardship including inadequate access to appropriate day care and/or preclude fair access to transportation as reasonably required.

Applicants must inform staff of their decision to accept or reject an offered unit within 24 hours of the offer.

Refusals and Denials of Applicants

- RHE WILL deny an applicant housing for the following reasons:
 - History of:
 - disturbing neighbors;
 - destroying property;
 - living or housekeeping habits which would adversely affect the health, safety or welfare of other residents; or
 - criminal activity, especially involving violence.
 - Non-payment of rent
 - Poor credit history
 - Health or safety problems
 - Owing money to a public agency in connection with the public housing or Section 8 programs
 - Committing fraud in connection with any federal housing assistance program
 - Indication that the use of alcohol and/or drugs would likely result in conduct that would adversely affect the property environment.
 - Non-citizen or eligible immigrant status.
- RHE WILL:**
 - Inform the applicant in writing why housing is being denied and of their right to

an informal review and give 10 days from the applicant to request an informal review.

- b. Refer the applicant to appropriate services when applicable.

The informal review will provide the applicant with an opportunity to present new information or to refute existing information. The Hearing Officer may declare an applicant eligible, continue the findings of ineligibility, or reopen the case for further evaluation. The applicant will be notified in writing of the results of the informal review. The decision of the hearing officer is final.

VII. DWELLING LEASES

Occupancy Requirements

The Dwelling Lease is the basic contract between the Rockville Housing Enterprises, the Resident and Resident's family. It is consistent with the State and local laws governing tenant-landlord relations as well as HUD regulations. It governs the relationship between the HE and its Residents. It is the major policy document governing continuing occupancy promulgated by the RHE.

No Applicant Family or Resident Family may occupy a unit in any community managed by the RHE without an executed Lease for such unit that has been signed by the Head of Household and a representative of RHE. The Lease shall be implemented for each Resident at admission and at the time of transfer for any Resident moving from one unit in a development to any other unit in a development.

Lease Requirements

The Lease, which is entered into between the RHE and each household, contains the following major provisions:

1. Identification of parties and premises;
2. Payments due under the Lease;
3. Rent and Unit size determinations;
4. Resident's right to use and occupy;
5. RHE's obligations;
6. Resident's obligations;
7. Defects hazardous to life, health or safety;
8. Pre-occupancy and pre-termination inspections;
9. Entry of premises during residency;
10. Notice procedures;
11. Termination of the Lease;
12. Grievance procedures;
13. Provisions for modifications; and
14. Signature clauses.

Identification of Parties and Premises

Each Lease shall identify the premises leased and the parties to the lease including:

1. The date of the commencement of the Lease;
2. The term of the Lease; and

3. The members of the household and their relationship to the Head of Household who shall reside in the unit as approved by the RHE.

Dwelling Leases are for a period not to exceed one year. The Lease is automatically renewed for successive terms of one month each, unless terminated by the resident with proper notice or upon lease violations as specified later in this document.

Payments Due Under Lease

Five types of payments are due under the provisions of the Lease:

1. **Security Deposits**

Residents shall deposit with HE an amount equal to either one month's Total Tenant Payment or \$250.00 whichever is greater as security for the performance of resident's obligations under the Lease. The security deposit may be paid either as a lump sum on the date of occupancy of the unit or billed in reasonable installments at the execution of the Lease and thereafter until the amount is paid in full. The security deposit may not be used to pay rent or other charges while the resident occupies the unit and may be used only upon termination of the lease to cover unpaid rent and other charges or damages due RHE.

2. **Rent**

The amount of rent charged the Resident at the date of occupancy (or the making of the current lease) is fixed in the lease. This amount may be adjusted upward or downward during the term of the lease to reflect changes in the Total Family Income as specified below. Once a year, RHE will give public housing families the opportunity to choose between paying a flat rent based on the unit's value or an income based rent, based on family income. On the first day of each month or at the time of initial occupancy.

- a. **MINIMUM RENT:** In accordance with Section 402(a) and (2) of the continuing resolution, assisted families will pay a monthly minimum rent of not less than \$50.00 effective [April 1, 1998]. The total tenant payment of the families must be the greatest of:

- n 30% of family monthly adjusted income
- n 10% of family monthly gross income, or
- n \$50.00 minimum set by RHE.

- b. **FLAT RENTS:** RHE has made flat rate rents available to its residents.

The flat rent is based on the fair market rents established for the area's section 8 and established in a way that won't discourage families working toward economic self sufficiency.

- c. **TEMPORARY RENT:**

If the reported change involves a change in employment status and income upon which rent is determined, RHE SHALL calculate a temporary rent that reflects the reported changes. RHE SHALL attempt to verify the reported changes through its normal verification procedures within ten (10) days of the application. However, should there be difficulty in immediately verifying the information, the temporary rent shall remain in effect until the changes are verified or for a period not to exceed sixty (60) days, whichever is shorter.

d. **HARDSHIP RENT:**

If the resident reports and adequately demonstrates to RHE a change in his or her circumstances which, with the continued payment of rent at the then current rate, creates a verified hardship, the RHE SHALL reduce the rent during the continued existence of the hardship and for a period of sixty (60) days thereafter. The previous rental rate shall automatically be restored at the end of the sixty (60) days unless the resident again demonstrates to RHE that the hardship continues to exist. The resident must demonstrate efforts to remedy the condition bringing about hardship rent in order to have successive requests for hardship rent approved. Financial hardship includes the following situations: the family has experienced a decrease in income because of changed circumstances, including loss or reduction of employment or other assistance; the family has experienced an increase in expenses because of a change in circumstances for medical costs, child care, transportation, education or similar items.

e. **RETROACTIVE RENT:**

If RHE determines that the resident has misrepresented to the RHE the facts upon which his rent is based, which resulted in an underpayment of rent, RHE may, in addition to its other rights and remedies, including termination, retroactively charge and collect rent at the correct rent.

f. **DISALLOWANCE OF INCREASE IN INCOME**

As Public Housing self-sufficiency initiative in accordance with HUD requirements, RHE will disallow increases in employment income in calculation for tenant rent for twelve months after commencement of employment of a family member. The disallowance of increases in income as a result of employment to persons who are or were assisted, within six months, under any State program of temporary assistance for needy families only if the amount of assistance, benefits or services is at least five hundred dollars.

In the second twelve-month period, RHE will disallow 50% of the increased income.

3. **Late Payment of Rent and Court Costs**

A penalty of 5% shall be assessed when a resident fails to pay all monthly rent by the 10th of a given month. The resident may also be charged the cost of court and any other assessments

associated with legal proceedings as awarded by the courts. The resident may also be charged the cost of court whenever legal proceedings are initiated for the collection of unpaid sundry and other charges.

4. Resident Paid Utilities

Residents will be responsible for payment of the utilization of Gas. These payment arrangements must be made directly with the utility supplier for the Rockville area. A utility allowance is given to each family to offset the utility cost. If the utility allowance for resident paid utilities exceeds the Total Tenant Payment, RHE will pay the excess as a utility reimbursement to the family.

5. Excess Utilities

The authority furnishes, without additional charge, the Utilities specified for the development on the Schedule of Utilities adopted by RHE, these include water, sewer and electricity. Copies of the Schedule of Utilities will be posted in each development office and will be placed in the resident's file and furnished to the resident upon request. The resident will be charged for any utility consumption in excess of the amount allotted for units of similar size and construction.

Charges for Excess Utilities are due and payable on the first day of the second month following the month in which the Excess Utility charge was incurred.

6. Repair Charges

The resident shall be charged for any repairs to the dwelling and/or equipment furnished which are not due to normal wear and tear. The Head of Household shall be responsible for any and all damages caused by a member of the resident household or their guests to the Unit, buildings, facilities, or common areas under the control of RHE. The repair charges, where possible, shall be determined by reference to a uniform schedule of charges for repairs and materials as approved by RHE AND posted in the development offices. Repair charges are due and payable on the first day of the second month following the month in which the charge is incurred and all charges shall indicate the nature of the repair.

Repayment Agreements

When a participant owes money to RHE, assistance may not be terminated simply because the family has an outstanding debt. When an applicant owes money to RHE (or another PHA or another federal housing program), placement on the waiting list must not be denied solely because of a previous debt. The participant or applicant with RHE or another public housing authority to permit payback of a debt over a period of time may execute a Promissory Note in the form of a Repayment Agreement.

Repayment Agreements may be executed for, but are not limited to, the following circumstances:

1. Outstanding rent or other charges owed to RHE
2. Failure to report changes in income or family size that results in underpayment of rent.
3. Repayment to RHE for bills paid on the participant's behalf due to unpaid rent,

outstanding utilities or damages.

Participants owing money must be notified of their liability and informed that they are not required to enter into a Repayment Agreement as a condition of continued housing. However, in the absence of a Repayment Agreement or default of a Repayment Agreement, the RHE may terminate the lease.

There is no dollar limit on the amount of the Repayment Agreement. Payment amounts should be affordable for the participant or applicant and for a specified term not to exceed 12 months without approval of the Executive Director.

If the applicant or participant has signed a Repayment Agreement with RHE (or any other PHA or federally assisted housing program) and they breach the agreement, RHE may deny or terminate the lease.

Rent and Unit Size Re-determination

Section IV of the Lease provides for the re-determination of rent, eligibility and dwelling size and represents the foundation of the continuing occupancy policies. The eligibility of a family to remain in occupancy, the amount of rent and the appropriateness of the size of the unit assigned based on family composition are each determined as a result of the periodic reexamination of resident families.

Annual Reexamination

RHE shall reexamine the incomes and family composition of households living in its developments at least once in a twelve (12) month period. The reexamination dates for a specific resident shall be consistent with the anniversary date of the Lease. Sixty to ninety days prior to the anniversary date of the Lease, the Head of Household shall review, update and sign a statement setting forth the facts as to Family income, assets, and employment and family composition. Each year Public Housing families may choose to have their rent based on the traditional formula method or flat rent set by RHE.

For families who were receiving TANF or were unemployed for at least twelve months prior to the annual reexamination, HE will disregard the earned income of those families for one year. HE will also disregard increases in employment income for family members participating in a family self-sufficiency or job training program for one year from the date of the increase.

RHE shall verify all information submitted by the resident in accordance with this policy. To assist in the verification process, the Head of Household and any working adult members of the resident's family shall sign release of information forms necessary to accurately verify the source, amount and permanence of income. Copies of enrollment forms and transcripts may be required to document the status of full-time students for persons 18 years and older.

If, as a result of the Annual Reexamination, the RHE determines that a resident's rent should be adjusted, the RHE will give resident 30-day notice of Rent Adjustment. The adjustment shall become effective on the date stated in the notice unless the tenant requests a grievance hearing on the proposed adjustment based on the manner in which the rent was determined.

The rent established at admission or the last reexamination date shall remain in effect between regular rent determination dates unless modified through an interim adjustment.

Interim Adjustments

In general, the resident shall report any changes in family composition, employment status, or income to the RHE within ten (10) days after the change has occurred. However, rent shall also be adjusted if RHE obtains independent verification of income for a family member that has not been previously reported.

Verification of Information

Where feasible, **third-party written verification** or **direct document review** shall be the preferred method of verifying resident information, including income, value of Assets, Medical Expenses, Child Care Expenses, Family composition, Age, Disability, Handicap, Student Status, and Displacement Status. **Third-party** verification may be used if the resident file is documented according to identification of all parties, the date and content of information. All information must be verified as a condition of continued occupancy. The Head of Household and all adult members of the resident family must sign HUD-approved release forms authorizing private and public agencies to furnish and release required information to the RHE.

Misrepresentation of Information

If RHE determines that the resident has knowingly misrepresented the facts upon which his or her rent or unit assignment is based, RHE may, in addition to its right to charge retroactive rent or to refuse to adjust the Family composition and unit size, terminate the lease and take possession of the unit upon a thirty (30) day notice to the resident unless he/she requests a grievance hearing on the proposed termination, in which case the grievance decision will determine the action or remedy.

Unit Size Determination

Assignments to units are based on Family size and composition as discussed earlier in this document. If the RHE determines that the size of the unit is no longer appropriate based on the Family composition, the RHE shall amend the lease and transfer the resident to a dwelling of appropriate size designated by the RHE, by written notice to the resident and allowing a reasonable time within which to move. Transfers due to changes in family composition may take priority over the housing of persons from the applicant pool.

Tenants Right to Use and Occupy

As long as the lease is in effect, the resident shall have the right to the exclusive use and possession of the unit as long as the dwelling is not used, or the resident does not permit it to be used, in violation of the terms and conditions of the lease. This restriction on the use and occupancy of the lease shall imply that neither resident nor members of the resident family may sublease the dwelling to anyone else or permit persons not listed on the lease to occupy the dwelling in return for compensation. It shall also imply that resident may not conduct a business from the premises or engage in any other activities which are in violation of building or housing codes as well as civil and criminal laws.

Community Service Requirement

HUD requires that each adult member of a Public Housing household, as part of their lease, is to contribute eight hours per month of community service within the community in which the adult resides or to participate in an economic self-sufficiency program for eight hours per month.

This requirement is only for residents who are not 62 years of age or older; blind or disabled; employed; a person engaged in a work program as part of welfare reform efforts; or anyone in a family receiving assistance in a State that has a welfare to work program and is complying with program requirements.

The Authority's Obligation

The lease to specifically obligates the RHE:

1. Maintain the dwelling and the community in a decent, safe and sanitary condition;
2. Comply with requirements of applicable building codes, housing codes and HUD regulations materially affecting health and safety.
3. Make necessary repairs to the dwelling unit.
4. Keep community buildings, facilities and common areas, not otherwise assigned to resident for maintenance and upkeep, in a clean and safe condition.
5. Maintain in good and safe working order and condition all electrical, plumbing, sanitary, heating, ventilating and other facilities and appliances (including elevators) supplied or required to be supplied by RHE.
6. Provide and maintain appropriate receptacles and facilities (except containers for exclusive use of an individual resident household) for the deposit of ashes, garbage, rubbish, and other waste removed from the premise by resident as required by the Lease.
7. Supply running water and reasonable amounts of hot water and reasonable amounts of heat at appropriate times of the year according to local custom and usage except where the building that includes the dwelling unit is not required to be equipped for that purpose or where heat or hot water is generated by an installation within the exclusive control of Tenant and supplied by a direct utility connection.
8. Notify resident of the specific grounds for any proposed adverse action by the RHE. Such adverse action includes, but is not limited to, a proposed lease termination, transfer of resident to another unit, or imposition of charges for maintenance and repair or for excessive consumption of utilities. When RHE is required to afford resident opportunity for a hearing under the RHE Grievance Procedure for a grievance concerning a proposed adverse action:
 - a. The notice of the proposed adverse action shall inform resident of the right to request such a hearing. In the case of Lease termination, a Notice of Lease Termination that complies with appropriate regulations shall constitute adequate notice of proposed adverse action.
 - b. In the case of a proposed adverse action other than a proposed Lease termination, RHE SHALL not take the proposed action until time to request such a hearing has expired or, if hearing was timely requested, the grievance process has been completed.

Should the resident believe that the RHE has failed to conform to any or all of the above obligations, the

resident may request a grievance hearing to seek corrective actions regarding the situation.

Unit Transfers

All residents are eligible for transfer if they meet the resident-initiated transfer policy criteria (see Appendix D). Transfers will, however, be limited to no more than three per month.

VIII. TERMINATION OF RESIDENCY

Violations of the Lease

1. Terminations and notices to vacate will occur in accordance with provisions of the resident's lease and State and local law.
2. Resident Managers will generally hold case conferences with a resident in violation of the lease in an attempt to informally work out a solution.
3. The Rockville Housing Authority will terminate residency for:
 - a. material noncompliance with HUD requirements for public housing occupancy
 - b. material noncompliance with the terms of the lease;
 - c. material failure to carry out obligations under any State of Maryland Landlord and Tenant Act; or
 - d. other good cause that includes but is not limited to resident's refusal to accept the Commissions proposed change to the lease. Termination for "other good cause" may only be effective at the end of any initial or successive term.
 - e. if the family fails to accept the RHE's offer of a revision to an existing lease.

Evictions

1. All evictions will be conducted in accordance with State and local law and the resident's lease.
2. The Public Housing Manager will inform the resident of the lease violation; the consequence of continuing to violate the lease; and the date, time and location for informal hearings, as appropriate. The resident may bring interested parties to informal hearings.
3. The Hearing Officer will prepare written summaries of the informal hearings and provide the resident with copies.
4. In appropriate cases, the Public Housing Manager will enter into a repayment agreement with the resident.
 - a. If an agreement is reached for the payment of outstanding debts owed to RHE, both parties will execute a standard form agreement. If the resident breaks the agreement, RHE may proceed to court as stipulated in the agreement for judgment against the resident and may repossess the unit.

If a satisfactory agreement is not reached for the payment of outstanding debts, RHE may proceed to issue a thirty (30) day Notice to Vacate. This shall not however, constitute a waiver of the resident's right to grieve RHE's action or contest the action in an appropriate judicial proceeding.

5. A written thirty (30) day Notice to Vacate will be sent to the resident.
 - a. The notice will specify that if the resident fails to vacate the premises within the applicable statutory period or on the termination date stated in the notice, whichever is later, appropriate action will be brought against him/her and he/she may be required to pay court costs and attorney fees.

Appeals and Grievance Procedure

All residents and applicants have the right to appeal decisions or actions of the Rockville Housing Enterprises through application of the Grievance Procedure. (See Appendix E for a copy of the Grievance Procedure.)

APPENDIX A: GLOSSARY

ADJUSTED INCOME Total Annual Income less:

- 1) \$480 for each dependent other than the family head or spouse, who is under 18

years of age or is Disabled Person or Handicapped Person or is a full-time student (excluding foster children).

- 2) \$400 for each elderly family.
- 3) Medical expenses in excess of 3 percent of annual income for any elderly family (Medical expenses is redefined to include medical insurance premiums).
- 4) Child care expense for any minor under 13 years old so that family member can work or further his or her education.

ADULT -A person who is at least 18 years old. .

ANNUAL INCOME-Annual Income is the anticipated total income from all sources, including all net income derived from assets of the Head of Household, the Spouse, and each additional Adult member of the Tenant Family 18 years of age and older, anticipated to be received during the twelve (12) months following the effective date of the initial determination (admission to housing) or reexamination of family income, **exclusive of:**

- A. Income from the employment of children (including foster children) under the age of 18 years;
- B. Payment received for the care of foster children; and
- C. Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits. That portion of the income which is available to meet the Resident Family's needs from a Head of Household, Spouse or other person whose dependents reside in the unit who is absent from the Household shall also be included as income.

APPLICANT- Any person of statutory legal age (18 years or older) who is considered to be Head of Household, whose family conforms to all the requirements for admission, and who has completed an application at the Rockville Housing Authority.

ASSETS - The value in equity in real property, savings, stocks, bonds, checking and other forms of capital investments (the value of necessary minimal items of personal property such as furniture and automobile is not to be considered as assets).

CHILD CARE EXPENSES Amounts anticipated to be paid by the Family for the care of children under 13 years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a Family member to be gainfully employed or to further his or her education. The amount deducted shall reflect reasonable charges for childcare, and, in the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment. 24CFR813.102

CO-HABITANTS- Two (2) or more persons who, **at the time of application** have been living together as a family in a stable relationship.

COMMUNITY SERVICE -The performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency or

increase resident self-responsibility in the community. It is not employment and many not include political activities.

COVERED FAMILIES Families who receive welfare assistance or other public assistance benefits from a State or public housing agency under a program for which Federal, State or local law requires that a member of the family must anticipate in an economic self-sufficiency program as a condition of assistance.

DEPENDENT - A member of the Tenant Household (excluding foster children) other than the Head of Household or Spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a Full-time Student. 24CFR813.102

DISABLED FAMILY- A family whose Head of Household, Spouse or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one live-in aid. No person shall be considered a person with disabilities solely on the basis of any drug or alcohol dependence at the time of eligibility determination.

ELDERLY FAMILY A family whose Head of Household or Spouse or whose sole member is:

- 1) at least 62 years old,
- 2) a Disabled Person, or
- 3) a Handicapped Person as defined in this section and may include two or more elderly (at least 62 years old), Disabled or Handicapped person living together, or one or more such persons living with another person who is determined to be essential to his or her care and well being.

EXCESS UTILITIES- The amount of Utilities consumption in excess of a reasonable allowance based on the history of utility use by families in units of similar size and construction.

ECONOMIC SELF-SUFFICIENCY PROGRAM Any program designed to encourage, assist, train or facilitate the economic independence of assisted families or to provide work for such families.

FAMILY- Family means two (2) or more persons related by blood, marriage or adoption or operation of the law who will live together in the dwelling unit, or two (2) or more persons (co-habitants) who, at the time of the application, have been living together as a family in a stable relationship. With respect to single persons, or the remaining member of a tenant family, except that in certain circumstances, the definition can include other single persons, meaning single persons living alone or intending to live alone who do not qualify as an elderly family, displaced person or the remaining member of a tenant family. A remaining member of a tenant family must meet all requirements for housing and accept in writing full responsibility for all financial obligations and repair to the property, if any, of the previous tenant family of which he or she was part, prior to the Authority accepting said remaining member(s) of a tenant family as lease holder(s).

Such remaining member of said tenant family must be of legal age and conform to all rules, regulations, and policies of the Housing Authority.

FOSTER CHILDREN Minors who have been placed in a household by a Court of public or private nonprofit child-placing agency for their care and maintenance.

FULL TIME STUDENT A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended and who is making satisfactory progress toward a terminal degree at such institution. An Educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

GROSS RENT- See Total Tenant Payment.

HANDICAPPED PERSON A person having a physical or mental impairment which:

- 1) Is expected to be of long-continued indefinite duration, and
- 2) Substantially impedes his or her ability to live independently, and
- 3) Is of such a nature that such disability could be improved by more suitable conditions.

HEAD OF HOUSEHOLD The Adult family member who is held responsible and accountable for the family (and normally considered to be the lessee of the Authority).

HUD - The Department of Housing and Urban Development or its designated officer or employee.

LOW INCOME FAMILY A family who's Annual Income does not exceed 80 percent (80%) of the median income for the area, as determined by HUD with adjustments for smaller or larger families. HUD may establish income limits higher or lower than 80 percent (80%) of the median income for the area.

MANAGEMENT- Agents, employees, or contractors of the Rockville Housing Authority.

MEDICAL EXPENSES Those Medical Expenses, including medical insurance and premiums that are anticipated during the period for which Annual Income is computed and that are not covered by insurance.

MAXIMUM ASSET LIMIT- The maximum dollar amount of assets above which the Family would not qualify for government assisted housing. The dollar amount that is:

- 1) for an Elderly Family, four times the applicable annual Maximum Income Limit for the Family, and
- 2) for any other Family, three times the applicable annual Maximum Income Limit for the Family.

MINOR - A person who is less than 18 years old.

FAMILY ASSETS- The value of equity in real property, savings, stocks, bonds, and other forms of capital investment, excluding equity accounts in HUD ownership programs and necessary items of personal property (such as household furniture, and automobiles). Assets include:

- 1) checking and savings accounts,
- 2) land and buildings,
- 3) stocks and bonds,
- 4) the value of any assets disposed of by an Applicant or Tenant Family during the 2 years preceding the date of Application (or Reexamination).

REEXAMINATION DATE- The anniversary date from which the Tenant Family leased the Unit from the Authority.

REMAINING MEMBER OF A TENANT FAMILY- A member of a Tenant Family who was listed on the lease and occupying the Unit at the time of the involuntary absence of the Head of Household and who is capable of living independently. The status of Remaining Member of a Tenant Family does not include persons granted conditional or temporary residency for the care and well being of one or more members of an Elderly Family nor does it include foster children or other persons granted temporary residence for their care and maintenance.

RESIDENT/TENANT- Any member of a Tenant Family who is listed on Resident's lease and has been approved to occupy the leased Unit by the Authority.

SECONDARY WAGE EARNER The Spouse, where both the Head of Household and the Spouse are gainfully employed.

SINGLE PERSON A person living alone or intending to live alone and who does not qualify as elderly, disabled or handicapped, family or the remaining member of a Resident family. A single person shall not be admitted to any assisted housing without an authorization by HUD as provided in 24 CFR Section 812.3.

STATUTORY MINIMUM RENT- The amount chargeable as Gross Rent that is 10 percent (10%) of the Annual Family Income.

TEMPORARY, NONRECURRING, OR SPORADIC INCOME Income such as, and including, the following:

- 1) casual, sporadic, and irregular gifts;
- 2) amounts which are specifically received for, or are reimbursements of, the cost of illness or medical care;
- 3) lump-sum additions to family assets, such as, but not necessarily limited to, inheritances, insurance payments, including payments under death and accident insurance and workmen's compensation, capital gains, and settlements for personal or property losses;
- 4) amounts of educational scholarships paid directly to the student or to the educational institution and amounts paid by the United States Government to a veteran for use meeting the cost of tuition, fees and books and that are not available for sustenance;
- 5) hazardous duty pay to a Family Member in the Armed Forces away from home and exposed to hostile fire; and
- 6) payment received by participants in other publicly assisted programs as reimbursement for out-of-pocket expenses incurred (special equipment, clothing, transportation, reimbursement for childcare, and so forth that are made solely to allow participation in a specific program and cannot be used for any other purposes).

TENANT FAMILY- The Head of Household and all members of that Family who are listed on the Dwelling lease at the time of admission or who have been added to the lease and approved by the Authority subsequent to occupancy of the Unit.

TENANT RENT- The amount payable monthly by the Family as rent to the Authority for use of the dwelling accommodation and equipment (such as ranges and refrigerators, but not including furniture), services, and reasonable quantities of utilities determined in accord with the Authority's schedule of allowances for utilities supplied by the development. Where all utilities (except telephone and cable) and other essential housing services are supplied, Tenant Rent equals Total Tenant Payment. Where some or all utilities (except telephone and cable) and other essential housing services are not supplied and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment less the Utility Allowance.

TOTAL TENANT PAYMENT- The monthly amount calculated as the highest of the following:

- 1) 30 percent of Monthly Adjusted Income;
- 2) 10 percent of Monthly Income; or
- 3) If the family receives Welfare Assistance from a public agency and a part of such payments, adjusted in accordance with the Family's actual housing costs, is specifically designated by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated.

Total Tenant Payment does not include charges for utility consumption in excess of the Authority's schedule of allowances for utility consumption, or other miscellaneous charges, such as repair charges.

UNIT - A dwelling unit intended for occupancy by families managed by the Rockville Housing Authority.

UTILITIES- Water, electricity, gas, other heating, refrigeration, and cooking fuels, trash collection, and sewerage services, Telephone and cable service are not included as utilities.

VERY LOW INCOME FAMILYA Family whose Total Family Income does not exceed 50 percent (50%) of the median Total Family Income for the area that includes Rockville, with adjustments for smaller and larger Families, as determined by HUD.

WELFARE ASSISTANCE Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly by Federal, State, or local governments.

Appendix D: Resident Initiated Transfers

Residents who wish to be transferred to another unit with the Rockville Housing Authority must have legitimate need. A legitimate need is defined as one of the following:

- 1) Current unit size is no longer suitable for the family size.
- 2) Family desires to move to a scattered site home in its effort of working towards self-sufficiency.
- 3) A physical disability requiring more suitable housing.

The tenant must also meet the following criteria:

Eligibility Criteria

Completion of a ***Transfer Request Form*** that will be reviewed and submitted by the Resident Manager.

Must have been a resident of RHE for at least one year.

Must have no more than two summonses in a 24-month period for non-payment of rent. The tenant's account must be paid up to date at the time of the request and at the time of the transfer.

The tenant must have good housekeeping and grounds keeping inspection reports and the current unit must be maintained in good condition. An inspection at the time of the request must show no signs of tenant abuse.

The tenant must be in compliance with all the requirements of the Lease and House Rules at the time of submitting the transfer request and at the time of the transfer.

The tenant must be employed and have a history of consistent employment in order to transfer to a scattered site home due to the cost associated with living in such a home, i.e. utilities

Procedure

Upon receipt of the Transfer Request, the Resident Manager will review the tenant's file and rental payment history. If the tenant meets the requirements for transfer at the time of submission, the Resident Manager will forward the request to the Public Housing Manager. The applicant will be placed on a

wait list by bedroom size to be occupied and prioritized by date and time of the request. If the request is denied the applicant will have the right to an Informal Hearing regarding the denial.

When a suitable unit becomes available, the next available request will be reviewed by the Public Housing Manager, Resident Manager and Maintenance Supervisor. The maximum allowable transfers per month shall be two (2) so as not to overwhelm the vacancy process by housing only transfers. If the tenant still meets the eligibility requirements, an offer will be made. If the resident turns down the unit, his/her request will be removed.

Appendix E: RHE Grievance Policy Procedures

The Rockville Housing Enterprises intends to adopt the following policy and procedures in resolving grievances filed by residents. This will assure that a resident is afforded and opportunity for a hearing if he/she disputes within a reasonable time any PHA action or regulation which adversely affects the individual resident's rights, duties, welfare or status.

APPLICABILITY

- 1) The Housing Authority's grievance procedure shall be applicable (except as provided in paragraph (a) (2) of this section) to all individual grievances as defined in 966.53 of the subpart between the resident and the PHA.
- 2) The term due process determination means a determination by HUD that the resident must be given the opportunity for a hearing in court which provides the basic elements of due process (as defined in 966.53© before eviction from the dwelling unit. HUD has issued a due process determination for the State of Maryland; therefore, a PHA may exclude from the PHA Administrative grievance procedure under this subpart any grievances concerning a termination of tenancy or eviction that involves:
 - A) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other resident or employees of the PHA, or
 - B) Any drug-related criminal activity on or near such premises.
- ii) HUD has issued a due process determination; therefore, the PHA may evict occupants of the dwelling unit through the judicial eviction procedures that are the subject of the determination. In this case, the PHA is not required to provide the opportunity for a hearing under the PHA's administrative grievance procedure.
- 3) The PHA grievance procedures shall not be applicable to dispute between residents not involving the PHA or to class grievances. The grievance procedure is not intended as a forum for

initiating or negotiating policy between a group or group of residents and the PHA's Board of Commissioners.

ADOPTION

The Rockville Housing Enterprises (RHE) shall revise its current grievance policy to include the applicable section as previously written and recorded in Subpart B - Grievance Procedures and Requirements of the 24CFR Section 966.50 and 966.51 into its grievance policy.

RHE SHALL include or incorporate by reference in all resident leases pursuant to subpart A of this part (966.52)

A resident has a legal right to file a grievance if he/she feels that as a result of an action or inaction by the RHE they have received unfair treatment. This does not include actions for non-payment of rent or as previously stated, for drug or other criminal activity.

The grievance procedure is available when a resident disagrees with the application of the Housing Authority regulations, policies, or procedures that affect his/her rights, duties, welfare and status.

RHE must send a letter to the resident stating that the lease will be terminated, citing why this action is being taken and explaining the resident's right to a hearing and the procedures involved. This letter also will include an offer to the resident to request an informal hearing to discuss the problem as listed.

If the resident is not satisfied with the outcome of the informal hearing, the resident must present the request for a formal grievance hearing in writing within seven (7) days to RHE.

If the resident does not submit the request in writing within the specified time, the resident is denied the right to a hearing.

The Hearing Official that is the City of Rockville's Landlord/Tenant Affairs Commission will conduct the formal hearing. The Commission will listen to and examine both sides and issue an opinion to be given to both sides. The resident and agency must sign an agreement to abide by the decision before the hearing is conducted.

The resident may take independent court action if dissatisfied with the final decision.

ROCKVILLE HOUSING ENTERPRISES

**SECTION EIGHT EXISTING PROGRAM
ADMINISTRATIVE PLAN
FOR**

**The HUD Housing Choice Voucher,
Rental Certificate, and Moderate Rehabilitation SRO Programs
and Other Rental Assistance Programs**

**APPROVED by the
Board of Commissioners,
Rockville Housing Enterprises
(formerly Housing Authority of the
City of Rockville)**

January 19, 2000

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I. 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 as amended and its requirements, as they apply to the Section 8 Certificate, Voucher, and Moderate Rehabilitation Programs, are described in and implemented through this Administrative Plan (hereafter referred to as the Plan) (24 CFR 982.54). The Plan establishes local written policies for administration of the program in accordance with HUD requirements, and consistent with local objectives on matters for which the Public Housing Authority (PHA) has discretion.

The Plan of Rockville Housing Enterprises (RHE), formerly the Housing Authority of the City of Rockville, has been updated to include the merger of the certificate and voucher programs and other changes mandated by QHWRA and implemented by a Final Merger rule published in the October 21, 1999 Federal Register. This Section 8 Administrative Plan has been updated to include the merger of the certificate and voucher programs and other changes mandated by QHWRA and implemented by a Final Merger rule published in the October 21, 1999 Federal Register.

Rockville Housing Enterprises (RHE) has full responsibility for the satisfactory completion of all contractual obligations with the Department of Housing and Urban Development (HUD) and for complying with all subsequent changes pertaining to these Programs. If such changes conflict with the Plan, HUD regulations will have precedence. The administrative burden for implementation and compliance with the Federal regulations rests with RHE.

The Plan covers both admission and continued participation policies for the Section 8 Program. Policies are the same for both Certificates and Vouchers, unless otherwise noted. Changes to the Plan will be approved by the RHE Board of Commissioners and a copy of the changes will be provided to HUD.

I.1. AGENCY BACKGROUND

RHE was founded in 1957 to provide public and assisted housing to the citizens of Rockville, Maryland, a city located in the suburbs of Washington, DC. The agency is governed by a five-member Board of Commissioners appointed by the Mayor and City Council of Rockville. The Board of Commissioners is made up of a diverse group of community leaders that meet monthly to establish and oversee all RHE policies and activities, including selection of the Executive Director, who monitors all day-to-day agency functions, including fiscal, property management and programmatic activities. The Section

8 Manager reports to the Executive Director and has overall responsibility for the Section 8 program.

I.2. RHE MISSION AND GOALS

In late 1997 and early 1998, the Board of Commissioners and staff of RHE undertook an effort to redefine the mission and goals of the agency for the new millennium. The RHE plan is to move beyond simply managing public housing, to “serving people of all levels of income who need housing.” Clear benchmarks have been established to measure progress toward these goals. RHE's mission statement reads as follows:

To be an "effective and innovative public agency dedicated to enhancing opportunities for self-sufficiency and quality, safe, and affordable housing for citizens of the city of Rockville."

Specific goals related to the mission include:

- To be an outstanding landlord. (The Traditional Public Housing Authority.)
- To assist residents in the move to self-sufficiency. (The Service-Oriented PHA.)
- To transform RHE into an effective affordable housing provider. (The Entrepreneurial PHA.)

The Board also outlined specific objectives, funding sources, time frames, partners and staffing and evaluation measures needed to achieve these goals.

I.3. RHE HOUSING PROGRAMS

I.3.a RHE's Section 8 Program

Rockville Housing Enterprises (RHE) currently operates a Section 8 Existing Program funded by the U.S. Department of Housing and Urban Development (HUD). The program began in 1992 when RHE and HUD entered into an Annual Contributions Contract for the administration of the Housing Assistance Payments to assist low income families. Successful operation of the program since that time has resulted in subsequent funding from HUD through allocation by a fair share formula or by awarding of funds through a competitive process (24 CFR 982.101) resulting in funds supporting payments to assist many additional families.

RHE's mission for the Section 8 Existing Program is to provide rent subsidies and affordable housing choices to qualified families while simultaneously providing

customer friendly service to applicants, participating families, landlords, and the community at large. The purpose of this program is to enable families of very low and extremely low income to seek decent housing of their choice in the private market, and to receive the rental assistance necessary to obtain that housing. The Section 8 program provides Housing Assistance Payments (the difference between what an eligible family can afford to pay for housing, and the amount required to obtain decent housing throughout the city of Rockville) as determined in accordance with schedules and criteria established by HUD.

RHE administers over 300 Section 8 vouchers and certificates in the city, and owns 169 units of public housing. Because of its long history in providing housing assistance, RHE is a known resource for low income individuals in Rockville. The agency receives inquiries on a daily basis from applicants interested in the Section 8 Rental Assistance Program.

RHE was awarded 50 Section 8 Vouchers as part of HUD's Section 8 Mainstream Disabled Program to provide subsidized housing to a special needs population of individuals and households where the head, spouse or sole member is a person with disabilities. RHE was also recently awarded 50 Section 8 Welfare-to-Work vouchers to assist TANF families towards permanent employment and economic self-sufficiency.

In addition, RHE administers a Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) project-based program for homeless individuals recovering from substance abuse. Recipients receive case management services through Community Ministries of Rockville, Inc. The SRO building was built in the 1800's and converted under a HUD Mod Rehab contract to five units for this targeted group. Rockville is one of the few jurisdictions in the Baltimore-Washington metropolitan area to administer an SRO program.

I.3.b. Other RHE Grants and Programs

RHE has also received funding for a number of programs that address the housing and service needs of residents, including:

- **Regional Opportunities Counseling (ROC) Program for Section 8 Participants.** RHE is one of nine jurisdictions participating in a HUD-sponsored Regional Opportunities Counseling Grant, administered by the Washington Metropolitan Council of Governments. This program assists Section 8 Housing Choice Voucher families to locate and lease appropriate units in non-impacted, low poverty areas. Housing Counseling Services, Inc., the organization providing services to RHE's Section 8 participants, is a certified housing counseling agency. They are responsible for providing housing counseling to referred families, assisting in the search for

appropriate housing, and providing linkage to community-based supportive services, as needed. (Literature outlining their services is in the appendix.)

- **Family Self-Sufficiency (FSS) Program.** RHE has received funding to offer a family self-sufficiency program to both Section 8 and public housing recipients. The program focuses on assisting families to become economically independent within 5 years. Services include basic education courses, job training, child care and counseling. The FSS Coordinator for Section 8 recruits and maintains records of families who participate in the program, coordinates program activities (including reconciliation of FSS escrow accounts), assists clients and staff by providing referral to services available in the community, and assists with coordinating the FSS Program Coordinating Committee (PCC), which has an advisory role.

- **Comprehensive Improvement Assistance Program (CIAP) Grants.** Funds have been used by RHE for lead based paint abatement, roof replacement, asbestos work, concrete driveways, drainage work, heat modification, installation of floor tile, wrought iron and chainlink fencing, replacement of stoves and refrigerators, kitchen cabinet replacement, storm door replacement and landscaping.

- **Drug Elimination Grants (DEG).** These grants have assisted in the policies to reduce drug activity from RHE housing. Funds have been used for a Drug Elimination Grant Coordinator, drug counseling, computer training, educational materials, GED and ESL teachers and recreational activities.

- **Community Development Block Grants (CDBG).** Funds have been used for capital improvements, air conditioning, sidewalk replacement, appliances, fencing and kitchen cabinet replacements, storm doors, and the youth employment program.

I.4. FAIR HOUSING GOALS

RHE complies 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 (24 CFR 982.54). Except as otherwise provided in 24 CFR Part 8, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because of RHE facilities being inaccessible to or unusable by persons with disabilities. RHE's offices are accessible to persons with physical disabilities and telephone access for the hearing impaired is available through a TTY telephone number.

It is the policy of RHE to ensure that all persons with disabilities are provided reasonable accommodation so that they may fully access and utilize the housing program and its related services. Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability. All requests for accommodation or modification will be verified by RHE's Executive Director.

RHE will endeavor to employ bilingual staff or to foster relationships with organizations that can provide translation services to families for which English is not their first language. These services are to be made available at the request of the applicant.

In the selection and leasing process, RHE will provide all applicants with written materials on Federal, State and local laws; and, a copy of the housing discrimination complaint form to be used as an available recourse if they believe they are victims of discrimination (24 CFR 982.301).

In administering the program, RHE also publishes and disseminates information about the availability and nature of housing assistance, including communicating the status of housing availability to other service providers in the community, and advising them of housing eligibility guidelines so that they can make appropriate referrals for housing assistance (24 CFR 982.153). The program is also explained to owners and families. Owners are encouraged to make units available for leasing in the program in order to seek expanded opportunities for assisted families to locate housing outside areas of poverty or racial concentration. Additional efforts are made by RHE to help disabled persons find satisfactory housing. For new Section 8 recipient families and/or current Section 8 participating families that wish to move, RHE provides referral to the Regional Opportunities Counseling (ROC) Program for Section 8 Participants, discussed previously starting on page I-4.

Section 8-eligible families are responsible for finding units and negotiating lease agreements with private market owners. RHE provides program training and assistance to eligible families for obtaining units. It should be noted that the legislative intent of this program is to place the responsibility for obtaining a home on the individual family, thereby (1) reducing the dependency of families on local housing authorities, and (2) providing families with greater freedom of choice as to type, size, and location of their homes. Therefore, RHE assistance focuses on encouraging families' self-sufficiency and independence.

In no event may any family participating in any of the programs described herein simultaneously receive the benefit of more than one of the following: Certificate, Voucher, other Section 8 housing assistance, Section 101 rent supplements, Section 236 Rental Assistance Payments, tenant-based assistance under the HOME Program, Public or Indian housing assistance, any local or State rent subsidy, or other duplicate subsidy as determined by HUD (24 CFR 982.352).

In order to effectively administer this program, both in terms of efficient management and attainment of the program's goals, RHE has developed this comprehensive Administrative Plan. The Plan allows for an administration sufficiently flexible to provide services and support to those in leased units, as well as provide for leasing of additional units. RHE is responsible for complying with all changes in HUD regulations pertaining to these programs. All issues related to Section 8 not addressed in this document are governed by Federal regulation, HUD Memos, Notices and guidelines, or other applicable law. It is the RHE Board of Commissioners that must approve this Administrative Plan or any subsequent changes to the Plan, with an approved Commission copy provided to HUD.

The Plan is organized as follows:

- I. Introduction
- II. Program Objectives
- III. Waiting List Management
- IV. Intake
- V. Leasing and Initial Occupancy Functions
- VI. Ongoing Occupancy Functions
- VII. Participation in and Coordination of Other Section 8 Programs
- VIII. Program Evaluation
- IX. Appendices

II. PROGRAM OBJECTIVES

II.1 PURPOSE OF THE TENANT-BASED PROGRAMS

The purpose of the Section 8 tenant-based Certificate and Voucher programs is to provide rent subsidies so eligible families can afford rent for decent, safe and sanitary housing. 24 CFR 982.1 The family may rent a unit anywhere in the United States in the jurisdiction of a PHA that runs a Certificate or Voucher program. The Section 8 program is designed to promote freedom of housing choice and spatial deconcentration of very low income families of all races and ethnic backgrounds. 24 CFR 982.353

II.1.a. Unit Allocation

The Section 8 Existing Program allocation of units is tailored to meet the needs of the people of Rockville, Maryland and is consistent with the Consolidated Plan of the Department of Housing and Community Affairs for Montgomery County, MD and the City of Rockville, which is prepared annually in conjunction with the Community Development Block Grant applications.

II.1.b. Program Monitoring and Data Collection

The Section 8 staff has the following program monitoring responsibilities:

- to monitor the availability of funding to ensure maximum use of funds.
- to monitor the expiration and turnover of Certificates and Vouchers to ensure maximum use.
- to monitor the timeliness of the annual recertification process.
- to monitor the Waiting List for use.
- to conduct a Supervisory Quality Control Review.

RHE's Quality Control Review means an annual sample of files or records drawn in an unbiased manner and reviewed by an RHE Supervisor (or another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to program requirements. The minimum number of files or records to be sampled for 51 to 600 units is 5 plus 1 for each 50 (or part of 50), over 50. Operating in accordance with SEMAP requirements, RHE will perform supervisory Quality Control Reviews through sampling of waiting list selections, rent reasonableness, adjusted income determinations, and enforcement of HQS through RHE inspections. (See SEMAP

certification Form HUD 52648 in the Appendix).

Many of the monitoring functions will be initiated by computerized reports that will be able to show on a monthly or quarterly basis how the ACCs are being used and if the staff is maintaining a high level of error-free quality work. In addition, reports will be generated and reviewed to ensure that corrupt data will not remain in the database. Data will also be transmitted to HUD via the Multifamily Tenant Characteristics System (MTCS).

III. WAITING LIST MANAGEMENT

III.1. OVERVIEW OF THE WAITING LIST

RHE's policy is to ensure that all families who express an interest in Section 8 rental assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner.

RHE maintains a single waiting list for all applicants for admittance to the Section 8 Housing Choice Voucher program. However, priority in the Section 8 Mainstream Program is given to disabled families on the Section 8 Waiting List. Also, Section 8 Waiting List priority is given to current and former TANF/TCA recipients for Section 8 Welfare-to-Work Vouchers (as defined by HUD). RHE also maintains a separate waiting list for the Public Housing program. If these other lists are open, RHE offers all applicants the opportunity to be placed on any other available assisted housing lists. 24 CFR 982.205

III.2. WAITING LIST PREFERENCES

RHE has chosen to use local preferences in order to meet local objectives in choosing among applicants. In addition, RHE has chosen to eliminate federal preferences as part of a revised applicant selection system that was approved by the RHE Commission (following a 30 day comment period and public hearing) on February 21, 2000. All applicants, at the time they apply, are awarded the preference points to which they are entitled and placed on the waiting list.

The preferences for which an individual may qualify and the points assigned are as follows:

Preferences	Points
Living and Working in the City Limits of Rockville	4
Living or Working in the City Limits of Rockville	2
Working Families living outside of Rockville	1

These local preferences are based on Rockville community needs and are consistent with the PHA Plan, the Consolidated Plan and Fair Housing laws.

An applicant who qualifies for any of the Preferences will receive assistance "before" any other applicant who is not so qualified. An applicant qualifies for a preference if they meet any of the following conditions:

(1) Living and Working in the City of Rockville

- a. Having a City of Rockville mailing address (not including a Post Office Box number) or
- b. Statements of residence on pictured identification, for example a driver's license, or
- c. Registration of children in local schools, **and**
- d. Head or co-head either working or hired to work within the corporate limits of Rockville.

(2) Living or Working in the City of Rockville

- a. Having a City of Rockville mailing address (not including a Post Office Box number) or
- b. Statements of residence on pictured identification, for example a driver's license, or
- c. Registration of children in local schools, **or**
- d. Head or co-head either working or hired to work within the corporate limits of Rockville.

(3) Working Family

Applicant households who reside inside or outside of the corporate limits of the City of Rockville whose head, co-head or sole member is age 62 or older, or is receiving social security disability, supplemental security income disability benefits or any other payments based on the individual's inability to work; or those who are in or have completed education or training programs designed to prepare people for the job market. It will also require that either the head or co-head be employed for at least three months or that the employment income must be accountable under HUD's definition of annual income.

RHE Section 8 staff will verify that an applicant's declared address for residency or work is, in fact, located in the corporate limits of the City of Rockville by confirming that address in the listing of street and unit number as provided by the City of Rockville.

III.2.a. Preference Qualification

The qualification is consistent with RHE's Agency Plan.

Selection from the Waiting List

The date and time of application will be utilized to determine the sequence within the above-prescribed local preferences.

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

If there are not enough extremely low-income families on the waiting list RHE will conduct outreach on a non-discriminatory basis to attract extremely low-income families to meet the statutory requirement.

Initial Self-Certification

No verification of local preferences is required at pre-application. Families self-certify preference eligibility and are placed on the waiting list according to date, time, and preferences claimed. An applicant may update their waiting list status in writing to RHE, including any claimed changes in family composition or income, or preference, at any time while on the list. RHE staff will annotate the applicant's file and will update their place on the waiting list.

Final Verification of Preferences

Prior to Section 8 subsidy issuance, the family's preference eligibility based on the full application process and current circumstances must be verified through a scheduled interview by Section 8 staff and after completion of third-party verification.

III.2.b. Preference Denial

RHE will not deny a local preference, nor otherwise exclude or penalize a family in admission to the program, solely because the family resides in public housing. If at final verification of local preferences it is determined that the family does not qualify for the claimed preference, the family will be given written notice of the reason for the determination, the right to an informal review; and is then returned to the waiting list and reassigned on the list without regard to the denied preference.

III.3. OPENING THE WAITING LIST

The opening of the waiting list will be advertised through public notice in a local City of Rockville newspaper of general circulation, on the City of Rockville Cable Channel (53) and in appropriate minority media. In addition, other key organizations will be notified including the Rockville Mayor's Office, the Rockville City Council, the Montgomery County Department of Health and Human Services, and local non-profit agencies. The public notice will state where and when to apply, and will include a brief description of the Section 8 program. There will also be a statement that current applicants or residents of other assisted RHE housing programs must submit a separate preliminary application to apply for Section 8, and any closing date, if applicable. The public notice will state any limitations regarding who may apply. 24 CFR 982.206

III.4. NONDISCRIMINATION

RHE outreach to owners and applicants, and program implementation is in compliance with the following requirements:

1. The Fair Housing Act, 42 U.S.C. 3601-3619
2. Executive Order 12259, 46FR 1253 (1980) as amended
3. Executive Order 12892, 59FR 2939 (1994)
4. Title VI of the 1964 Civil Rights Act, 42 U.S.C. 2000d-2000d5 (nondiscrimination based on race, color, or national origin)
5. Executive Order 11063 (nondiscrimination based on religion or sex)
6. Title VIII of the 1968 Civil Rights Act (nondiscrimination in the sale, rental, or financing of housing based on race, color, religion, sex, national origin, disability or familial status)
7. The Age Discrimination Act of 1975
8. The Americans With Disabilities Act 42 U.S.C. 12101-12213
9. Section 504 of the Rehabilitation Act of 1973 as amended, 29 U.S.C. 794 (nondiscrimination in any federally assisted program or activity based on disability)

Section 8 implementing regulations include:

1. 24 CFR 5.524 Compliance with nondiscrimination requirements.
2. 24 CFR Part I Nondiscrimination in federally assisted programs.
3. 24 CFR Part 8 Nondiscrimination based on handicap in federally assisted programs.
4. 24 CFR Part 100 Discriminatory conduct under the Fair Housing Act.

All outreach will be conducted at RHE by the Section 8 staff. Complaints of discrimination by applicants/participants may be reported to RHE. RHE staff will assist in completing and filing any housing discrimination complaint. See Appendix for materials and forms (Form HUD-903).

III.5. APPLICATIONS PROCESS

III.5.a. Admission to the Waiting List

Families who wish to apply to the waiting list must complete a written preliminary application for housing, when the list is open. Reasonable accommodation and assistance will be made to persons with disabilities during the application process.

- (1) **How to Apply.** The application process involves **two phases**. The first phase is the **initial pre-application** for assistance, which results in the family's placement on the waiting list. The second phase is the **full "Application for Housing Assistance,"** which is completed when the family reaches the top of the waiting list. In the second phase, final eligibility is determined through verification provided by the family and third-party verification completed by the Section 8 staff.

When the Section 8 waiting list is open, RHE pre-application forms and instructions are available at RHE's main office (14 Moore Drive in Rockville, MD) or by mail during the open period. RHE staff are available to help families with the preapplication process. The RHE pre-application form requests minimal information about the applicant family and requires the applicant's signature. The pre-application process does not require any additional certification, but rather, relies on self-certification.

All completed pre-applications mailed to RHE will be accepted only during specified postmarked dates. Applications delivered in person or by mail will be stamped upon receipt at the RHE's office with both date and time, during the period that the waiting list is open. RHE staff will then process them for any local preferences. Data on each family will be entered into the Waiting List database for assignment of position in order of preference, and then in order of date and time of application.

- (2) **Notification of Initial Applicant Status.** RHE will provide written notification of preliminary eligibility by mail within sixty days of the submission deadline to each applicant that submits a completed pre-application.
- (3) **Purging the Waiting List.** The waiting list will be updated and purged as needed on an annual basis by a mailing to all applicants to request current information and confirmation of continued interest. Failure to respond to a purge mailing will result in removal from the list. The guidelines per discussed in III.7.b. regarding removal of applicants from the waiting list also apply to applicants that fail to respond to a purge mailing, except there is a grace period of 30 days after completion of a purge for reinstatement to the waiting list. This action will ensure that the list of applicants reasonably represents interested families. Upon request, an additional extension will be given for disabled applicants needing a reasonable accommodation. 24 CFR 982.
- (4) **Closing the Waiting List.** RHE will provide public notice of the closure of the Section 8 waiting list at least 30 days in advance of any closure. A decision to close the list is made when there are enough applicants already on the list to fill any anticipated turnover or new allocations for the next 12-18 months. In most cases, the public notice announcing the opening of the Waiting List will also include the closing date of the Waiting List. 24 CFR 982.206

III.5.b. Full Application

- (1) **Application Processing.** Eligible pre-applicant files will be maintained by the RHE Section 8 Office. When there is available Section 8 funding, a predetermined number of applicants from the top of the waiting list (chosen by preference, application date and time) will be contacted by mail for an eligibility interview and to complete a full **“RHE Application for Housing Assistance.”**

After the interview and verification process is completed, Section 8 staff will make a final determination of eligibility. If the family is determined eligible, they will be notified of their Section 8 briefing and issued a Section 8 Housing Choice Voucher.

If the family no longer qualifies to be at the top of the list due to lack of acceptable verification of preferences, the family's name will be returned to the appropriate spot on the waiting list. The family will be notified in writing of this determination, and given an opportunity for an informal review.

All new Section 8 applicant selections are governed by available Section 8 subsidy funding due to turnover and new funding increments.

- (2) **Missed Appointments.** Any applicant who fails to keep a scheduled appointment will be sent a notice of denial and right to informal review in accordance with the following:

RHE will allow the family to reschedule appointments for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and no more than two opportunities for good cause. When a good cause exists, RHE will work closely with the family to find a more suitable time.

III.6 ELIGIBILITY FACTORS FOR ADMISSION TO SECTION 8

As of October, 1998, 75% of Housing Choice Vouchers issued will be limited to Extremely-Low Income Families (24 CFR 813,105), except under the following low-income cases:

- a family **continuously assisted** under the 1937 Housing Act if the family is already a receiving family under any 1937 Housing Act program when the family is admitted to the voucher program. Any interruption between assistance under one of these programs and admission to the Housing Choice Voucher program will be considered to break the continuity of assistance under the 1937 Housing Act. 24 CFR 982.201.
- a family physically displaced by rental rehabilitation;
- a non-purchasing household residing in a HOPE 1 or HOPE 2 project;
- a non-purchasing household residing in a HUD assisted multifamily project subject

to a resident home ownership program under 24 CFR 248.173;

- a non-purchasing household displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract; or
- a family residing in a HUD-owned multifamily project when HUD sells, forecloses or demolishes the project.

There are five eligibility requirements for admission to the Section 8 Program. The applicant: (1) qualifies as a family; (2) has an income within the income limits; (3) meets citizenship/eligible immigrant criteria; (4) provides documentation of Social Security Numbers; and (5) signs consent authorization documents. In addition to the eligibility criteria, families must also meet RHE screening criteria, including criminal background checks of all adults, in order to be admitted to the Section 8 Program.

III.6.a. Family Status. The applicant must qualify as a family. An **Eligible Family** includes but is not limited to:

- (1) a family with or without children (including children temporarily absent from the home due to placement in foster care), an elderly family, a near-elderly family, a single person, or a pregnant woman. Unborn children and children in the process of being adopted are considered family members for purposes of determining bedroom size, but are not considered family members for determining income limit;

Children subject to a joint custody agreement that live with two separate applicant households will be allowed to be claimed only by the household having the parent's address listed in the school records. For children not enrolled in school, a claim of custody will be considered based on the time spent at each household. A period of 183 days per year or 51% of the time, not necessarily running consecutively, can be claimed as custody.

The head of household must be the adult member of the household who is designated by the family as the head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under the State and local laws of the City of Rockville, Maryland.

- (2) two or more persons sharing residency whose income and resources are available to meet the family's needs and who are related by blood, marriage or operation of the law, or have a history as a family unit, or show evidence of a stable relationship that has existed over a period of time. 24 CFR 5.403
- (3) the remaining member of a tenant family;
- (4) a displaced family, defined as a family in which each member, or whose sole

member, has been displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws (24 CFR 812.2);

- (5) a disabled family, defined as a family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides (see Glossary). However, a live-in aide's income is not counted to determine the family's eligibility; and a live-in aide may not be considered a residual member of a tenant family.
- (6) a single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

III.6.b. Income Limits. To be eligible, a family must be an extremely low-income or very low-income family. 24 CFR 982.201.

III.6.c. Social Security Numbers (SSN). Verification of Social Security numbers must be provided for all family members age 6 and older if a SSN has been assigned. If no SSN has been assigned, an executed certification must be completed by the family to be eligible. 24 CFR 5.216

III.6.d. Citizenship or Eligible Immigration Status. In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Assistance is prohibited to noncitizen students and their families. The eligibility of each family member must be established prior to determination of the family type and eligibility status of any family. Mixed families with eligible and ineligible members will be eligible to receive prorated assistance. 24 CFR Part 5, Subpart E. For all denials of Section 8 assistance on the basis of ineligible immigration status, the informal hearing provisions apply. 24 CFR 887.405

III.6.e. Suitability for Tenancy. RHE determines eligibility for participation and will also conduct criminal background checks on all adult household members, including live-in aides. RHE will deny assistance to a family because of drug-related criminal activity or violent criminal activity by family members. The criminal background check will be made through state or local law enforcement or court records in those cases where the household member has lived in the local jurisdiction for the last three years. If the individual has lived outside the local area, RHE may contact law enforcement agencies where the individual had lived or request a check through the FBI's National Crime Information Center (NCIC).

RHE will also check with the State of Maryland sex offender registration program and will ban for life any individual who is registered as a lifetime sex offender.

Additional screening is the responsibility of the owner.

III.7. REMOVING APPLICANTS FROM THE WAITING LIST

III.7.a. Applicant request. An applicant who requests in writing at any time may have their name removed from the waiting list.

III.7.b. Failure to respond to RHE mailing. An applicant that fails to respond to an RHE mailing requesting information will be sent written notification and given 10 business days to respond to RHE. If they fail to respond within 10 business days, they will be removed from the waiting list. If the initial mailing is returned to RHE by the Post Office without a forwarding address, the applicant will be removed from the list without further notice, and the envelope and letter will be placed in the applicant's file. If the initial mailing is returned to RHE with a forwarding address, it will be resent to the forwarded address. An applicant removed from the waiting list for failure to respond to RHE will not be entitled to reinstatement unless the applicant has a disability and asks for a reasonable accommodation to respond.

III.7.c. Failure to meet criteria. The applicant does not meet either the eligibility or screening criteria for the program.

III.7.d. Refusal of Housing. If the applicant refuses the housing program offered, the applicant will be removed from the waiting list for the program in which housing was offered. The applicant will remain on the waiting list for other programs. Applicants refusing offers of tenant-based assistance under the Housing Choice Voucher program will be removed from the Section 8 waiting list. 24 CFR 982.204

III.8. RHE GROUNDS FOR DENIAL OF APPLICANT ASSISTANCE (24 CFR 982.552 AND 982.553)

RHE will deny assistance to an applicant:

III.8.a. If the family does not meet any one or more of the eligibility criteria of the program.

III.8.b. If the family violates any family obligations under the applicable Section 8 Program 24 CFR 982.551

III.8.c. If any member of the family fails to complete any aspect of the application or lease-up process or to sign and submit consent forms for obtaining information in

accordance with 24 CFR Part 760 and 24 CFR Part 813.

III.8.d. If the family does not supply information or documentation required by the application process.

III.8.e. If the family fails to respond to a written request for information or a request to declare their continued interest in the program.

III.8.f. If any member of the family has been evicted from public housing or any federally assisted housing for any reason within the last ten years prior to the date of the eviction.

III.8.g. If any member of the family has illegally used or possessed a controlled substance for personal use or has abused alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. All adult members (18 and over) of the applicant family will be required to complete a criminal record check process. Illegal use, or possession for personal use, of a controlled substance, must have occurred within one year before the date of RHE's applicant denial notification.

RHE will not deny a family that has illegally used or possessed a controlled substance for personal use or that has abused alcohol, if the family submits evidence that they are recovering, have successfully completed a supervised drug or alcohol rehabilitation treatment program, and have been certified by the treatment program as "clean" for at least one year as of the date of the eligibility determination. HUD Notice PIH 96-27

III.8.h. If any member of the family has ever had their Section 8 assistance terminated for cause by a housing authority under the Certificate or Voucher program.

III.8.i. If any member of the family has ever committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

III.8.j. If any family member currently owes rent or other amounts to RHE or another housing authority in connection with Section 8 or public housing assistance under the 1937 Act.

III.8.k. If the family has breached an agreement with RHE to pay amounts owed to a housing authority, or amounts paid to an owner by a housing authority.

III.8.l. If the family has engaged in or threatened abusive or violent behavior toward any RHE staff member or resident. This behavior includes oral or written threats or

physical gestures that communicate an intent to insult or intimidate.

III.8.m. If any family member has been convicted of manufacturing or producing methamphetamine, “speed” (Denied for life).

III.8.n. If any member of the family has committed drug-related criminal activity, or violent criminal activity. RHE will deny assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested or convicted. 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.

III.8.o. If any family member has a lifetime registration under a State sex offender registration program (Denied for life).

III.8.p. If 30% of the family's monthly adjusted income calculated in accordance with federal regulations is equal to or greater than the Payment Standard assigned for the family's Voucher size; or, if the family's Total Tenant Payment (TTP) is equal to or greater than the gross rent approved for the family's Moderate Rehabilitation unit.

RHE will consider all of the circumstances in each case, the extent of participation or culpability of individual family members, and the effects of denial on other family members who were not involved in the action or failure to act. When there are mitigating circumstances, staff may enter into a service agreement or repayment plan with the family.

Denial of assistance may include any or all of the following:

- Deny listing on the RHE waiting list;
- Deny or withdraw a Housing Choice Voucher or Mod Rehab housing;
- Refusal to enter into a HAP contract or approve a lease request; and/or
- Refusal to process or provide assistance under portability procedures.

III.9. INFORMAL REVIEW FOR APPLICANTS (24 CFR 982.554)

III.9.a. Process. The RHE Section 8 staff will promptly mail written notice to an applicant of a decision denying assistance to the applicant. The notice will summarize the reasons for RHE's decision and will allow the applicant ten business days to request in writing an informal review. The applicant will be scheduled an informal review date with the Section 8 Hearing Officer. RHE's Section 8 Hearing Officer will be the Public Housing Manager or another designated person other than the person who made or approved the decision under review or a subordinate of this person.

The applicant will be given an opportunity to present written or oral objections to RHE's decision. After the informal review, the applicant will be notified in writing of the Hearing Officer's decision and the reasons. The determination of RHE's Hearing Officer is final. There is no other administrative appeal within RHE.

III.9.b. When Informal Review is Required (24 CFR 982.554). An informal review must be given to any applicant denied assistance, including an applicant's change in status on the waiting list due to denial of a preference.

III.9.c. When Informal Review is Not Required

- (1) For RHE discretionary administrative determinations;
- (2) For general policy issues or class grievances;
- (3) For assignment of the family's unit size under RHE's subsidy standards;
- (4) For RHE's denial of an extension or suspension of a Housing Choice Voucher term;
- (5) For RHE's refusal to grant approval to lease a unit under the program or to approve a proposed lease;
- (6) For RHE's determination that a unit selected by the applicant is not in compliance with HQS;
- (7) For RHE's determination that the unit is not in accordance with HQS because of the family size or composition.

Denial of assistance to an applicant family based on ineligible immigration status requires an **informal hearing** (see page VI-28).

4V . INTAKE

IV.1. CERTIFICATION INTERVIEW

IV.1.a. Who attends. All adult members of the household, age 18 and over are required to attend the eligibility interview and to sign consent forms.

IV.1.b. The verification packet of verification and consent forms is given to every scheduled applicant as part of the eligibility interview. Forms are to be completed by the family.

IV.1.c. Annual Income (24 CFR 813.106) is the anticipated total income from all sources received by the Family head and spouse (even if temporarily absent) and by each additional member of the Family, including all net income derived from assets for the 12 month period following the effective date of the certification of income, exclusive of certain types of income as provided below.

IV.1.d Annual Income - Includes, but is not limited to:

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the Family;
- (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family. Where the Family has Net Family Assets in excess of \$5,000, Annual Income includes the greater of the actual income derived from all Net Family Assets or a percentage of the value of

- such Assets based on the current passbook savings rate, as determined by HUD;
- (4) The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment (see item IV.1.e, paragraph (3), below);
 - (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (see item IV.1.e, paragraph (3), below).
 - (6) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;
 - (7) Payment of a welfare allowance or grant, including any imputed welfare income (see Glossary); and
 - (8) All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the Family, spouse, or other family members whose dependents are residing in the unit (see item IV.1.e., paragraph (7), below).

IV.1.e. Annual Income - Excludes the following:

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) Payments received for the care of foster children or foster adults (see Glossary);
- (3) 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;
- (4) Amounts received by the family, that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide;
- (6) The full amount of student financial assistance paid directly to the student or to the educational institution;

- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8) Amounts received under training programs funded by HUD;
- (9) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (10) Amounts received by a participant in other publicly-assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
- (11) A resident service stipend. This is a modest amount, not to exceed \$200 per month, received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of RHE's Board of Commissioners. No resident may receive more than one such stipend during the same period of time;
- (12) Compensation from State or local employment training programs and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance;
- (13) Temporary, nonrecurring or sporadic income (including gifts) (see Glossary);
- (14) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (15) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- (16) Adoption assistance payments in excess of \$480 per adopted child;
- (17) Deferred periodic payments of Supplemental Security Income and Social Security benefits that are received in a lump sum payment;
- (18) Amounts received by the family in the form of refunds or rebates under state

or local law for property taxes paid on the dwelling unit;

- (19) Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
- (20) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. These exclusions include:
 - (i) Food Stamp allotment;
 - (ii) Payments to volunteers under the Domestic Volunteer Service Act of 1973 (employment through VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);
 - (iii) The first \$2,000 in payments per year received under the Alaska Native Claims Settlement Act;
 - (iv) Income derived from certain submarginal land of the United States which is held in trust for certain Indian tribes;
 - (v) Payments or allowances made under Department of Health and Human Services' Low-Income Energy Assistance Program;
 - (vi) Payments received under programs funded in whole or in part under the Job Training Partnership Act;
 - (vii) Income derived from the disposition of funds of Grant River Band of Ottawa Indians;
 - (viii) The first \$2,000 of per capita shares received from judgement funds awarded by the Indian Claims Commission or the Grant of Claims or from funds held in trust for an Indian tribe by the Secretary of Interior and up to \$2,000 per year of income received by individual Indians from trust or restricted lands held by the Secretary of Interior for the benefit of individual Indians. (Exclusions apply on a per person basis);
 - (ix) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs;

- (x) Payments received from programs funded under Title V of the Older Americans Act of 1965;
- (xi) Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other Agent Orange settlement fund;
- (xii) Payments received under the Maine Indian Claims Settlement Act of 1980;
- (xiii) The value of any child care provided or reimbursed for under the Child Care and Development Block Grant Act of 1990; and
- (xiv) Earned income tax credit refund payments; and
- (xv) Payments for living expenses under the AmeriCorps Program.

If it is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income), or RHE believes that past income is the best available indicator of expected future income, the income anticipated for a shorter period may be annualized, subject to a redetermination at the end of the shorter period.

IV.1.f. Minimum Income. There is no minimum income requirement. Families who verify their income at zero may be served, but must report any income in the month it begins.

IV.1.g. Averaging Income. All current income should be annualized. If income cannot be anticipated, Section 8 staff will average the known sources of income, or annualize the current income and conduct an interim exam if income changes.

IV.1.h. Income of Absent Family Member. Any member of the household will be considered permanently absent if they are away from the unit for more than three consecutive months or more than 120 days in a calendar year. An absence due to medical reasons allows for up to 180 days away from the family, provided there is verification. Verification must be in the form of a third party letter from a medical professional or institution. If the family member is temporarily absent and plans to return to the family, their income must be included to determine eligibility.

IV.1.i. Income of Dependent. Earned income of minors is not included, but benefits and other non-earned income is included. If the adult is a full-time student, only the first \$480 is included as income, provided the family member is not the head of household or spouse.

IV.1.j. Asset Income (24 CFR 813.102). Income received from assets held by

household members. When net family assets are \$5,000 or less, the actual income from assets is used. If assets total more than \$5,000, income from the assets is "imputed," and the greater of actual asset income and imputed asset income is counted in the annual income.

(1) Inclusions

- (i) Amounts in savings and checking accounts
- (ii) Stocks, bonds, money market funds and other investment accounts
- (iii) Equity in real property or other capital investments
- (iv) Cash value of trusts available to the family
- (v) Retirement savings accounts
- (vi) Lump sum payments including inheritances, lottery winnings, capital gains, and insurance settlements
- (vii) Personal property held as investments, such as collections
- (viii) Cash value of life insurance policies
- (ix) Assets disposed for less than fair market value but more than \$2,000 during the two years preceding the eligibility certification for the program

(2) Exclusions

- (i) Necessary personal property not listed in "Inclusions"
- (ii) Interest in Indian trust lands
- (iii) Assets that are part of an active business or farming operation
- (iv) Assets not accessible by the family, such as a trust
- (v) Handicapped-equipped vehicles
- (vi) Equity in cooperatives or manufactured homes occupied by the family

- (3) Net Family Assets.** Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land, and excluding the equity in HUD homeownership programs. In determining net family assets, RHE shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a trust disposition, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms. The value of necessary items of personal property such as furniture and automobiles are

excluded, and in cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the Family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining Annual Income. 24 CFR 813.102

IV.1.k. Adjusted Income (24 CFR 813.102) See Glossary, Adjusted Income. The following deductions and expenses will be made from Annual Income:

- (1) \$480 for each dependent**
- (2) \$400 for any elderly family or disabled family**
- (3) Medical Expenses.** An allowance for medical expenses is given to any family in which the head/co-head is elderly (62 years or older), or disabled. The expenses are allowed in excess of 3% of annual income for the entire family.
- (4) Child Care Expenses.** A child care allowance for the care of children under 13 years of age is given to enable a family member to work or go to school. The expense cannot exceed the amount earned for a member to work. The child care cost cannot be reimbursed by anyone outside the family (for example, Purchase of Care or Working Parents' Assistance Programs).
- (5) Disability Assistance Expenses.** For any family member that is not an elderly or disabled family but has a member (other than the head or spouse) who is a person with a disability, an allowance for disability assistance expenses is given in excess of 3% of annual income. This allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the person with disabilities.

IV.2. RECEIPT OF A LETTER OR NOTICE FROM HUD CONCERNING INCOME

If a Section 8 participant receives a letter or notice from HUD concerning the amount or verification of family income, the letter shall be brought to the person responsible for income verification within ten (10) days of receipt by the participant.

The Section 8 Manager shall reconcile any differences between the amount reported by the participant and the amount listed in the HUD communication. This shall be done as promptly as possible.

After the reconciliation is complete, RHE shall adjust the participant's rental contribution beginning at the start of the next month unless the reconciliation is completed during the final five (5) days of the month and then the new rent shall take effect on the first day of the second month following the end of the current month. In addition, if the participant had not previously reported the proper income, RHE shall do one of the following:

IV.2.a. Immediately collect the back overpaid assistance paid by the agency;

IV.2.b. Establish a repayment plan for the resident to pay the sum due to the agency;

IV.2.c. Terminate the participant from the program for failure to report income; or

IV.2.d. Terminate the participant from the program for failure to report income and collect the back over paid assistance paid by the agency.

IV.3. COOPERATING WITH WELFARE AGENCIES

RHE will make its best efforts to enter into cooperation agreements with local welfare agencies under which the welfare agencies will agree:

IV.3.a. To target assistance, benefits and services to families receiving assistance in the public housing and Section 8 tenant-based assistance program to achieve self-sufficiency.

IV.3.b. To provide written verification to RHE concerning welfare benefits for families applying for or receiving assistance in our housing assistance programs.

A cooperation agreement between the Section 8 program and the local Department of Health and Human Services of Montgomery County was entered into as part of the grant for the Welfare-to-Work Section 8 Voucher program.

IV.4. VERIFICATION PROCEDURES

All verification of applicant information should be not more than 60 days old and will be maintained in the applicant/tenant file and processed by the Section 8 staff.

IV.4.a. Order of Preference. The following order will be used to confirm verification of information:

- (1) **Third-Party Written Verification.** Mailed by RHE staff to the source and returned by first class mail.
- (2) **Third-Party Oral Verification.** Oral third-party verification is to be used when third-party written verification is delayed or not possible.
- (3) **Review of Documents.** RHE will use documents provided by the family as the primary source only if third-party written and oral verification is not possible in a four week period of time.
- (4) **Certification/Self-Declaration.** When verification cannot be done by third-party or document review, families will be required to submit a self-certification.

IV.4.b. Acceptable Documents. A self-certification does not need to be notarized, but it must be signed and dated by the family member affected. Third-party verification cannot ever be hand carried by the family. If the third-party oral verification is by telephone, RHE staff must originate the phone call. Oral verification must be written down by staff, including the date of the conversation, who they spoke to and the information provided. If staff has to review documents, all documents must be original or faxed copies from an agency, no photo copies will be accepted. If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, RHE will utilize the third-party verification.

The table on the next page outlines the factors that may be verified, and common methods that can be used for verification.

PHA VERIFICATION REQUIREMENTS TABLE		
GENERAL ELIGIBILITY ITEMS		
Item to be verified	3rd party verification	Hand-carried verification
Social Security Number	Letter from Social Security Administration, electronic reports	Social Security card
Citizenship	N/A	Signed certification, voter's registration card, birth certificate, etc.
Eligible Immigration Status	INS SAVE confirmation number	INS Card
Disability	Letter from medical professional or institution, SSI, etc	Proof of SSI or Social Security disability payments
VERIFICATION REQUIREMENTS FOR INDIVIDUAL ITEMS		
Item to be verified	3rd party verification	Hand-carried verification
Full time student status (if under 18)	Letter from school stating full-time student status	For high school students, any document evidencing enrollment
Need for a live-in aide	Letter from doctor or other professional knowledgeable of condition	N/A
Child care costs	Letter from care provider	Bills and receipts
Disability assistance expenses	Letters from suppliers, care givers, etc.	Bills and records of payment
Medical expenses	Letters from providers, prescription record from pharmacy, medical professional's letter stating assistance or a companion animal is needed	Bills, receipts, records of payment, dates of trips, mileage log, receipts for fares and tolls
VALUE OF AND INCOME FROM ASSETS		
Item to be verified	3rd party verification	Hand-carried verification
Savings, checking accounts	Letter from institution	Passbook, most current statements
CDS, bonds, etc.	Letter from institution	Tax return, information brochure from institution, the CD, the bond
Stocks	Letter from broker or holding	Stock or most current

	company	statement, price in newspaper or through Internet
Real property	Letter from tax office, realtor, assessment, etc.	Property tax statement (for current value), assessment, records or income and expenses, tax return
Personal property	Assessment, bluebook, etc.	Receipt for purchase, other evidence of worth
Cash value of life insurance policies	Letter from insurance policy	Current statement
Assets disposed of for less than fair market value	N/A	Original receipt and receipt of disposition, other evidence of worth
INCOME		
Item to be verified	3rd party verification	Hand-carried verification
Earned income	Letter from employer	Multiple pay stubs
Self-employed	N/A	Tax return from prior year, books of accounts
Regular gifts and contributions	Letter from source, letter from organization receiving gift (i.e., if grandmother pays day care provider, day care provider could so state)	Bank deposits, other similar evidence
Alimony/child support	Court order, letter from source, letter from Human Services	Record of deposits, divorce decree
Periodic payments (i.e., social security, welfare, pensions, worker's comp., unemployment)	Letter or electronic reports from the source	Award letter, letter announcing change in amount of future payments
Training program participation	Letter from program provider indicating: -whether enrolled -whether training is HUD-funded -whether State or local program -whether it is employment training -whether payments are for out-of-pocket expenses incurred in order to participate in program	N/A

IV.5. SUBSIDY STANDARDS (24 CFR 982.4)

Subsidy standards are established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions. 24 CFR 982.4 In determining the bedroom size for the certificate, Housing Choice Voucher or Mod Rehab SRO program, RHE generally assigns one bedroom to two people. However, RHE will allocate separate bedrooms for persons of opposite sex (other than adults who have a spousal relationship or children under the age of 3 years); and for dependents of the same sex where the age difference is greater than 5 years. Adults and children will not be required to share the same bedroom, unless the child is under the age of three. Two adults related by blood will not be required to share a bedroom. Unrelated adults not in a spousal relationship will not be required to share a bedroom. Live-in aides will be provided separate bedrooms. A two bedroom unit may be used by a single parent and child or by a couple who due to verifiable medical reasons must have separate bedrooms. RHE will grant exceptions to normal occupancy standards when a family requests a larger size than the guidelines allow and documents a medical reason why the larger size is necessary. A pregnant woman living alone must be treated as a two person family. Children who are in the process of being adopted, children whose custody is being obtained, or children who are temporarily away at school or temporarily absent in foster care, are included in determining the family's bedroom size.

This results in the following standards:

Unit Size	Minimum Number of Persons in Household	Maximum Number of Persons in Household
0-BR	1	1
1-BR	1	2
2-BR	2	4
3-BR	3	6
4-BR	4	8
5-BR	6	10
6-BR	6	12

The above standards do not preclude a family from selecting either a smaller or larger-sized unit than listed subject to the specific regulations of the assigned HUD program.

IV.6. ISSUANCE OF HOUSING CHOICE VOUCHER

IV.6.a. Applicant Briefing (24 CFR 982.301). A HUD-required briefing by staff is held for all applicants at the time of issuance of the Section 8 Housing Choice Voucher. The session will take place at the RHE main office. Section 8 staff will

provide the applicant with information for them to learn how the program works. The briefings will be conducted as much as possible in group sessions, and will include an overview of the Section 8 program including HQS requirements and specific tips on how applicants can conduct their search for housing. RHE will accommodate any applicant with a disability through an individual meeting, if requested. RHE must ensure that any persons with disabilities understand the briefing in order to gain full benefit of the program. RHE will have Section 8 staff available to assist individuals who have special needs, or mobility/portability issues. If the applicant cannot attend the originally scheduled briefing, they may attend a later session. If a family fails to attend 2 briefings without good cause, they will be denied admission.

IV.6.b. Briefing Packet includes the following subjects and other material:

(1) Required Material

- The term of the Housing Choice Voucher
- RHE's extension policy and the suspension (tolling) policy
- How RHE determines the HAP and TTP for a family for their specific subsidy
- Information on the Payment Standard and RHE's Utility Allowance Schedule
- The allowable reasonable accommodation extension policy and procedure to request an extension
- How RHE determines the maximum rent for an assisted unit
- What the family should consider when leasing a unit, including reasonable rent, unit condition, utility costs and efficiency, and location of the unit to services
- Where the family may lease a unit and an explanation of the portability feature, if applicable.
- An explanation of the HUD-required tenancy addendum
- The Request For Tenancy Approval (RFTA) form and the approval process
- RHE's policy on providing information to prospective landlords about a prospective family
- The RHE subsidy standards and any exceptions to the standards

- The HUD brochure on how to select a unit, “A Good Place to Live.” (HUD-H-593)
 - The HUD lead-based paint brochure, “Protect Your Family from Lead in Your Home.”
 - Information on federal, state, and local equal opportunity laws and a copy of the housing discrimination complaint form (HUD-903)
 - A list of landlords with available units to lease under Section 8
 - A listing of any accessible units known to RHE
 - If the vouchers being issued are for the Welfare-to-Work program, an explanation of termination of assistance for non-compliance must be given.
 - The RHE grounds for terminating assistance for a participant family
 - The family obligations under the Section 8 program
 - RHE's informal hearing procedures
- (2) The **Oral Briefing** must include the following:
- A description of how the program works
 - Family and owner responsibilities
 - Types of eligible housing and where a family may lease a unit
 - An explanation of the advantages of the ROC programs and of moving to an area that does not have a high concentration of poor families, including a map of these areas
 - An explanation that the family share of rent may not exceed 40% of the family’s monthly adjusted income if the gross rent exceeds the applicable Payment Standard
 - A brief overview of the Section 8 Family Self Sufficiency Program.
 - An explanation of portability and a list of portability contacts at neighboring PHAs.

IV.6.c. Income Limits for Voucher Issuance

For new families entering the program, the income limit shall be the very low income limit or

the extremely-low income limit, as published by HUD and in effect as of the date the family is selected for participation, except for low-income applicants eligible under Continuously Assisted (see Glossary). Once a family is admitted (leased), they are no longer subject to initial income limits in order to retain eligibility.

IV.6.d. Term of Issuance. Once the applicant family has attended a briefing, RHE will issue a Housing Choice Voucher.

- (1) Initial Term. 60 days
- (2) Extension Term. Two 30 day additional extensions may be granted for a family making a request in writing prior to the expiration date. The family must provide a statement of their efforts to find a unit, and that additional time can reasonably be expected to result in success in leasing a unit. No voucher will have a term longer than 120 days without an extraordinary reason.

If RHE determines that additional search time would be a reasonable accommodation, RHE will ask HUD to approve an additional extension beyond the 120 days.

If the family's voucher expires (with or without an extension), the family must wait until RHE begins accepting Section 8 applications to reapply.

- (3) Suspension (Tolling). When a Request for Tenancy Approval (RFTA) is received, RHE will deduct the number of days from the term on the subsidy required to process the request and approve or deny it. Thus, the subsidy could effectively be active for more than 120 days, if the family received an extension and brought in an RFTA towards the end of the subsidy deadline that needed to be processed. This tolling policy allows families the full term (60 days or more, with extensions) to find a unit, not penalizing them for the period during which RHE is taking action on their request.

V. LEASING AND INITIAL OCCUPANCY FUNCTIONS

V.1. LEASING SCHEDULE

The leasing schedule for each new HUD allocation is listed in the Agency's separate funding application for Section 8 Housing Assistance.

V.1.a. In-Place Leasing. Program experience indicates that it is easier for many participants to negotiate a Section 8 lease in their present unit than with a new landlord. It is RHE's intent through landlord outreach to encourage mobility and portability as well as leasing in place. As part of that landlord outreach, Section 8 staff will provide landlord information and training programs regarding regulations and requirements for participation in the Section 8 program.

V.1.b. Request for Tenancy Approval (RFTA) Process. When a Housing Choice Voucher holder finds a suitable unit, the family submits a required RFTA, HUD form 53517, for review by Section 8 staff. A family may not submit more than one RFTA for approval at a time. Through the suspension/tolling policy, the time limit on the Section 8 voucher will be suspended while the RFTA is being processed by Section 8 staff, including the HQS inspection (see page IV-16).

V.1.c. Approval to Lease a Unit. RHE will approve a lease if all of the following conditions are met:

- (1) The unit is eligible
- (2) The unit is inspected by RHE and passes HQS;
- (3) The lease is approvable and includes the following:
 - The names of the owner and tenant;
 - The address of the unit rented;
 - The term of the lease (initial term and any provisions for renewal);
 - The amount of the monthly rent to the owner;
 - A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family; and

- The required HUD tenancy addendum.
- (4) The rent to owner is reasonable;
- (5) The family's share of rent does not exceed 40% of their monthly adjusted income if the gross rent exceeds the applicable payment standard;
- (6) The owner has not be found to be debarred, suspended, or subject to a limited denial of participation by HUD or RHE; and
- (7) The family continues to meet all eligibility and screening criteria.

The prospective landlord is contacted to confirm the unit information on the RFTA, to provide the landlord with program information, and to encourage the landlord to screen the applicant for rent, credit, and criminal histories. 24 CFR 982.307 (a).

If tenancy approval is denied, RHE will advise the owner and the family in writing and advise them of any actions they could take that would enable RHE to approve the tenancy.

V.1.d. RHE Policy on Providing Information to a Prospective Landlord about a Family. Section 8 staff will provide the landlord with the family's current address (as shown in RHE's records), and the name and address of the landlord at the family's current and prior address, if known. Any public information including newspaper articles or public court records may also be disclosed by RHE to the prospective landlord. RHE will give the same types of information to all families and to all owners. 24 CFR 982.307 (b)

V.1.e. RHE Assistance to Families who Claim Discrimination. It is the policy of RHE to comply fully 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 ground 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 RHE's housing programs.

Section 8 staff provide families with a complaint form and information and assistance on how to fill out a housing discrimination complaint as part of the briefing packet. The complaint form (HUD-903.1) and information on Federal, State and local laws regarding housing discrimination will be provided at all program briefings and at other times as requested.

V.2. HOUSING QUALITY STANDARDS (HQS) AND INSPECTION POLICIES

V.2.a. HQS (24 CFR 982.401). Units placed under lease in the Section 8 Housing Choice Voucher and Mod Rehab SRO programs will meet the housing quality standards specified in the regulations published in the Federal Register. The intent of these requirements is not only to ensure the utilization of standard housing units with acceptable criteria applicable to state and local codes, but also to establish minimum criteria necessary for the health and safety of the occupants. The regulations state both Performance Requirements, (the *objective* of each standard), and Acceptability Criteria (minimum acceptable level of conditions or performance to meet each standard). The Housing Quality Standards (HQS) include criteria which can be fairly easily identified as well as criteria which may require a high degree of judgment to apply.

Some criteria focus on health and safety concerns and require the Section 8 staff to determine unit acceptability regardless of the tenant's possible willingness to accept any deficient condition. Other criteria relate to "decency" and suitability concerns only, and therefore the unit's acceptability may be determined by the tenant (e.g., amount of kitchen counter space, unit configuration, room size, location of public transportation or parking space) with guidance and education provided by the Section 8 Office.

Families choosing specific housing types will receive information regarding any other Housing Quality Standards and acceptability criteria. If deficiencies are found in a unit, a reinspection will be scheduled. The owner will be advised in writing of the needed improvements and of the policy that all HQS be met prior to accepting the unit. (See page VI-6 for more information on HQS and time frames for corrections.)

V.2.b. Initial Inspections. Initial inspections are used to determine if the unit and property meet HQS, to document the current unit conditions for any future comparisons of normal wear and tear issues, and to document information to be used to determine rent reasonableness.

Units will be inspected and meet HQS before lease approval and execution of the HAP contract. Once it appears the tenancy may be approvable, RHE will schedule an appointment to inspect the unit within 15 calendar days after the receipt of an inspection request from the family and owner, or have the owner's written explanation of any additional delay. The 15 day period is suspended during any period the unit is unavailable for inspection. RHE will promptly notify the owner and family whether the unit and tenancy are approvable.

All utilities must be in service when the unit is inspected. If an item fails or is inconclusive, a reinspection must be conducted. These reinspections should ensure accurate and complete inspections by staff, and consistency among inspectors in the application of HQS. Any defects or deficiencies must be corrected prior to execution of a Housing Assistance Payments (HAP) Contract. The contract will be executed only if all of the Housing Quality Standards are met.

V.3. INELIGIBLE/ELIGIBLE HOUSING (SPECIAL HOUSING TYPES)

V.3.a. Ineligible Housing. The following types of housing cannot be assisted under the Section 8 Tenant-Based Program:

- (1) A public housing unit;
- (2) A unit receiving project-based assistance under a Section 8 Program;
- (3) Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
- (4) College or other school dormitories;
- (5) Units on the ground of penal, reformatory, medical, mental, and similar public or private institutions;
- (6) A unit occupied by its owner. This restriction does not apply to a cooperative or to assistance on behalf of a manufactured home owner leasing a manufactured home space; and
- (7) A unit receiving any duplicative Federal, State, or local housing subsidy. This does not prohibit renting a unit that has a reduced rent because of a tax credit.

RHE will not approve a lease for any of the following special housing types, except as a reasonable accommodation for a family with disabilities:

- (1) Congregate housing;
- (2) Group homes;
- (3) Shared housing; and
- (4) Single Room Occupancy housing.

V.3.b. Eligible Housing. RHE will approve leases for the following housing types:

- (1) Single family dwellings;
- (2) Town houses;
- (3) Apartments;
- (4) Cooperative housing;
- (4) Manufactured housing; and
- (5) Manufactured home space rentals.

V.4. DISAPPROVAL OF OWNERS 24 CFR 982.306. RHE will not approve a unit:

V.4.a. If the owner is debarred, suspended or subject to a limited denial of participation by HUD;

V.4.b. If directed by HUD because 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;

V.4.c. If directed by HUD because a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements; or

V.4.d. If the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless RHE determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities.

V.4.e. RHE will deny the owner's participation for any of the following reasons:

- (1) The owner has violated obligations under a Section 8 Housing Assistance Payments Contract under the 1937 Housing Act;
- (2) The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program;
- (3) The owner has engaged in drug-related criminal activity, or any violent criminal activity;

- (4) The owner has a history or practice of non-compliance with HQS for units leased under Section 8, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program;
- (5) The owner has a history or practice of renting units that fail to meet State or local housing codes;
- (6) The owner has not paid State or local real estate taxes, fines or assessments;
- (7) The owner refuses (or has a history or refusing) to evict families for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the premises by tenants, RHE employees, or owner employees; or residences by neighbors;
- (8) Other conflicts of interest under Federal, State, or local law.

If the owner is disapproved, written notification will be made, including the reason, to the owner and the subsidy holder. The owner will be given an opportunity to rectify any deficiencies.

V.5. PAYMENT STANDARD

V.5.a. Setting the Payment Standard. The Statute requires that the payment standard be set by RHE at between 90 and 110% of the Fair Market Rent (FMR) without HUD's prior approval, or at the approved exception rent, or higher or lower with HUD approval. RHE will review its determination of the payment standard annually after publication of the FMRs. RHE will consider vacancy rates and rents in the market area, size, and quality of units leased under the program, rents for units leased under the program, success rates of voucher holders in finding units, and the percentage of annual income families are paying for rent under the Voucher Program. If it is determined that success rates will suffer or that families are renting low quality units or paying over 40% of income for rent, the payment standard may be raised to a level judged necessary to alleviate these hardships.

Payment standards for each bedroom size are evaluated separately so that the payment standard for a bedroom size may increase or decrease while another remains unchanged. When circumstances warrant, RHE may consider adjusting payment standards at times other than the annual review.

RHE may establish a higher payment standard (although still within 110% of the published Fair Market Rent) as a reasonable accommodation for a family that includes people with disabilities. With approval of the HUD Field Office, the payment standard can go to 120%.

V.5.b. Selecting the Correct Payment Standard

- (1) For the voucher tenancy, the family's payment standard is the lower of:
 - (i) The payment standard for the family unit size; or
 - (ii) The payment standard for the unit size rented by the family.
- (2) If the unit rented by the family is located in an exception rent area, RHE will use the appropriate payment standard for the exception rent area.
- (3) During the HAP contract term for a unit, the amount of the payment standard for a family is the higher of:
 - (i) The initial payment standard (at the beginning of the lease term), minus any amount by which the initial rent to owner exceeds the current rent to owner; or
 - (ii) The payment standard as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.
- (4) At the next annual reexamination following a change in family size or composition during the HAP contract term and for any reexamination thereafter, paragraph (3) above does not apply.
- (5) If there is a change in family unit size resulting from a change in family size or composition, the new family unit size will be considered when determining the payment standard at the next annual reexamination.

V.6. RENTS AND RENT REASONABLENESS (24 CFR 982.4 AND 24 CFR 882.106)

RHE will not approve an initial rent or a rent increase in the Section 8 program without determining that the rent is reasonable. (See page VI-8 for more description on Rent Reasonableness.) Rent reasonableness is determined prior to the initial lease and at the following times:

- Before any increase in rent to owner is approved;
- If 60 days before contract anniversary date there is a 5% decrease in the published FMR, as compared to the previous FMR; and
- If RHE or HUD directs that rent reasonableness be determined.

V.6.a. Comparability. Rent is reasonable if it is not greater than rent charged for comparable unassisted units in the private market; or for rent charged for comparable assisted or unassisted units in the building or neighborhoods. RHE will consider the location, quality, size, number of bedrooms, age, amenities, housing services, maintenance and utilities of the unit and comparable units.

RHE will maintain the City of Rockville's current survey on rental units in the jurisdiction. RHE will also obtain information on the array of amenities offered by the City rental properties. Owners may review the rent determination made on their unit and may submit additional information or make improvements to the unit that will enable RHE to establish a higher value. By accepting the housing assistance payment each month, the owner is certifying that the rent to owner is not more than the rent charged by the owner for comparable unassisted units in the premises.

V.6.b. Area Exception Rents. In order to help families find housing outside areas of high poverty or when voucher holders are having trouble finding housing for lease under the program, RHE may request that HUD approve an exception payment standard rent for certain areas within its jurisdiction. Exception payment standard rent authority may be requested for all or some unit sizes, or for all or some unit types.

When an exception payment standard rent has been approved by HUD and the FMR increases, the exception rent remains unchanged until such time as RHE requests and HUD approves a higher exception payment standard rent. If the FMR decreases, the exception payment standard rent authority automatically expires.

V.6.c. Maximum Subsidy. The Fair Market Rent (FMR) published by HUD or the exception payment standard rent (requested by RHE and approved by HUD) determines the maximum subsidy for a family.

For a regular tenancy under the Certificate Program, the FMR/exception rent limit is the maximum initial gross rent under the unassisted lease. This only applies until the transition of the merger of the Section 8 Certificate and Voucher programs as outlined in 24 CFR 982.502 is complete.

For the Voucher Program, the minimum payment standard will be 90% of FMR, and the maximum payment standard will be 110% of the FMR without prior approval from HUD, or the exception payment standard approved by HUD.

Certificates Only. For the Certificate program only, even if the unit is rent reasonable, the rent on a unit must also not exceed the applicable Fair Market Rent (FMR) limit for the appropriate bedroom size. The Section 8 Existing Fair Market Rent is the gross rent limit for the Certificate program as published in the Federal Register and is in effect for a unit on the date of lease approval.

Vouchers Only. (24 CFR 887.209(b) and 24 CFR 887.351(c)(d)) For the Voucher program, rents must be reasonable, but are negotiated by the subsidy holder without an FMR limit. RHE will provide guidance and advice to the family on whether the rent requested by the owner is reasonable, based on information RHE has for comparable rental units. If requested by the family, RHE will also assist the family in negotiating a reasonable rent with the owner. RHE's Payment Standard is reviewed and adjusted annually, if needed, so that the families can continue to afford to lease units under the Voucher Program. Usually this will be done at the time HUD publishes new FMRs or upon exception rent approval. If the FMRs are revised downward, RHE must adopt a new lowered Payment Standard schedule, because the Payment Standard amount by bedroom size cannot be more than the published FMR or exception rent. Families already leased will be held harmless, and will not have their Payment Standard lowered, unless they move or enter into a new lease, or have a change in family composition which would affect their Voucher size. The Payment Standard is used to determine the maximum subsidy which can be paid by RHE on behalf of a voucher family for a rental unit.

V.7. ASSISTANCE AND RENT FORMULAS

Housing Choice Voucher families will be calculated at a Total Tenant Payment as defined below.

V.7.a. Total Tenant Payment. The total tenant payment is equal to the highest of:

- 10% of the family's monthly income; or
- 30% of the family's adjusted monthly income; or
- The minimum rent, if applicable;

plus any rent above the payment standard. No participant when receiving tenant-based assistance initially on a unit shall pay more than 40% of their monthly-adjusted income for rent and utilities if the gross rent exceeds the applicable payment standard.

V.7.b. Minimum Rent. RHE has chosen to set the minimum rent as \$0, so that a family with "No Income" will not endure an additional financial hardship.

V.7.c. Utility Reimbursement Payment (URP) 24 CFR 982.4. At each reexamination, RHE applies the utility allowance from the most current utility allowance schedule. The utility reimbursement is the amount, if any, by which any utility allowance for family-paid utilities or other housing services exceeds the Total Tenant Payment. Payment is made monthly in the form of a check directly to the participant family.

V.8. UTILITY ALLOWANCE

RHE maintains a utility allowance schedule for all tenant-paid utilities (except telephone and cable television) and for trash collection service.

The utility allowance schedule is determined based on the typical cost of utilities and service paid by energy-conservative households that occupy housing of a similar size and type in the same locality. In developing the schedule, RHE uses normal patterns of consumption for the city as a whole and current utility rates.

RHE uses the appropriate utility allowance for the size of the dwelling unit actually leased by the family (rather than the family unit size as determined under RHE's subsidy standards).

RHE will approve a request for a utility allowance that is higher than the applicable amount

on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible and usable by the family member with a disability.

The utility allowance will be subtracted from the family's share to determine the amount of the Tenant Rent. **Tenant Rent** is the amount the family owes each month to the owner. The amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belongs to the tenant.

V.9. LEASE APPROVAL (24 CFR 982.308)

The assisted lease between the tenant and owner (including any new lease or lease revision) must be approved in advance by RHE. The HUD Tenancy Addendum must be attached to the HAP Contract and the owner's lease. The following requirements must be met:

V.9.a. Tenant's legal capacity. The tenant must have legal capacity to enter into a lease under State or local law, which in the State of Maryland includes a requirement that the head of the household be at least 18 years of age.

V.9.b. Tenancy Addendum (HUD 52641-A). If there is any conflict between the HUD Tenancy Addendum and any other provisions of the lease, the provisions required by the HUD Tenancy Addendum shall prevail.

V.9.c. State and Local Law. The owner's lease must comply with State and local law.

V.9.d. Utilities. The lease must specify what utilities and appliances are owner-supplied and what utilities and appliances are to be supplied by the family.

V.9.e. Lease Term. The initial lease term must be for at least one year, unless RHE determines that a shorter term of not less than six months would improve housing opportunities for the family. The lease terms that apply must be consistent with those generally applied to unassisted tenants in the same property. These lease term requests will be decided on by Section 8 staff a case-by-case basis. 24 CFR 982.309

V.10. SECURITY DEPOSITS (24 CFR 982.313)

The owner may collect a security deposit from the tenant. For lease-in-place families, the owner and family will need to negotiate any change in the previously collected security deposit under the unassisted owner's lease prior to the beginning of assistance.

V.10.a. Maximum deposit allowed. The security deposit may not be in excess of private market practice and cannot be in excess of amounts charged to unassisted tenants as prescribed by State or local law. Local law states that the security deposit may not exceed two months rent.

V.11. HOUSING ASSISTANCE PAYMENTS CONTRACT EXECUTION (24 CFR 982.451)

The housing assistance payments contract (HAP contract) is the contract between RHE and the owner wherein the owner agrees to lease a specified dwelling unit to a specified eligible family, and RHE agrees to make monthly housing assistance payments to the owner on behalf of the family. The term of the HAP contract must be the same as the term of the lease. All owners must provide to RHE an executed IRS Form W-9 with a tax identification number or Social Security Number **prior** to rent payments.

The HAP contract will be executed by RHE **after** the unit passes inspection, and the lease and contract rent have been approved by RHE. The monthly housing assistance payment by RHE must be credited toward the monthly rent to owner under the family's lease. The total rent paid by the tenant plus RHE's housing assistance payment to the owner may not be more than the rent to owner. The owner must return immediately any excess HAP payment to RHE. The HAP contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed. RHE must receive a written request from the previous owner in order to change the HAP payee and/or the address to which payment is to be sent.

V.11.a. Payment to owners. For all housing choice voucher families, the amount of monthly housing assistance payment will be calculated as the lower of either:

- The payment standard minus the total tenant payment; or
- the gross rent minus the total tenant payment.

All HAP checks are computer-generated monthly, and mailed directly to the owner's address. Any utility allowance checks are processed at the same time and mailed directly to the family. A HAP register is maintained monthly to record all payments. Special checks for prorated payments or other adjustments are processed and mailed on a mid-month basis.

RHE security procedures require that all checks require two signatures prior to issuance. The RHE Executive Director and Commission Chairperson usually sign vendor checks. In either of their absences, the Vice Chairman or other approved Commissioner are authorized to sign. Any addition, termination or adjustment to the prior month's payments requires documentation from the Section 8 staff to Finance before check execution.

If payments are not made when due, the owner may charge RHE a late payment, agreed to in the HAP Contract and in accordance with generally accepted practices in the City of Rockville jurisdiction, if the following conditions apply:

- It is the owner's practice to charge such penalties for assisted and unassisted tenants; and
- The owner also charges such penalties against the tenant for late payment of family rent to the owner.

Late charges will not be paid when the reason for lateness is attributable to factors beyond the control of RHE.

V.11.b. Change of ownership. RHE requires a written request by the owner who executed the HAP contract in order to make changes regarding who is to receive RHE's rent payment or the mailing address where the rent payment should be sent.

RHE also requires a written request from the new owner to process a change of ownership. A copy of the Deed of Trust showing the transfer of title and an executed IRS Form W-9 must accompany the written request to RHE.

V.12. SECTION 8 PROGRAM RESPONSIBILITIES

V.12.a. RHE responsibilities (24 CFR 982.153)

RHE must comply with the consolidated ACC, the application, HUD regulations and other requirements, and with the RHE Administrative Plan. In administering the program, RHE must:

- (1) Publish and disseminate information about the availability and nature of housing assistance under the program;
- (2) Communicate the status of program availability to other service providers in the community, and advise them of eligibility factors and guidelines so that they can make proper referrals of their clients to the program;
- (3) Explain the program to owners, by holding individual and group briefings for owners who participate in or who are seeking information about the Section 8 Program. The briefing is intended to:
 - (i) Explain how the program works;
 - (ii) Explain how the program benefits owners;
 - (iii) Explain owners' responsibilities under the program. Emphasis is placed on quality screening and ways RHE helps owners do better screening;
 - (iv) Provide an opportunity for owners to ask questions, obtain written materials, and meet RHE staff; and
 - (v) Encourage owners to attend in order to make units available for leasing in the program, including owners of suitable units located outside of low-income or minority concentration areas. (See description of ROC, page VII-8.)
- (4) Seek expanded opportunities for assisted families to locate housing outside areas of poverty or racial concentration;
- (5) Affirmatively further fair housing goals and comply with equal opportunity requirements;
- (6) Make efforts to help people with disabilities find satisfactory housing;
- (7) Receive applications from families, determine eligibility, maintain the waiting

list, select applicants, issue a voucher to each selected family, and provide housing information to families selected;

- (8) Determine who can live in the assisted unit, at admission and during the family's participation in the program;
- (9) Obtain and verify evidence of citizenship and eligible immigration status in accordance with 24 CFR Part 5.
- (10) Review the family's request for approval of the unit and tenancy;
- (11) Inspect the unit before the assisted occupancy begins, and at least annually during the assisted tenancy;
- (12) Determine the amount of the housing assistance payment for a family;
- (13) Determine the maximum rent to the owner, and whether the rent is reasonable;
- (14) Make timely housing assistance payments to an owner in accordance with the HAP contract;
- (15) Examine family income, size and composition, at admission and during the family's participation in the program. The examination includes verification of income and other family information;
- (16) Establish an up to date utility allowance schedule, and adjust RHE's utility allowance, as needed. RHE reviews utility rate data obtained within the last 12 months and adjusts its utility allowance schedule if there has been a change of 10% or more in a utility rate since the last time the utility allowance schedule was revised.
- (17) Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action, as determined by RHE, if the owner defaults (e.g. HQS violation);
- (18) Determine whether to terminate assistance to a participant family for violation of family obligations;
- (19) Conduct informal reviews of certain RHE decisions concerning applicants for participation in the program;
- (20) Conduct informal hearings on certain RHE decisions concerning participant families;

- (21) Provide sound financial management of the program, including engaging an independent public accountant to conduct audits; and
- (22) Administer an FSS program.

V.12.b. Family Obligations (24 CFR 982.551)

The family:

- (1) Must supply any information that RHE or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (see 24 CFR Part 5). "Information" includes any requested certification, release or other documentation.
- (2) Must supply any information requested by RHE or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
- (3) Must disclose and verify social security numbers, and sign and submit consent forms for obtaining information.
- (4) Must provide only information that is true and complete.
- (5) Must be responsible for any HQS breach caused by the family or its guests as described in 24 CFR 982.404 (b).
- (6) Must allow RHE to inspect the unit at reasonable times and after two days (48 hours) notice.
- (7) Must not commit any serious or repeated violation of the lease.
- (8) Must notify RHE and the owner before the family moves out of the unit, or terminates the lease on notice to the owner 24 CFR 982.314 (d).
- (9) Must notify RHE if any family member no longer resides in the unit.
- (10) Must promptly give RHE a copy of any owner eviction notice it receives.

- (11) Must use the assisted unit for residence by the family. The unit must be the family's only residence. The family must notify RHE of any change in family composition and request RHE and owner approval to add a new occupant. A live-in aide may be added to the family composition if there is verification of need from a doctor or medical institution. A foster child/foster adult may reside in the unit with court verification of custody.
- (12) Must not sublease or let the unit.
- (13) Must not assign the lease or transfer the unit.
- (14) May engage in legal profit making activities in the unit, but only if such activities are incidental to residency by the family. Any business uses of the unit must comply with zoning requirements and the affected household member must obtain all appropriate licenses.
- (15) Must supply any information or certification requested by RHE to verify that the family is living in the unit, or relating to family absence from the unit, including any RHE-requested information or certification on the purposes of family absences. The family must cooperate with RHE for this purpose.

The family must promptly notify RHE **of absence from the unit.** Absence means that no member of the family is residing in the unit. The family may only be absent from the unit for up to 30 days, and must request permission from RHE for absences exceeding 30 days. RHE will make a determination within 5 business days of the request. An authorized absence may not exceed 180 days. Any family absent for more than 30 days without authorization will be terminated from the program. Authorized absences may include, but are not limited to: (1) prolonged hospitalization; (2) absences beyond the control of the family (i.e., death in the family, other family member illness); (3) other absences that are deemed necessary by RHE.

- (16) Must not own or have any interest in the unit except for cooperative housing or manufactured homes.
- (17) Must not have family members commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
- (18) Must not have family members engage in drug-related criminal activity or violent criminal activity. 24 CFR 982.553

- (19) Must 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 defined by HUD) federal, State or local housing assistance program.

V.12.c. Owner responsibilities (24 CFR 982.307 and 982.452)

The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease. **The owner must:**

- (1) Perform all management and rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
- (2) Maintain the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
- (3) Comply with equal opportunity requirements.
- (4) Prepare and furnish to RHE information required under the HAP contract.
- (5) Be responsible for collecting from the family any security deposit, the tenant portion of the rent, and any charges for unit damage by the family.
- (6) Enforce tenant obligations under the lease.
- (7) Pay for utilities and services, unless paid by the family under the lease.
- (8) Be responsible for provisions on modifications to a dwelling unit occupied or to be occupied by a disabled person. 24 CFR 100.203
- (9) Be responsible for notifying the tenant and RHE 90 days prior to any rent increase.

V.13. MONITORING AND REPORTING (24 CFR 982.158)

RHE's Section 8 Office is responsible for reporting to HUD on leasing and occupancy matters, including required data on equal housing opportunities. Staff is also responsible for monitoring compliance with the unit allocation schedules to assure that ACC authority is not exceeded. The reports and monitoring are done in the current Section 8 database. Through HUD's Multifamily Tenant Characteristics System (MCTS), RHE provides reports to HUD from the form 50058 data to be used as tools to help monitor the Section 8 program. Family data is transmitted electronically to HUD monthly for all changes that result in a new HUD form 50058. The minimal transmittal requirement is 85% or more of HUD form 50058 for families that receive assistance. Records must be maintained during any assisted tenancy and for at least three years thereafter.

V.14. PORTABILITY (24 CFR 982.353, 982.354 AND 982.355)

Portability is a feature of the Section 8 Housing Choice Voucher program. It allows families to move out of or into RHE's jurisdiction to any Housing authority within the United States and its territories that administers a Housing Choice Voucher program. For income targeting purposes, a portable family will count toward the initial PHA's goals, unless the receiving PHA absorbs the family. If absorbed, the admission will count toward the receiving PHA's goals. RHE will use the required HUD Family Portability Information form 52665 for both outgoing and incoming families. (See Appendix)

V.14.a. Outgoing Portability. RHE requires non-resident applicants to reside twelve months in RHE's jurisdiction. If the family is utilizing portability for their initial lease-up, RHE will determine if the family is within the very low income limit of the receiving RHE, and advise the family accordingly. If a family notifies RHE that they want to move using portability, RHE will contact the receiving PHA and confirm that the family is eligible to move, that their Housing Choice Voucher has been issued, and that the family wishes to relocate to the receiving jurisdiction. HUD form 52665 Part I, the most recent HUD form 50058, copies of income verification and declarations of citizenship or eligible immigration status, and a copy of the Housing Choice Voucher issued by RHE will be sent by mail or fax within one week to the receiving PHA. RHE will also advise the family how to contact and request assistance from the receiving PHA.

V.14.b. Incoming Portability. RHE will accept a family with a valid Housing Choice Voucher from another jurisdiction and administer or absorb the subsidy. In order to prevent an adverse effect on the Section 8 waiting list, in most cases RHE will choose to administer the subsidy on behalf of the initial PHA. Staff may choose to absorb families on a one-for-one basis where the initial PHA is administering an equal number of RHE's subsidies and is willing to absorb an equal number of RHE's subsidies. This will reduce the billing process for non-absorbed subsidies without changing the number of families served from the Section 8 waiting list. RHE will notify the initial PHA through Part II of the HUD form 52665 that their family is moving to RHE's jurisdiction. Attached to the 52665 will be the current HUD form 50058. For monthly billing purposes, RHE will use the 52665 form to show the schedule changes and any fees owed to RHE.

RHE will determine the family's unit size in accordance with RHE subsidy standards and will approve voucher extensions in accordance with RHE policy.

VI. ONGOING OCCUPANCY FUNCTIONS

VI.1. RECERTIFICATION OF PARTICIPATING HOUSEHOLDS

As part of RHE's responsibilities in administering the Section 8 Program, at least annually, staff will inspect the assisted unit for HQS compliance and examine the family's income, composition, deductions, expenses, and other family information. This will redetermine the amount of the housing assistance payment for a family and their total tenant payment. 24 CFR 982.153 The family must supply any information requested by RHE or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements. 24 CFR 982.551 and Part 813

VI.1.a. Annual Recertifications. All participating Section 8 families will be notified in writing 90-120 days in advance by the Section 8 Office of their scheduled effective recertification date (anniversary date), and given appointments for both reexamination of their family information and an HQS inspection of their unit. Any owner request for a rent adjustment will also be processed at this time. If the family is unable to attend the scheduled reexamination interview, the family's interview will be rescheduled.

If the family fails to attend the rescheduled examination, RHE will send written notice of suspension of assistance effective the date of the recertification. A suspension of assistance for failure to complete an annual reexamination may result in a reinstatement of the assistance provided the reexamination is completed prior to the anniversary date. Suspension of housing assistance of more than 30 days due to the family's failure to complete recertification will result in termination of the Section 8 subsidy and housing assistance.

Persons with disabilities will be granted an accommodation in conducting the reexamination by mail, by staff home visit, or by a family representative, upon verification that the accommodation requested meets the need presented by the disability. A limited Power of Attorney should be executed to allow a family representative. A family declaration statement and a Release of Information form must be completed by the head of house and executed by all adult members of the household. Section 8 staff must complete the reexamination in a timely manner, so that the 30-day written notice will be sent to the owner and family 30 days prior to the anniversary date of any rent change.

- (1) **Family composition.** Section 8 staff will redetermine the family's composition by reviewing the previous and current family declaration statements.

- (2) **Income and assets.** Section 8 staff will collect documentation less than 120 days on the effective date of the recertification of income and assets for all family members. Third-party verification will be mailed by staff after the reexamination. Third-party follow-up on verifications, including phone calls and faxes, should result in a completed reexamination. After reasonable attempts by the Section 8 staff to get the third-party verification, certification/self-declaration by the family will be accepted and staff must document the file accordingly. Discrepancies between the family information and the third-party verification will be discussed with the family to allow them a chance to refute the third-party documentation prior to completing the reexamination. If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, RHE will utilize the information provided by third-party verification.
- (3) **Welfare non-compliance.** If the amount of a family's welfare assistance is reduced due to an act of fraud by a family member or because of any family member's failure to comply with the requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the welfare requirements and/or had not committed an act of fraud.

If the amount of welfare assistance is reduced as a result of a lifetime time limit, the reduced amount is the amount that shall be counted. At the request of RHE, the welfare agency will inform RHE in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform RHE of any subsequent changes in the term or amount of such specified welfare benefit reduction. RHE will use this information to determine the amount of imputed welfare income for a family.

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

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

If the family does not agree with RHE's determination of the amount of imputed welfare income, the family may contest the decision in accordance with RHE's informal review policy.

RHE is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations. Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. RHE shall rely on the welfare agency notice to RHE of the welfare agency's determination of a specified welfare benefits reduction.

- (4) Allowances.** Section 8 staff will collect documentation of any deductions or allowances, including medical and childcare expenses. Third-party verification will be mailed by Section 8 staff almost immediately after the reexamination. However, a reexamination will be processed and considered completed, whether or not the family is given credit for an allowance.

VI.1.b. Ongoing HQS inspections. A Housing Quality Standards Inspection of every unit will be conducted at least annually (usually at lease renewal), and at other times as needed, to determine if the units meet HQS for continued occupancy. Inspections are completed at move-in, annually, for quality control, or due to a complaint. At move-out, the Inspector may also complete an inspection as warranted. Random quality control reinspections will be performed by the Section 8 Manager or designee on the SEMAP-required number or percentage of inspected units previously completed by each inspector.

RHE must be allowed to inspect the dwelling unit at reasonable times, with reasonable notice. The family and owner will be notified of the inspection appointment by first class mail. If the family cannot be at home for the scheduled inspection appointment, the family must call the Section 8 Inspector and schedule the inspection or make arrangements to enable RHE to enter the unit and complete the inspection while the family is not present.

If the family misses the scheduled inspection and fails to reschedule the inspection, RHE will only schedule one more inspection. If the family misses two inspections, RHE will consider the family to have violated a Family Obligation and their assistance will be terminated.

VI.1.c. Type of HQS Inspections. There are seven types of inspections RHE will perform:

- (1) **Initial inspection.** An inspection that must take place to ensure that the unit passes HQS before assistance can begin.
- (2) **Annual inspection.** An inspection to determine that the unit continues to meet HQS.
- (3) **Complaint inspection.** An inspection caused by RHE receiving a complaint on the unit by anyone.
- (4) **Special inspection.** An inspection caused by a third party, i.e., HUD, needing to view the unit.
- (5) **Emergency.** An inspection that takes place in the event of a perceived emergency. These will take precedence over all other inspections.
- (6) **Move out inspection (if applicable).** An inspection required for units in service before October 2, 1995, and optional after that date. These inspections document the condition of the unit at the time of move out.
- (7) **Quality control inspection.** Supervisory inspections on the SEMAP-required number or percentage of the total number of units that were under lease during RHE's previous fiscal year.

VI.1.d. Owner responsibility for HQS.

- (1) The owner must maintain the unit in accordance with HQS.
- (2) If the owner fails to maintain the dwelling unit in accordance with HQS, RHE will take prompt and vigorous action to enforce the owner obligations. RHE's remedies for such breach of the HQS include termination, suspension or reduction of housing assistance payments and termination of the HAP contract.
- (3) RHE will not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by RHE and RHE verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects the owner must correct the defect within no more than 30 calendar days (or any RHE approved extension). (See VI.1.f, below for time frames for corrections).

- (4) The owner is not responsible for a breach of HQS that is not caused by the owner, and for which the family is responsible. Furthermore, RHE may terminate assistance to a family because of the HQS breach caused by the family.

VI.1.e. Family responsibility for HQS.

- (1) The family is responsible for a breach of the HQS that is caused by any of the following:
 - The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;
 - The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant;
or
 - Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).
- (2) If an HQS breach caused by the family is life threatening the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 days (or any RHE approved extension). (See VI.1.f, below for time frames for corrections).
- (3) If the family has caused a breach of the HQS, RHE will take prompt and vigorous action to enforce the family obligations. RHE may terminate assistance for the family in accordance with 24 CFR 982.552.

VI.1.f. Time frames for corrections.

- (1) **Time Frames.** The following are time frames for corrections:
 - Emergency repair items must be abated within 24 hours.
 - Repair of refrigerators, range and oven, or a major plumbing fixture supplied by the owner must be abated within 72 hours.
 - Non-emergency items must be completed within 20 days of the initial inspection.
 - For major repairs, the owner will have up to 30 days to complete.

- (2) **Extensions.** At the sole discretion of RHE, extensions of up to 30 days may be granted to permit an owner to complete repairs if the owner has made a good faith effort to initiate repairs. If repairs are not completed within 60 days after the initial inspection date, RHE will abate the rent and cancel the HAP contract for owner noncompliance. Appropriate extensions will be granted if a severe weather condition exists for such items as exterior painting and outside concrete work for porches, steps and sidewalks.
- (3) **Emergency Fail Items.** The following items are to be considered examples of emergency items that need to be abated within 24 hours:
- (i) No hot or cold water
 - (ii) No electricity
 - (iii) Inability to maintain adequate heat
 - (iv) Major plumbing leak or flooding
 - (v) Natural gas leak or fumes
 - (vi) Broken lock(s) on first outside floor doors or windows
 - (vii) Broken windows that unduly allow weather elements into the unit
 - (viii) Electrical outlet smoking or sparking
 - (ix) Exposed electrical wires that could result in shock or fire
 - (x) No working toilet
 - (xi) Security risks such as broken doors or windows that would allow intrusion
 - (xii) Uninhabitable unit due to flood, fire, water, wind, or vandalism to one or more primary rooms in the unit, such as the bathroom, kitchen or entrance.
 - (xiii) Other conditions which pose an immediate threat to health or safety
- (4) **Abatement.** When a unit fails to meet HQS and the owner has been given an opportunity to correct the deficiencies, but has failed to do so within the required timeframe, the rent for the dwelling unit will be abated. If HQS

deficiencies are not corrected within the required time frame, RHE will abate housing assistance payments beginning no later than the first of the month following the correction period, or will take prompt and vigorous action to enforce the family obligations.

For tenant caused HQS deficiencies, the owner will not be held accountable and the rent will not be abated. The tenant is held to the same standard and timeframes for correction of deficiencies as owners. If repairs are not completed by the deadline, RHE will send a notice of termination to both the tenant and the owner. The tenant will be given an opportunity to request an informal hearing.

VI.1.g. Utility allowance review. RHE will review the Utility Allowance Schedule on an annual basis and revise it if there has been a change of 10 percent or more in the utility rate since the last time the utility allowance schedule was revised. The schedule is applied at annual recertification and at relocation. These utility allowances are based on actual rates and average consumption studies, not on a family's actual consumption. 24 CFR 982.517.

VI.1.h. Reinspections. If there is an HQS defect, the inspector must reinspect the unit. If the reinspection appointment is missed or the defect is not corrected at reinspection, the owner and family will be notified of abatement of the housing assistance payment.

VI.1.i. Rent abatement. 24 CFR 982.404. If the owner does not maintain the unit in accordance with HQS, RHE will require the owner to correct the defect within the time specified or RHE will abate the housing assistance payments. No retroactive housing assistance payments will be made for the period prior to the end of the rent abatement period. Life-threatening defects which represent an immediate danger to the family's health and safety must be corrected within 24 hours. Other defects must be corrected within 30 days from the inspection (or any RHE approved extension as needed in which to accomplish necessary repairs).

Abatement of housing assistance payments of more than 30 days may result in termination of the HAP contract. If the defect is tenant-caused due to non-payment of a tenant-paid utility or damage to the unit beyond normal wear and tear by the family or guest, the subsidy will be terminated. If the defect is tenant-caused but the owner completes the repairs, RHE staff will encourage the owner to bill the family for the cost of the repairs. When the deficiencies are corrected, RHE will end the abatement the day the unit passes reinspection.

VI.1.j. Contract termination due to HQS. If there is no HQS correction, RHE will terminate the HAP contract one month after abatement, or sooner in life-threatening conditions.

VI.1.k. Requested contract rent adjustments.

- (1) Rent Reasonableness.** Prior to approval of any rent adjustment, a rent reasonableness test will be performed by the Section 8 staff. At least 2 comparable unassisted units, if available, will be used for each rent determination. (See page V-8 for more information on rent reasonableness.)
- (2) Contract Rent Increases.** Contract rent increases are reviewed if properly requested by the owner in writing to the tenant (with a copy to RHE). City of Rockville law requires landlords to provide a notice period of 90 days prior to any rent increase.

 - (i) Certificate Program.** The contract rent increase may only be given annually, and must pass the rent reasonableness test. The increase may not exceed the Adjustment Factor published annually in the Federal Register by HUD, unless the owner requests a special adjustment. 24 CFR 882.108
 - (ii) Voucher Program.** The Contract Rent may only be increased after the first year of the lease. With appropriate 90 day notice, the contract rent may increase. However, RHE approval of the increase still requires that the rent must pass the rent reasonableness test. 24 CFR 882.108
- (3) Special Adjustments for Certificates Only.** An owner may request approval by HUD of a special adjustment of the contract rent to reflect substantial increases in real property taxes, assessments, or utility rates to the unit. The owner must submit financial statements to RHE which show increases in the operating costs which are not adequately compensated for by the current Annual Adjustment Factor published in the Federal Register. Housing Assistance Payments Contract, HUD form 52535.2, 10.b.

- (4) **Repayment Agreements.** If the family fails to report all required information at a reexamination and the result is money owed by the family to RHE, Section 8 staff may require repayment of excess assistance received. If the family does not comply with the repayment agreement, Section 8 staff may terminate the family's subsidy. The Section 8 supervisor will review each case prior to a determination of subsidy termination, and take into account any extenuating circumstances. If the family's action is determined to be fraudulent, RHE will terminate assistance due to the family's violation of their obligations to the Section 8 Program. See Appendix for Repayment Agreement. 24 CFR 792.102 and 103, and 24 CFR 982.552 (b) (6-8)

VI.1.i. Changes in Lease or Rent. If the participant and owner agree to any changes in the lease, all changes must be in writing, and the owner must immediately give RHE a copy of the changes. The lease, including any changes, must be in accordance with this Administrative Plan.

Owners must notify RHE of any changes in the amount of the rent at least sixty (60) days before the changes go into effect. Any such changes are subject to RHE determining them to be reasonable.

Assistance shall not be continued unless RHE has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner if any of the following changes are made:

- Requirements governing participants or owner responsibilities for utilities or appliances;
- In the lease terms governing the term of the lease;
- If the participant moves to a new unit, even if the unit is in the same building or complex.

The approval of RHE is not required for changes other than those specified above.

VI.1.m. Interim Recertifications. An interim adjustment is an unscheduled recertification performed between annual recertifications to recompute a family's rent, based upon a change in their income, allowances or household composition; and, to ensure that the family remains housed in an appropriately-sized dwelling unit. 24 CFR 882.212 (b) and 24 CFR 887.357

- (1) **Reporting Requirements.** Between regular annual recertifications, a family must report the following information:

- (i) **New Household Members.** All increases in the household

composition must be reported. Increases in family size other than by birth, adoption or court-awarded custody must have the prior approval of the owner and RHE. In order to add a household member other than through birth or adoption (including a live-in aide) the family must formally request that the new member be added to the lease. Before adding the new member to the lease, the individual must complete an application form stating their income, assets, and all other information required of an applicant. The individual must provide their Social Security Number (if they have one), and must verify their citizenship/eligible immigrant status (their housing will not be delayed due to delays in verifying eligible immigrant status other than delays caused by the family).

The new family member will go through the screening process, including an RHE criminal background record check, similar to the process for applicants. RHE will determine the eligibility of the individual before allowing them to be added to the lease. If the individual is found to be ineligible or does not pass the screening criteria, they will be advised in writing and given the opportunity for an informal review. If they are found to be eligible and do pass the screening criteria, RHE will grant approval in conjunction with the owner's approval, to add their name to the lease. At the same time, the family's annual income will be recalculated taking into account the income and circumstances of the new family member. The effective date of the new rent will be in accordance with the section on page VI-12 (Effective Date of Rent Changes Due to Interim or Special Reexaminations).

If an addition to the household would result in overcrowding according to the maximum subsidy standards in this Plan, Section 8 staff must issue a larger bedroom size voucher. The family, with assistance from RHE, must try to find an acceptable unit as soon as possible. RHE must terminate the HAP contract in accordance with its terms, if an acceptable unit is available for rental by the family. 24 CFR 982.403 (a)

- (ii) **a household member is leaving** or has left the family unit;
- (iii) **family absences** from the unit (see Family Obligations, page V-16)
- (iv) **A family break-up.** A family break-up must be reported to RHE. If the family breaks up, it is the determination of RHE, on a case by case basis, regarding who remains under housing assistance in the Section 8 Program. The factors to be considered in making this

decision may include:

- To whom the certificate or voucher was issued;
- The interest of minor children or of ill, elderly or disabled family members.
- Whether the assistance should remain with family members remaining in the assisted unit.
- Whether family members are or were forced to leave the unit as a result of actual or threatened physical violence against family member(s) by a spouse or other member(s) of the household.
- Whether the head or co-head of the household is determined to be most in financial need of Section 8 assistance.

RHE will issue a determination within 10 business days of the request for a determination. The family member(s) requesting the determination may request an informal hearing.

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, RHE is bound by the court's determination of which family members continue to receive assistance in the Section 8 Program. 24 CFR 982.54 (d) (11) and 24 CFR 982.315

- (v) **Increases in income for “zero-income” families.** Any increase in income for families with no (zero) income must be reported. Interim recertifications will be required by Section 8 staff for families with zero income every 90 days until they have a source of income. Any resulting increase to the family's Total Tenant Payment will become effective the first day of the second month following the month in which the change was reported to RHE. Other families with income/asset increases will not be required to report between regular annual reexaminations, unless at the time of lease-up or last annual recertification the family was found to have no income.

VI.2. EFFECTIVE DATE OF RENT CHANGES FOR ANNUAL REEXAMINATIONS

The new family share will generally be effective upon the anniversary date with 30 days notice of any rent increase to the family. If the rent determination is delayed due to a reason beyond the control of the family, then any rent increase will be effective the first of the month after the month in which the family receives a 30 day notice of the amount. If the new rent is a reduction and the delay is beyond the control of the family, the reduction will be effective as scheduled on the anniversary date. If the family caused the delay, then any increase will be effective on the anniversary date. Any reduction will be effective the first of the month after the rent amount is determined.

VI.2.a. Special Reexaminations. If a family's income is too unstable to project for 12 months, including families that temporarily have no income or have a temporary decrease in income, RHE may schedule special reexaminations every 90 days until the income stabilizes and an annual income can be determined.

VI.2.b. Effective Date of Rent Changes Due to Interim or Special Reexamination. Unless there is a delay in reexamination processing caused by the family, any rent increase will be effective the first day of the second month after the month in which the family received notice of the new rent amount. If the family causes a delay, then the rent increase will be effective on the date it would have been effective had the process not been delayed (even if this means a retroactive increase).

If the new rent is a reduction and any delay is beyond the control of the family, the reduction will be effective the first day of the first month after the interim reexamination should have been completed.

If the new rent is a reduction and the family caused the delay or did not report the change in a timely manner, the change will be effective the first day of the first month after the rent amount is determined.

VI.3. INTERIM REQUESTS

A family may request an interim reexamination for the following reasons:

VI.3.a. Decrease in income. Families may report a decrease in income or other changes which would reduce the amount of their Total Tenant Payment, such as an increase in allowances or deductions. Section 8 staff must process requests for interim adjustments that would result in a decrease in the Total Tenant Payment (TTP) provided it can be verified that the unanticipated change will extend beyond a thirty day period. Decreases in the TTP will be effective the first day of the month following the month in which the change occurs.

VI.3.b. Increase in Income. Except for zero-income families, RHE will process income increases only if the information was required to be reported prior to annual recertification, or if requested by the family.

VI.3.c. Other Interim Policies

- (i) An interim reexamination does not affect the date of the annual recertification.
- (ii) All rent changes will be calculated in accordance with the HUD definition of Total Tenant Payment (see page V-10, Total Tenant Payment).
- (iii) The notice of any rent change and the effective date of the change will be in writing and mailed to the owner and the family.
- (iv) Families must report any required interim changes to the Section 8 Office within 30 days of when the change occurs.
- (v) Section 8 staff may implement a change in TTP based on documentation provided by the family, pending third-party written verification.
- (vi) Verification procedures are the same as those used for annual recertifications, except that only the changes being reported need to be verified.
- (vii) If a change is not reported within 30 days as required, or if the family fails to provide documentation or signatures, it will be considered failure to complete a required interim recertification and could result in loss of the family's Section 8 housing assistance.
- (viii) If the family does not report the change to RHE or misrepresents the facts on which the rent is based, the increase will be retroactive to the first day of the month following the month in which the change occurred; and, RHE may require repayment of excess assistance received through a Repayment Agreement signed by the family.
- (ix) The family, as part of the rent change notification, must be advised of the opportunity for an informal appeal.

VI.3.d. Interim Results. This interim policy will result in interims only being conducted only if:

- (1) There is an increase or decrease in family composition, or if a family breaks up.
- (2) The family has no income, and begins to receive any income.
- (3) The family requests an interim due to an income decrease, a request or requirement to relocate, or due to an increase in income which, for example, could increase their FSS escrow.
- (4) It is found that the family has misrepresented to RHE the facts upon which the TTP was calculated or the bedroom assignment was made.
- (5) There is a change in HUD regulations resulting in the necessity for an interim recertification.
- (6) There is an administrative error that has been made by RHE in which the TTP has been miscalculated.

VI.4. RELOCATIONS (24 CFR 982.314)

If a Section 8 participant family chooses to move to a new unit with continued tenant-based assistance, the following policies apply:

VI.5.a. Household Wishes to Relocate. A family who wishes to move not more than one time in every 12 months with continued assistance to another unit, must request an interim recertification in order for their subsidy to be reissued unless the family has been recertified within the last 120 days.

VI.4.b. Continuously Assisted. An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the Housing Choice Voucher program. 24 CFR 982.4

Any interruption between assistance under one of these programs and admission to the Housing Choice Voucher program will be considered to break the continuity of assistance under the 1937 Housing Act. 24 CFR 982.201

VI.4.c. Participating Families With Continuous Assistance. Continuous assistance will be available to the following regardless of whether or not they are very low or lower income:

- (1) A family that resided in a unit with assistance under the 1937 Housing Act

before July 1, 1984.

- (2) A family whose participation in the Program has been continuous.
- (3) A family that wants to move to another dwelling unit with continued participation in the Section 8 Housing Program.

VI.4.d. Moves With Continued Assistance. For families already participating in the Housing Choice Voucher program, RHE will allow the family to move into a new unit if:

- (1) The assisted lease for the old unit has terminated or the owner and tenant agree to a mutual rescission of the term of the lease;
- (2) The owner has given the tenant a notice to vacate, has commenced an action to evict the tenant, or has obtained a court judgement or other process allowing the owner to evict the tenant;
- (3) The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner); or
- (4) RHE has requested that the family move due to circumstances that are beyond the family's control.
 - (i) **Overhoused.** The family is overhoused due to loss of family members.
 - (ii) **Overcrowded.** The family is overcrowded due to an increase in family members.
 - (iii) **Owner Breach of HAP Contract.** The assisted lease for the old unit has terminated and RHE must terminate the HAP Contract due to the owner's breach for HQS non-compliance or any other breach of the contract. 24 CFR 982.453

Families are required to give proper written notice of their intent to terminate the lease. In accordance with HUD regulations, no notice requirement may exceed 60 days. During the initial term, families may not end the lease unless they and the owner mutually agree to end the lease. If the family moves from the unit before the initial term of the lease ends without the owner's and RHE's approval, it will be considered a serious lease violation and subject the family to termination from the program.

The family is required to give RHE a copy of the notice to terminate the lease at the same time as they give the notice to the landlord. A family's failure to provide a copy of the lease termination notice to RHE will be considered a violation of Family Obligations and may cause the family to be terminated from the program.

Failure to follow the above procedures may subject the family to termination from the program.

VI.4.e. Restrictions on Moves. The family is not permitted to move with continued assistance:

- (1) During the initial year of assisted occupancy, unless the term of the lease is less than 12 months;
- (2) During any 12-month period from the previous move;
- (3) If the new unit's gross rent is greater than the applicable payment standard, and the total family contribution would be more than 40% of adjusted income;
- (4) If the family does not notify RHE's Section 8 Office in writing at least 30 days prior to moving from the old unit;
- (5) If the family is in noncompliance with or improperly breaking the lease;
- (6) If the family owes RHE money.
- (7) If the family has not completed the recertification process within the last 120 days and has not been issued a new Section 8 subsidy.
- (8) If the family is in the compliance process and their housing assistance may be terminated. RHE must process all possible compliance actions within 30 days.
- (9) If RHE does not have sufficient funding for continued assistance.
24 CFR 982.454

A transfer move within the same building or project, or between buildings owned by the same owner, will be processed like any other move. In a move, assistance stops at the old unit at the end of the month in which the family moves out of the old unit. However, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the old assisted unit. Overlap of the last housing assistance payment (for the month the family vacates the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy. 24 CFR 982.311(d)

VI.5. OWNER CLAIMS FOR DAMAGES, UNPAID RENT, AND VACANCY LOSS AND PARTICIPANT'S RESPONSIBILITIES

VI.5.a. HAP Contracts in effect after October 1, 1995. When the tenant moves out of the dwelling unit, the owner, subject to State or local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit, or for other amounts the tenant owes under the lease.

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

If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant.

VI.5.b. HAP Contracts in effect before October 2, 1995. Certificates have a provision for damages, unpaid rent, and vacancy loss. Vouchers have a provision for damages and unpaid rent. No vacancy loss is paid on vouchers. No Damage Claims will be processed unless RHE has performed a move-out inspection. Either the tenant or the owner can request the move-out inspection. Ultimately, it is the owner's responsibility to request the move-out inspection if the owner believes there may be a claim.

Damage claims are limited in the following manner:

- In the Certificate Program, owners are allowed to claim up to two (2) months contract rent minus the greater of the security deposit collected or the security deposit that should have been collected under the lease.

- In the Voucher Program, owners are allowed to claim up to one (1) month contract rent minus the greater of the security deposit collected or the security deposit that should have been collected under the lease. There will be no payment for vacancy losses under the Voucher Program.
- No damage claims will be paid under either program for HAP contracts effective on or after October 2, 1995.

VI.5.c. Owner Claims for Pre-October 2, 1995 Units. In accordance with the HAP contract, owners can make special claims for damages, unpaid rent, and vacancy loss (vacancy loss cannot be claimed for vouchers) after the tenant has vacated or a proper eviction proceeding has been conducted.

Owner claims for damages, unpaid rent, and vacancy loss are reviewed for accuracy and completeness. Claims are then compared to the move-in and move-out inspections to determine if an actual claim is warranted. No claim will be paid for normal wear and tear. Unpaid utility bills are not an eligible claim item, except for a tenant-paid water bill (which is a lien against the owner's property).

Actual bills and receipts for repairs, materials, and labor must support claims for damages. Owners can claim unpaid rent owed by the tenant up to the date of HAP termination.

In the Certificate Program, owners can claim for a vacancy loss as outlined in the HAP contract. In order to claim a vacancy loss, the owner must notify RHE immediately upon learning of the vacancy or suspected vacancy. The owner must make a good faith effort to rent the unit as quickly as possible to another renter.

All claims and supporting documentation under this Section (VI.5.c.) must be submitted to RHE within sixty (60) days of the move-out inspection. Any reimbursement shall be applied first towards any unpaid rent. No reimbursement may be claimed for unpaid rent for the period after the family vacates.

VI.5.d. Participant Responsibilities. If a damage claim or unpaid rent claim has been paid to an owner, the participant is responsible for repaying the amount to RHE. This shall be done either by paying the full amount due immediately upon RHE requesting it, or through a Repayment Agreement that is approved by RHE.

If the participant is not current on any Repayment Agreements or has unpaid claims on more than one unit, the participant shall be terminated from the program. If this occurs, the participant retains the right to request an informal hearing. RHE will make payments to owners for approved claims. It should be noted that the tenant is ultimately responsible for any damages, unpaid rent, and vacancy loss paid to the owner and will be held responsible to repay RHE to remain eligible for

the Section 8 Program.

VI.6. COMPLAINTS AND COMPLIANCE ISSUES

RHE Section 8 staff will investigate and respond to complaints by participant families, owners, and the general public. RHE requires that complaints including HQS violations must be put in writing. Anonymous complaints are investigated whenever possible.

RHE's Section 8 Office utilizes a three step approach in handling the varied issues that come under the compliance window. The first approach to a compliance issue that is not of a serious nature is Prevention. The Section 8 FSS Coordinator is assigned to assist families that request services or temporary financial assistance. Referrals may be made by RHE staff to the FSS Coordinator to determine that there is a need. The FSS Coordinator will make appropriate referrals and will work with the City of Rockville Community Services Department.

The second approach to a compliance issue is Intervention. Intervention may include a Case Conference with the tenant and other appropriate interested parties, including the landlord, and City of Rockville Community Services staff, and Section 8 staff to clarify the applicable Section 8 regulations and policies and to attempt resolution of the problem. Section 8 staff may refer the landlord and tenant to mediation by the City of Rockville mediator. The tenant is advised that failure to respond to a compliance meeting could result in program non-compliance and possible termination from the Section 8 program. There may be information that the tenant needs to provide to the Section 8 staff. In addition, RHE staff may need to visit the unit or request an HQS complaint inspection to complete any pending compliance investigation.

The final approach to a compliance issue, especially for serious drug-related or criminal activity, is Enforcement. This approach is always used for drug-related and violent criminal activity, and may be used in the cases related to lease or program non-compliance. The Section 8 Manager is responsible for recommending any enforcement action after a thorough investigation of the case. If the compliance issue is not of a serious nature, the Section 8 staff will hold a Case Conference to allow the family to hear the charges and to elicit their explanation of the situation. If there is a recommendation to terminate Section 8 assistance and/or to not reissue the subsidy, the tenant will be given written notice of the recommendation and information concerning their right to request an informal hearing. (See page VI-27 to V-29, Informal hearing process).

VI.6.a. Termination of the Lease and HAP Contract - 24 CFR 982.451, 453,454, and 455. The Housing Assistance Payments (HAP) Contract is the contract between the owner and RHE which defines the responsibilities of both parties. The term of the HAP Contract is the same as the term of the lease. The HAP Contract between the owner and RHE may be terminated by RHE, or by the owner or tenant terminating the lease. No future subsidy payments on behalf of the family will be made by RHE to the owner after the month in which the Contract is terminated. The owner must reimburse RHE for any subsidies paid by RHE for any period after the contract termination date. If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner. On or before a contract termination, a voucher reissuance must occur in order for the family to meet the criteria for a move with continued assistance (see page VI-15, Relocations), so that the family may lease-up in another unit.

The HAP contract for the new unit may begin during the month in which the family moved from the old unit, in which case RHE will pay a pro-rated HAP on the new unit and the owner may keep the payment for the month in which the family moves out. If the owner has begun eviction proceedings, and the family continues to occupy the unit, RHE will continue to make payments until the owner obtains a judgement or the family moves out.

(1) By the Family. 24 CFR 982.314(c)(2). The family may move one or more times with continued assistance under the Section 8 program either inside RHE's jurisdiction or under portability procedures. However, the family may not move during the initial year of assisted occupancy; and, no more than one move during any one year period. If the family moves out of the unit, the contract terminates automatically. If the family terminates the lease without cause upon proper notice to the owner and RHE, the HAP Contract is simultaneously terminated.

(2) By the Owner. 24 CFR 982.310 and 982.455.

(I) Mutual Agreement. The family and the owner may at any time mutually agree to terminate the lease with notice to RHE, and the HAP Contract will simultaneously end.

(ii) **Owner Eviction.** During the term of the lease, the owner may terminate the tenancy in accordance with the lease, and State and local law, for the following reasons:

- Lease Violation. Serious or repeated violations of the terms or conditions of the lease;
- Violation of the Law. Violation of Federal, State, or local law that imposes obligations on the tenant in connection with the occupancy or use of the unit and its premises;
- Criminal activity. Criminal activity by the household, a guest, or another person under control by the household that threatens the health, safety, or right to peaceful enjoyment of the premises by other persons residing in the immediate vicinity of the premises;
- Drug or violent criminal activity. Any drug-related or violent criminal activity on or near the premises;
- Other good cause. During the first year of the lease term, the owner may not terminate tenancy for other good cause unless the reason is because of something the household did or failed to do.

After the first year of the lease, the owner may also terminate tenancy for other good cause, including but not limited to:

- Failure of the family to accept the offer of a new lease or revision;
- A family history of disturbances of neighbors or destruction of property, or living or housekeeping habits resulting in damage to the property or unit;
- the owner desires to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or
- the owner wishes to use the unit for a business or economic reason, such as, sale of the property, renovation of the unit, or desire to lease the unit at a higher rental amount.

If an owner opts out for business or economic reasons, a 90 day notice must be given and RHE must offer the owner an opportunity to enter into a new HAP contract at the maximum initial contract rent allowed, not to exceed rent reasonableness.

The owner may only evict the tenant by instituting court action after or simultaneously providing written notice to the participant specifying the grounds for termination. The owner must give RHE a copy of any owner eviction notice to the tenant at the same time that the owner gives notice to the tenant.

The owner may terminate the contract at the end of the initial lease term or any extension of the lease term without cause by providing notice to the family that the lease term will not be renewed.

(3) By RHE. 24 CFR 982.403 (a), 982.404, 982.453, 982.454, and 982.552 (a)(3)

(i) Expiration of the Contract. The contract expires if either of the following occurs:

- Automatic termination, if 180 calendar days have passed since the last housing assistance payment to the owner by RHE.
- Insufficient funding, if there is insufficient funding under the consolidated ACC with HUD to support continued assistance for families in the program. 24 CFR 982.455

(ii) Violation of HQS space standards. If RHE determines that a unit does not meet the HQS space standards due to an increase in family size or a change in family composition, RHE must try to relocate the family by reissuance and making an acceptable unit available. 24 CFR 982.403

(iii) Owner breaches contract and fails to comply with:

- The owner's obligation to maintain the unit in accordance with the HQS;
- Obligations under this contract or any other HAP contract under Section 8 of the 1937 Act;

- Owner obligations not to commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program;
 - Regulations, including any regulatory agreement, for projects with mortgages insured by HUD or loans made by HUD;
 - Owner obligations prohibiting engagement in drug-related criminal activity or any violent criminal activity;
 - Other owner contract violations. If the owner has violated any other obligation under the HAP Contract for the dwelling unit, RHE will consider it a breach of contract by the owner.
- (iv) **Family break up.** When the family breaks up and RHE determines that the family members who move from the unit will continue to receive the assistance.
- (v) **RHE terminates family assistance.** Termination of assistance for a family may include RHE terminating housing assistance payments under an outstanding HAP Contract, which will automatically terminate the contract.
- (vi) **The family must move.** If RHE requires the assisted family to move from a unit that is under-occupied or overcrowded to a more appropriately sized unit.
- (vii) **Welfare-to-Work program.** If a Welfare-to-Work family fails to fulfill its obligations under the Welfare-to-Work Voucher Program. (See page VII-3).

VI.6.b. Termination of Assistance to the Family by RHE (24 CFR 982.552 and 982.553). In deciding whether to terminate assistance because of action or failure to act by members of the participant family, RHE 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 termination of assistance on other family members who were not involved in the action or failure to act. RHE may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure to act will no longer reside in the assisted unit. RHE may permit the other members of a family to continue in the Section 8

program.

If termination of assistance is based upon behavior resulting from a disability, RHE will delay the termination in order to determine if there is an accommodation which would negate the behavior resulting from the disability.

Termination of assistance for a participant may include any or all of the following: refusing to enter into a HAP contract or approve a lease, terminating housing assistance payments under an outstanding HAP contract, or refusing to process or provide assistance under portability procedures.

V.6.c. Violation of Family Obligations (24 CFR 982.551). If the family violates any family obligations under the Section 8 program, including:

- (1) **Failure to supply information.** If the family fails to supply any information requested by RHE or HUD that is determined to be necessary in the administration of the program.
- (2) **Family-caused HQS breach.** The family is responsible for a breach of the HQS that is caused by the following:
 - The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant; or
 - Any member of the household or guest damages the dwelling unit or premises that is damage beyond ordinary wear and tear.
- (3) **Failure to allow an inspection.** The family must allow RHE to inspect the unit at reasonable times and after reasonable notice.
- (4) **Serious or repeated lease violation.** The family may not commit any serious or repeated violation of the lease.
- (5) **Failure to notify RHE of move or lease termination.** The family must notify RHE and the owner before the family moves out of the unit, or terminates the lease on notice to the owner.
- (6) **Failure to provide RHE a copy of eviction notice.** The family must promptly give RHE a copy of any owner eviction notice.
- (7) **Failure to get RHE approval for composition change.** The composition of the family residing in the assisted unit must be approved by RHE. The family must promptly inform RHE of the birth, adoption or court-awarded custody of a child; or, if any family member no longer resides in the unit.

The family must request RHE approval to add any other family members as an occupant of the unit. RHE will complete a criminal record check on any new adult member of the family. For a foster child, verification from the Child Welfare Agency, or for a live-in aide, verification from a medical source, is required to be approved.

- (8) **Failure to use unit as primary residence.** The primary use of the assisted unit must be for residence by members of the family. Any legal profit-making business in the unit must be incidental to the residential use. The family must not sublease or let the unit, or assign the lease or transfer the unit.
- (9) **Interest in the unit.** The family must not own or have any interest in the unit.
- (10) **Fraud and other program violations.** The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the Section 8 program.
- (11) **Crime by family members.** The members of the family may not engage in drug-related criminal activity, or violent criminal activity.
- (12) **Other housing assistance.** 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 federal, State or local housing assistance program.
- (13) **Member evicted from public housing.** If any member of the family has ever been evicted from public housing.
- (14) **Member had Section 8 terminated.** If any housing authority has ever terminated assistance under the Certificate or Voucher program for any member of the family.
- (15) **Criminal activity.** If any member of the family commits drug-related criminal activity, or violent criminal activity.
- (16) **Sex offender registry.** If any household member is subject to a lifetime registration requirement under a State sex offender registration program.

- (17) **Member owes housing authority money.** If the family currently owes rent or other amounts to RHE or to another housing authority in connection with Section 8 or public housing assistance under the 1937 Act, or if the family has not reimbursed any housing authority 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.
- (18) **Breach of RHE Repayment Agreement.** If the family breaches an agreement with RHE to pay amounts owed to RHE, or amounts paid to an owner by RHE or another PHA.
- (19) **FSS non-compliance without cause.** If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation.
- (20) **Welfare-to-Work non-compliance without cause.** If a family participating in the Welfare-to-Work program fails to comply, without good cause, with the family's obligation's under the Welfare-to-Work Program.
- (21) **Threatened abusive or violent behavior toward RHE personnel.** If the family has engaged in or threatened abusive behavior toward RHE personnel. This behavior 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. "Threatened" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.
- (22) **Failure to provide consent forms.** If any member of the family fails to sign and submit consent forms for obtaining information in accordance with the Section 8 program.
- (23) **Failure to establish citizenship or eligible immigration status.** If a family member does not establish citizenship or eligible immigration status, or knowingly permits an ineligible non-citizen to permanently reside in their Section 8 unit, according to 24 CFR Part 5.
- (24) **Member illegally uses a controlled substance (HUD Notice 96-27).** If a family member illegally uses a controlled substance. This drug-related criminal activity includes the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance. RHE will review the person's pattern of illegal use of a controlled substance to determine if it may interfere with the health, safety, or right to

peaceful enjoyment of the premises by other residents. RHE may waive this termination policy if the person demonstrates that they have completed a supervised drug rehabilitation program and are certified by an approved agency as no longer engaging in this behavior for at least one year.

- (25) **Member abuses alcohol (HUD Notice 96-27).** If a family member abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The member's pattern of abuse of alcohol will be reviewed by RHE to determine if the member is no longer abusing alcohol, and has completed a supervised alcohol rehabilitation program and is certified by an approved agency as no longer abusing alcohol for at least one year.
- (26) **Methamphetamine Conviction (Federal Register Notice 2/18/99).** If a family member is convicted of manufacturing or producing methamphetamine ("speed") in violation of any Federal, State or local law.
- (27) **Family is at \$0.00 HAP for 6 months.** If the family is calculated at \$0.00 HAP for six months.

VI.7. INFORMAL HEARINGS. 24 CFR 982.555 (a-f) and 982.54 (d) (13)

If RHE has determined that the compliance issue has reached the level of Enforcement, then an informal hearing will be scheduled. RHE's informal hearing procedures will be provided in the family's briefing packet.

VI.8.a. When Informal Hearings are required:

When considering whether RHE decisions related to a participant family are in accordance with the law, HUD regulations and RHE policies concerning:

- (1) A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment;
- (2) A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the RHE utility allowance schedule;
- (3) A determination of the family unit size under RHE's subsidy standards;
- (4) A determination that a Certificate program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under RHE's subsidy standards, or RHE's determination to deny the family's request for an exception from the standards;

- (5) A determination to terminate assistance for a participant family because of the family's action or failure to act;
- (6) A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under RHE policy and HUD rules (or no more than 180 days) (See also page V-17); or
- (7) An RHE decision to an applicant family to deny assistance on the basis of ineligible immigration status. 24 CFR Part 5 (see page III-13).

VI.7.b. Informal hearings are not required for:

- (1) Discretionary administrative determinations by RHE.
- (2) General policy issues or class grievances.
- (3) Establishment of RHE's schedule of utility allowances for participant families.
- (4) An RHE determination not to approve an extension or suspension of a Housing Choice Voucher term.
- (5) An RHE determination not to approve a unit or a lease.
- (6) An RHE determination that an assisted unit is not in compliance with HQS. However, breach of HQS due to tenant-caused action, if resulting in termination of assistance, would require an informal hearing.
- (7) An RHE determination that the unit is not in accordance with HQS because of the family size.
- (8) A determination by RHE to exercise or not to exercise any right or remedy against the owner under a HAP contract.

VI.7.c. Informal Hearing Notice Requirements. Notice will be provided by the Section 8 Manager.

- (1) For determinations of annual, or adjusted income, utility allowances, and the family's unit size, RHE must notify the family that the family may ask for an explanation of the basis of RHE's determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.

- (2) In all other cases where an informal hearing is required, RHE must give the family prompt written notice that the family may request a hearing. The informal hearing notice must contain:
 - (i) A brief statement of reasons for the decision.
 - (ii) A statement that if the family does not agree with the decision, the family may request an informal hearing on the decision,
 - (iii) A statement of the deadline for the family to request an informal hearing (within 10 business days of the notification), and
 - (iv) Informal Hearing process and procedures
- (3) RHE must proceed with an informal hearing in a reasonably expeditious manner upon the request of the family or RHE.

VI.7.d. Informal Hearing procedure. The informal hearings are conducted by the Section 8 Hearing Officer. The Section 8 Hearing Officer for RHE is the Public Housing Manager. A summary of the case and any pertinent information (records and regulations) will be presented by the Section 8 Manager to the family and Hearing Officer. The Section 8 Hearing Officer will determine whether to uphold or reverse the recommendation of the Section 8 Manager.

- (1) **Discovery.** Prior to the hearing, the family will be given the opportunity to examine any RHE documents that are directly relevant to the hearing. The family must be allowed to copy any such document(s) at the family's expense. If RHE does not make the document(s) available for examination upon the family's request, RHE may not rely on the document at the hearing.

RHE must be given the opportunity to examine, at the RHE Section 8 office before the RHE hearing, any family documents directly relevant to the hearing. RHE must be allowed to copy any such document at RHE's expense. If the family does not make the document(s) available for examination upon RHE's request, the family may not rely on the document at the hearing. The term "document" includes records and regulations.

- (2) **Family Representation.** At its own expense, the family may be represented by a lawyer or other representative.

- (3) **Section 8 Hearing Officer.** The informal hearing may be conducted by any person or persons designated by RHE, other than a person who made or approved the decision under review or a subordinate of this person. The Public Housing Manager (as the Section 8 Hearing Officer) will conduct the hearing in accordance with RHE procedures.
- (4) **Evidence.** RHE and the family must be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- (5) **Rendering a decision.** The Section 8 Hearing Officer must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing. **Preponderance of the evidence** is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. A written copy of the hearing decision shall be furnished promptly to the family.
- (6) **Effect of decision.** RHE is not bound by a hearing decision:
 - (i) Concerning a matter for which RHE is not required to provide an opportunity for an informal hearing, or that otherwise exceeds the authority of the person conducting the hearing under RHE's hearing procedures.
 - (ii) Contrary to HUD regulations or requirements, or otherwise contrary to Federal, State, or local law.
 - (iii) If RHE determines that it is not bound by a hearing decision, RHE must promptly notify the family of the determination, and of the reasons for the determination.

VI.8. DEBT COLLECTIONS

Letters are sent to all participant families that owe RHE money. A ledger is maintained to record all debt and payments made to that debt, and a balance reflects the current debt of each family.

VI.8.a. Program abuse and fraud (24 CFR 982.163 and 792.202). RHE may retain a portion of program fraud losses that RHE recovers from a family or owner by litigation, court-order or a repayment agreement. Where RHE is the principal party initiating or sustaining an action to recover amounts from tenants that are due as a result of fraud and abuse, RHE may retain the greater of: (1) fifty percent of the amount it actually collects from a judgement, litigation (including settlement of a lawsuit) or an administrative repayment agreement; or, (2) reasonable and necessary costs that RHE incurs related to the collection from a judgement, litigation or an administrative repayment agreement. Any HUD costs incurred on behalf of RHE in obtaining the judgement must be deducted from the amount to be retained by RHE.

VI.8.b. Special Claims. Under HAP contracts effective prior to October 2, 1995, owners may request special claims for damages, unpaid rent, and, for Certificates only, vacancy loss after the tenant has vacated the unit. The Section 8 Manager will review all special claims for accuracy and completeness and compare the claim with records in the file. The burden of proof on all special claims rests with the owner. In order to file a claim for tenant-caused damages, the owner must request that a move-out inspection be completed by an RHE inspector to confirm these damages.

If vacancy loss is claimed, the Section 8 Manager will ascertain whether or not the family gave proper notice of its intent to move. The file will also be reviewed to verify owner compliance at the time the contract was terminated. All special claims must be filed and documented by the owner within 45 days of the termination of the HAP Contract. RHE will pay properly filed claims to the owner as a function of the contract, but the tenant is ultimately responsible to reimburse RHE for claims paid to the owner.

For HAP contracts in effect after October 1, 1995, if the security deposit collected by the owner is not sufficient to cover all amounts owing under the lease, the owner may seek to collect the balance directly from the tenant.

VI.9. ADMINISTRATIVE PLAN COMPLIANCE (24 CFR 982.54)

This written Administrative Plan establishes local policies for RHE's administration of the Section 8 Program in accordance with HUD regulations and other requirements. The Administrative Plan and any revisions of the Plan must be formally adopted by the Board of Commissioners of Rockville Housing Enterprises (RHE). RHE will revise the Administrative Plan if needed to comply with HUD requirements. After formal adoption of the revisions by RHE's Board of Commissioners, a copy of the adopted Plan and revisions will be appended to the RHE Agency Plan.

VI.9.a. Charges Against the Section 8 Administrative Fee Reserve.

Occasionally, it is necessary for RHE to spend money from its Section 8 Administrative Fee Reserve to meet unseen or extraordinary expenditures or for its other housing related purposes consistent with State law.

The RHE Board of Commissioners authorizes the Executive Director to expend without prior Board approval up to \$20,000 for authorized expenditures.

Any item(s) exceeding \$20,000 will require Board of Commissioner approval before any charge is made against the Section 8 Administrative Fee Reserve. See RHE's Board of Commissioner-approved Procurement Policies for more detail.

VII. PARTICIPATION IN AND COORDINATION OF OTHER SECTION 8 PROGRAMS

The Section 8 Office administers other Section 8 special HUD-funded programs for families through both tenant-based and project-based rental assistance. **Project-based** is rental assistance that is attached to the structure. **Tenant-based** is rental assistance that is not attached to the structure.

All policies and regulations previously described in this Administrative Plan apply except as indicated below:

VII.1. SECTION 8 PROJECT-BASED PROGRAMS.

VII.1.a. The Jefferson is a Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) program for homeless individuals recovering from substance abuse and receiving case management services from the Community Ministries of Rockville, Inc. Community Ministries is also owner of the property. The building was built in the 1800's and later converted to five units for residents. Rockville is one of the few cities in the Washington, DC metropolitan area to administer an SRO program.

Rockville's SRO program combines outside supportive services with an in-house system that strengthens the residents' recovery skills and character. The program provides opportunities for the men to practice independent living skills, i.e., personal care, community chores, meal planning and cooking. Other program goals include improving client employment and/or employability status through school or paid and volunteer work experience.

The Waiting List for the Jefferson is maintained separately at RHE through direct referrals from Community Ministries and is organized by date of application (as date-stamped upon receipt by RHE). Residents of the Jefferson must be in compliance with the service agreement between residents and Community Ministries staff. Non-compliance will result in termination of residency at the Jefferson.

Upon request of Community Ministries, the rent for an SRO unit is reviewed annually by the Section 8 Manager, and is adjusted after determining rent reasonableness based on applying the Annual Adjustment Factor for the time period to the Base Rent added into the Debt Service.

VII.2. SECTION 8 TENANT-BASED TARGETED PROGRAMS

RHE administers two HUD-awarded special programs funded for specified special need categories of families to be assisted with a Section 8 voucher. These programs require RHE to first assist identified, eligible families from the Section 8 waiting list. Then, if no appropriate family is on the waiting list, the Section 8 waiting list will be opened only for the specific category needed. RHE Section 8 staff will determine Section 8 program eligibility, verification, briefing and issuance, and all ongoing recertification functions. All the Section 8 regulations and policies, including the portability feature, apply to these special programs. For purposes of the Waiting List, RHE must skip to the identified families for the targeted category and serve them by local preferences, then earliest date and time of application.

VII.2.a. The Section 8 Housing Choice Vouchers for Mainstream Disabled General Use. RHE has been awarded Section 8 Vouchers as part of HUD's Mainstream Disabled Program to provide subsidized housing to individuals and families whose head of house, spouse or sole member is a person with disabilities in order to live in Rockville. A person with disabilities is a person who:

- (1) Has a disability as defined in Section 223 of the Social Security Act,

"Inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months, or

In the case of an individual who attained the age of 55 and is blind and unable by reason of blindness to engage in substantial, gainful activity requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time."
- (2) Is determined, pursuant to regulations issued by the Secretary, to have a physical, mental or emotional impairment that:
 - (i) is expected to be of long-continued and indefinite duration;
 - (ii) substantially impedes his or her ability to live independently, and
 - (iii) is of such a nature that such ability could be improved by more suitable housing conditions; or

- (3) Has a developmental disability as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act.

“Severe chronic disability that:

- (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;
- (ii) is manifested before the person attains age 22;
- (iii) is likely to continue indefinitely;
- (iv) results in substantial functional limitation in three or more of the following areas of major life activity: (a) self care; (b) receptive and responsive language; (c) learning; (d) mobility; (e) self-direction; (f) capacity for independent living; and (g) economic self-sufficiency; and
- (v) reflects the person’s need for a combination and sequence of special, interdisciplinary or generic care, treatment or other services that are of lifelong or extended duration and are individually planned and coordinated.”

This definition does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

No individual shall be considered to be a person with disabilities for purposes of eligibility solely based on any drug or alcohol dependence.

VII.2.b. Section 8 Housing Choice Vouchers for the Welfare-to-Work Program. RHE has been awarded Section 8 Vouchers as part of HUD’s Welfare-to-Work Program for welfare recipients for whom housing assistance is critical to the family’s ability to successfully obtain or retain employment. When initially selected for welfare-to-work rental voucher assistance, families must be eligible to receive, be currently receiving, or shall have received within the preceding two years, assistance or services funded under the TANF program. Priority will be given to these eligible families identified as currently on the Section 8 Waiting List.

Section 8 vouchers enable families to locate and acquire decent, affordable housing that is closer to employment and training opportunities, as well as day care facilities, social service agencies and public transportation -- all critical components of a successful move to self-sufficiency. RHE has worked with the Montgomery County Department of Health and Human Services (DHHS) to develop a Section 8 Welfare-to-Work program that will provide a continuum of services to families in their quest for self-sufficiency.

In order to be eligible for this program, all applicants will be interviewed and determined eligible by RHE Section 8 staff to ensure that they conform with applicable rules governing the Section 8 Existing Program, prior to the issuance of a Section 8 Welfare-to-Work voucher.

Individuals and/or families receiving services through DHHS' Employment Services Unit for the Family Investment Program (FIP) will be identified by DHHS. Priority will be given to Employment Services Unit customers already on RHE's Section 8 waiting list for RHE's Section 8 Welfare-to-Work program.

Together, RHE and DHHS will administer a very simple referral form that will include date, address, identification verification, and certification from the Employment Services Unit that the applicant is receiving TANF/TCA income and, if so, how much. This information will enable RHE to complete a third-party income verification in a very timely manner, eliminating this potential delay. Other applicants, including families eligible to receive TANF/TCA or families who have received TANF/TCA assistance or TANF/TCA funded services within the preceding two years, will also be identified by DHHS.

Identified Welfare-to-Work applicants on RHE's waiting list will be served with a Welfare-to-Work voucher based on local preferences, and date and time of application (see local preferences, page III-1). During the selection and voucher issuance process, all Welfare-to-Work applicants must comply with all Section 8 procedures including third party verifications and execution of consent forms (see page IV-9).

If at any time there is an insufficient pool of eligible TANF/TCA Welfare-to-Work applicants identified on RHE's Section 8 waiting list, RHE will reopen the list for referrals from DHHS, and will conduct outreach directly with the Family Investment Program office at DHHS to encourage additional eligible Welfare-to-Work applicants and to place eligible applicants on RHE's Section 8 Welfare-to-Work waiting list. RHE will also advertise the availability of Section 8 assistance in local newspapers and through local Rockville cable TV (Channel 53).

Upon lease-up in the Section 8 Welfare-to-Work program, all recipients must be in compliance with Section 8 program regulations and requirements and RHE's Administrative Plan. Applicant and recipient families are eligible for informal review or informal hearing, under RHE's Administrative Plan (see VI.11, Administrative Plan Compliance). The Memorandum of Understanding between DHHS and RHE, dated April 7, 1999 states the following DHHS responsibility:

At RHE's request, to provide information, in writing, regarding TANF recipients who are receiving Section 8 rental assistance (including those enrolled in the Welfare-to-Work program), and where the family has requested a reduction in Section 8 rent due to a reduction or loss of TANF/TCA income.

RHE's responsibilities include

To notify Section 8 participants whose welfare assistance has been reduced specifically because of fraud or failure to participate in an economic self-sufficiency program or comply with a work activities program that, as part of the QHWRA of 1998, they will not receive a reduction in their Section 8 tenant-based assistance contribution. RHE will also notify affected residents that they have the right to administrative review through the agency's grievance procedure.

Termination of the family's assistance under the Section 8 Welfare-to-Work program may occur when there is a violation in the family obligations of the Section 8 voucher program. A recipient family that does not meet the obligations of the TANF/TCA Welfare-to-Work program, as defined by Montgomery County DHHS, is subject to termination of assistance. All RHE or DHHS requests for termination of Section 8 assistance for noncompliance with either Welfare-to-Work or the Section 8 voucher program will be reviewed on a case by case basis.

In order to allow for the reuse of a Welfare-to-Work Voucher for another TANF/TCA family, if the only reason for termination is noncompliance of the Welfare-to-Work program, but the family meets all obligations of the Section 8 program, RHE may issue a non-targeted Section 8 Housing Choice Voucher. A Welfare-to-Work Voucher that becomes available must be provided to another Section 8 Welfare-to-Work-eligible family selected from the Welfare-to-Work Section 8 Program waiting list.

In accordance with program monitoring, RHE will meet with partnering organizations and agencies, including Montgomery County DHHS, on an annual basis to review program progress and record both collaborative and individual strategies that have been successful in moving families into Section 8 housing, and toward economic self-sufficiency. Efforts will be made to measure the impact of assisted housing on the long-term ability of families to remain self-sufficient.

V.II.3. SECTION 8 SERVICE PROGRAMS

VII.3.a. The Section 8 Family Self-Sufficiency Program (FSS). 24 CFR 984 Subparts A through D (24 CFR 984.305). Family Self-Sufficiency (FSS), authorized by the National Affordable Housing Act of 1990, promotes the development of local strategies to coordinate use of rental vouchers with public and private resources to help low-income residents of public housing and participants in the Section 8 rental voucher program become self-sufficient through education, job training, counseling, case management, and other supportive services while living in assisted housing, so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. Families who volunteer to participate sign a five-year contract with RHE specifying the steps both the family and RHE will take to move them toward financial independence. Participants can also save money through FSS: an escrow credit, which is calculated by RHE based on increases in earned income of the participating family, is deposited in an interest-bearing escrow account which the family can claim upon successful completion of the FSS contract.

The family works with the Section 8 FSS Coordinator on a regular basis regarding career counseling, training and personal counseling. The Coordinator's primary functions are to coordinate program activities, and assist staff, clients and various agencies in facilitating needed services which are available in the community. Other duties include being responsible for data entry and corrections of the software program for Section 8 FSS case files, updating the FSS Action Plan as needed, ensuring escrow accounts are properly reconciled, and ensuring ROC families have priority to participate in the FSS program.

The FSS Coordinator also organizes and assists with the Program Coordinating Committee (PCC), which has an advisory role. The FSS Coordinator works with the policies set by the PCC, attends and facilitates meetings, and keeps committee members informed. The PCC is also key in securing commitments of community resources and allows RHE to offer necessary services without being the provider of services. The committee is responsible for goals which may entail obtaining public and private commitments, for example, from social service agencies and non-profit organizations that provide hands-on community services. The committee assists with the development of the FSS Action Plan and the implementation of the FSS Program.

The objective of the Section 8 FSS Program is to reduce the dependency of low-income families on welfare assistance and receiving Section 8. Under FSS, low-income families are provided opportunities for education, job training, counseling, and other forms of social service assistance in order to achieve economic independence and self-sufficiency.

All families wishing to participate in the FSS program are placed on an FSS waiting list by the Section 8 FSS Coordinator. The Section 8 FSS Coordinator administers the program, including the enrollment of families and the execution of the contract of participation. The Section 8 staff is responsible for determining the amount of an FSS participant's investment income to be credited on the family's behalf to an FSS escrow fund. The FSS escrow credit for very low-income families shall be the amount which is the lesser of: 30 percent of current monthly adjusted income less the family rent, which is obtained by disregarding any increases in earned income from the effective date of the contract of participation; or, the current family rent less the family rent at the time of the effective date of the contract of participation.

Under the portability feature of the Housing Choice Voucher program, if the relocating family remains in the FSS program of the initial PHA, there will only be one contract of participation, which shall be the contract executed by the initial PHA. Regardless of whether the relocating FSS family remains in the FSS program of the initial PHA or is enrolled in the FSS program of the receiving PHA, there will be a single FSS escrow account which will be maintained by the initial PHA. When an FSS family is to be absorbed by the receiving PHA, the initial PHA will transfer the family's FSS account to the receiving PHA.

Any amounts in the FSS escrow account shall be forfeited if the FSS contract of participation is terminated, or the contract of participation is completed by the family, but the FSS family is receiving welfare assistance at the time of expiration of the term of the contract of participation, including any extension thereof. FSS account funds forfeited by the Section 8 FSS family will be treated as program receipts for payment of program expenses under RHE's budget for the applicable Section 8 program.

The purpose of the Section 8 Family Self-Sufficiency Program is to promote the development of local strategies to coordinate the use of housing assistance under the Section 8 Rental Certificate and Rental Voucher Programs with public and private resources, to enable families eligible to receive Section 8 assistance to achieve economic independence and self-sufficiency. This same program, FSS, is also a part of RHE's Public Housing Program, and would be addressed in their Admissions and Occupancy Policy document.

VII.3.b. The Regional Opportunity Counseling Program (ROC). This Washington, D.C. Metropolitan Area HUD-awarded housing counseling grant is designed to help Section 8 families choose neighborhoods that offer the best opportunity to improve their quality of life. An area wide Housing Counseling Consortium (HCC) was formed to apply for and have oversight for this grant. RHE is a member of the nine jurisdiction HCC that chose the Metropolitan Washington Council of Governments (MWCOC) to administer the ROC program for the HCC.

The ROC goals include assisting and encouraging families to move to low-poverty neighborhoods; to expand landlord participation in Section 8; to promote greater cooperation and joint problem solving among Section 8 programs in the metropolitan area; and, to address existing barriers to mobility and choice in the Section 8 program, including administrative barriers to Section 8 portability. RHE Section 8 families will receive mobility counseling through a local non-profit agency, the Housing Counseling Services, Inc. (HCS) of Washington, DC.

The ROC grant has also developed professional videos and brochures for Section 8 landlord and participant outreach. Housing counseling training and certification will be provided to "non-certified" staff of the participating ROC housing agencies. Staff will learn to provide housing counseling for their clients to widen the housing opportunities of all Housing Choice Voucher recipients. It is intended that the ROC program, offering high-quality housing, education, and employment opportunities, will serve as an impetus to motivate Section 8 families to become employed.

The Section 8 FSS Coordinator maintains the ROC Resource Center which may be used by all Section 8 and Public Housing residents. It is the Section 8 FSS Coordinator who provides referrals to HCS and tracks the ROC counseling process for RHE applicants and residents. A required home visit and interview will be completed by the Section 8 FSS Coordinator on all HCS counseled families that lease in the City of Rockville. Section 8 ROC participants have preference to be admitted to the Section 8 FSS Program.

VIII. PROGRAM EVALUATION

The Section 8 Office is responsible for evaluating the procedures used in program implementation to meet the Section 8 program objectives. The Section 8 Office must ensure compliance with HUD regulations and other HUD requirements for the program as issued by HUD headquarters, as regulations, Federal Register notices or as other binding program directives. RHE must also comply with the consolidated ACC and RHE's HUD-approved applications for program funding. RHE must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. The records must be in the form required by HUD, including requirements governing computerized or electronic forms or record-keeping. RHE must engage and pay an independent public accountant to conduct audits in accordance with HUD requirements.

On a monthly basis, a written report will be given to RHE's Board of Commissioners concerning the operation of the Voucher/Certificate Program. The report will highlight the activity in the program -- especially as it relates to administrative fees earned, leasing, HAP contracts, and terminations. Special emphasis will be given to correcting program deficiencies.

Records and other accounts that provide primary records concerning applicant/tenant files and other records as specified by HUD (see 24 CFR 982.158) must be maintained during the term of each assisted lease and for at least three years thereafter for all pertinent records. HUD and the Comptroller General of the United States shall have full and free access to RHE's facilities, and to all accounts and other records that are pertinent to administration of RHE's Section 8 Program, including access to computerized or other electronic records.

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B. GLOSSARY

Absorption - In portability, if funding is available under the consolidated ACC for the receiving PHA's voucher program, the portable family may be assisted by the receiving PHA's funds and absorbed into the receiving PHA's voucher program.
24 CFR 982.4 & 982.355

Accessible - The facility or portion of the facility can be approached, entered and used by individuals with physical disabilities.

Adjusted Annual Income - Annual Income less the following allowances, determined in accordance with HUD instructions: 24 CFR 813.102

- 1) \$480 for each Dependent;
- 2) \$400 for any Elderly Family;
- 3) For any Family that is not an Elderly Family but has a Disabled member other than the head of household or spouse, Disability Assistance Expense in excess of three percent of Annual Income, but this allowance may not exceed the employment income received by Family members who are 18 years of age or older as a result of the assistance to the Disabled Person;
- 4) For any Elderly Family;
 - a) That has no Disability Assistance Expenses, an allowance for Medical Expenses equal to the amount by which the Medical Expenses exceed three percent of Annual Income;
 - b) That has Disability Assistance Expenses greater than or equal to three percent of Annual Income, an allowance for Disability Assistance Expenses computed in accordance with paragraph c) of this section, plus an allowance for Medical Expenses that is equal to the Family's Medical Expenses; and
 - c) That has Disability Assistance Expenses that are less than three percent of Annual Income, an allowance for combined Disability Assistance Expenses and Medical Expenses that are equal to the

amount by which the sum of these expenses exceeds three percent of Annual Income.

5) Child Care Expenses.

Adjusted Income - Annual income, less allowable HUD deductions.

Administrative Fee - Fee paid by HUD to the PHA for administration of the program.
24 CFR 982.4

Administrative Fee Reserve - Account established by PHA from excess administrative fee income. The reserve must be used for other housing purposes. (Formerly “operating reserve.”) 24 CFR 982.155

Administrative Plan - The Plan describes PHA policies for administration of the tenant-based programs. 24 CFR 982.54

Admission-The point when the family becomes a participant in the program. In a tenant-based program, the date used for this purpose is the effective date of the first HAP Contract for a family (first day of initial lease term). A minimum of 75% of new Section 8 new admissions will be for families whose incomes do not exceed 30% of the area median income.

Adult-A person who is at least 18 years old and has the legal capacity to enter a lease under State and local law.

Allowances-Amounts deducted from the household’s annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, medical expenses for elderly families, disability expenses, and child care expenses for children under 13 years of age. Other allowance can be given at the discretion of the housing authority. See Adjusted Income.

Anniversary Date - The date 12 months from the original date the family leased their assisted unit.

Annual Contributions Contract (ACC) - A written agreement between HUD and a PHA whereby HUD agrees to provide funding to the PHA for a program under the 1937 Housing Act, over a specified term, for housing assistance payments to owners and PHA administrative fees; and, the PHA agrees to administer the program in accordance with HUD regulations and requirements. 24 CFR 982.151

Annual Income - (24 CFR 813.106). All amounts, monetary or not, that (1) go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family

member; (2) are anticipated to be received from a source outside the family during the 12-month period following admission or the annual reexamination effective date; and (3) are not specifically excluded from Annual Income. Annual income also includes amounts derived (during the 12 month period) from assets to which any member of the family has access.

Applicant (applicant family)-A family that has applied for admission to a program but is not yet a participant in the program.

Area Exception Rent - An amount that exceeds the published FMR. 24 CFR 982.504(b)

Assets - The value in equity in real property, savings, stocks, bonds, checking and other forms of capital investments (the value of necessary minimal items of personal property such as furniture and automobiles are not to be considered as assets). See narrative, Asset Income, page IV-6.

Assisted Rent - Any rent less than the market rent defined herein. Includes Section 236 rents that are greater than the basic rent.

Auxiliary Aids - Services or devices that enable persons with impaired sensory, manual or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving Federal financial assistance.

Budget Authority - is the maximum amount that may be paid by HUD to a PHA over the ACC term of a funding increment. 24 CFR 982.151

Certificate (Certificate of Family Participation) - A document issued by the PHA to a family selected for admission to the rental certificate program. The certificate describes the program, and the procedure for PHA approval of a unit selected by the family. The certificate also states the obligations of the family under the program. 24 CFR 982.4

Certification - The examination of a household's income, expenses, and family composition to determine the household's eligibility for program participation and to calculate the household's rent for the following 12 months.

Child - A member of the family other than the family head or spouse who is under 18 years of age.

Child Care Expenses - Amounts anticipated to be paid by the Family for the care of children under 13 years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a Family member to actively seek employment, be gainfully employed or to further his or her education, and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges

for child care, and, in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment. 24 CFR 813.102

Citizen - A citizen or national of the United States.

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

Computer match - The automated comparison of data bases containing records about individuals.

Congregate Housing - Housing for elderly or disabled participants, that meets the housing quality standards specified in 24 CFR 887.491, including a central dining facility and central kitchen located within the building or housing complex and accessible to the occupants of the congregate units. 24 CFR 982.606.

Continuously Assisted - An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the Voucher program. See the narrative, page VI-15. 24 CFR 982.201

Contract Authority - The maximum annual payment for the funding increment.
24 CFR 982.151

Contract Rent - The total amount of rent specified in the Housing Assistance Payments (HAP) Contract as payable to the owner by the Family, and by HUD or the PHA on the Family's behalf. In the case of manufactured home space rental, it is the total rent of the space, including fees or charges for management and maintenance services for the space, excluding utility charges for the manufactured home.
24 CFR 813.102

Cooperative-Housing owned by a non-profit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. In the case of a cooperative, "contract rent" means charges under the occupancy agreements between the members and the cooperative. 24 CFR 982.619.

Covered Families-Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must

participate in an economic self-sufficiency program as a condition for such assistance.

Dependent - A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. 24 CFR 813.102

Disability Assistance Expenses - Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.
24 CFR 813.102

Disabled Family - A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Displaced Family - A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
24 CFR 812.2

Drug-Related Criminal Activity - A term meaning drug-trafficking; or illegal use, or possession for personal use, of a controlled substance; or the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use, of a controlled substance (as defined in section 102 of the Controlled Substance Act) (42 U.S.C. 1437f(f)(5)). 24 CFR 982.4

Drug-Trafficking - The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 USC 802)). 24 CFR 982.4

Economic Self-Sufficiency Program- Any program designed to encourage, assist, train or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include programs for job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program necessary to ready a participant for work (including a substance abuse or mental health treatment program), or other work activities.

Elderly Family - A family whose head, spouse, or sole member is a person who is at least

62 years of age or disabled. It may include two or more elderly or disabled persons living together, or one or more of these persons living with one or more live-in aides. 24 CFR 813.102

Elderly Person - A person who is at least 62 years of age. 24 CFR 982.4

Eligible Applicant - A family whose head is at least 18 years of age and whose application has been accepted by RHE, who meets HUD eligibility criteria, qualifies as a family and whose annual income falls within the applicable income limits for the Section 8 Program at the time of application. 24 CFR Part 5, Subpart D

Employer Identification Number (EIN) - The nine-digit taxpayer identification number that is assigned to an individual, trust, estate, partnership, association, company or corporation.

Exception Rent - An amount that exceeds the published fair market rent.

Extremely Low-Income (ELI) Families- Those families whose incomes do not exceed 30% of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30% of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes. 24 CFR 5.603

Fair Housing Act- Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 [42 U.S.C. 3601 et. seq.]

Fair Market Rent (FMR) - The rent, including the cost of utilities (except telephone and cable), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe, and sanitary rental housing of modest (non-luxury) nature with suitable amenities. FMRs are published periodically in the "Federal Register" in accordance with 24 CFR 888 and 24 CFR 982.4.

Family - Includes but is not limited to:

- 1) A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);
- 2) An elderly family;
- 3) A near-elderly family;
- 4) A disabled family;
- 5) A displaced family;
- 6) The remaining member of a tenant family; and

- 7) A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

See narrative, Family Status, page III-8.

Family Members - Include all household members except live-in aides, foster children and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the HUD-50058.

Family Rent to Owner - In the Voucher program, the portion of rent to owner paid by the family.

Family Self-Sufficiency Program (FSS) - The program established by a housing authority to promote self-sufficiency of assisted families, including the coordination of supportive services. 24 CFR 984 and U.S.C. 1437u.

Family Share - The portion of rent and utilities paid by the family.

Family Unit Size - The appropriate number of bedrooms for a family as determined by the housing authority under the housing authority's subsidy standards.

50058 Form - The HUD form that housing authorities are required to complete for each assisted household in public housing to record information used in the certification and recertification process, and, at the option of the housing authority, for interim reexaminations.

Foster Adult - Usually persons with disabilities, unrelated to the tenant family, who are unable to live alone.

Foster Children - Minors who have been placed in a household by a Court of public or private nonprofit child-placing agency for their care and maintenance.

Fraud and Abuse - A single act or pattern of actions, (1) that constitutes a false statement, omission or concealment of a substantive fact, made with intent to deceive or mislead; and (2) that results in payment of Section 8 program funds in violation of Section 8 program requirements.

Full-Time Student - A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a high school diploma or college degree. 24 CFR 5.603

Funding Increment - Each commitment of budget authority by HUD to a PHA under the

consolidated annual contributions contract for the PHA program. 24 CFR 982.4

Gross Rent The total monthly cost of housing an eligible Family, which is the sum of the Contract Rent and any Utility Allowance. 24 CFR 813.102

Group Home - A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide. Residents of a group home receiving Section 8 assistance must not require continual medical or nursing care, must be ambulatory or not continuously confined to a bed, and must be capable of taking appropriate actions for their own safety in an emergency. 24 CFR 982.610

Head/Co-Head of Household - Adult member(s) of the family who assumes legal and financial responsibility for the household needs and is used by the PHA for purposes of determining income eligibility and rent. Spouse means the husband or wife of the head of household. 24 CFR 5.504

Household Members - Include all individuals who reside or will reside in the unit and who are listed on the lease, including live-in aides, foster children and foster adults.

Housing Assistance Payment - The monthly assistance payment by a PHA, which includes (1) a payment to the owner for rent to the owner under the family's lease; and (2) an additional payment (utility reimbursement) to the family if the total assistance payment exceeds rent to owner. 24 CFR 982.4

Housing Assistance Payments (HAP) Contract - A written contract between a PHA and an owner in the form prescribed by HUD headquarters, in which the PHA agrees to make housing assistance payments to the owner on behalf of an eligible family. 24 CFR 982.4

Housing Choice Voucher - A document issued by a housing authority to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

Housing Choice Voucher Holder - A family that has an unexpired Housing Choice voucher.

Housing Quality Standards (HQS) - The HUD minimum quality standards for housing assisted under the tenant-based programs. 24 CFR 982.401

HUD - The Department of Housing and Urban Development or its designated officer or employee.

Imputed Asset - Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

Imputed Income - HUD passbook rate multiplied by total cash value of assets. Calculation used when assets exceed \$5,000.

Imputed Welfare Income - The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent. (See page IV-2, Narrative).

Income Category - Designates a family's income range. There are three categories: low income (at or below 80% of median income); very low income (at or below 50% of median income); and extremely low income (at or below 30% of median income).

Incremental Income - The increased portion of income between the total amount of welfare and earnings of a family member prior to enrollment in a training program and welfare and earnings of the family member after enrollment in the training program. All other amounts, increases and decreases, are treated in the usual manner in determining annual income.

Informal Hearing - Used for program participants and for non-citizen applicant decisions to resolve disputes administratively with the PHA without legal action. 24 CFR 982.555

Informal Review - Used for program applicants to resolve disputes of PHA decisions administratively without legal action. 24 CFR 982.554

Initial PHA - In portability, the term refers to both (1) A PHA that originally selected a family that subsequently decides to move out of the jurisdiction of the selecting PHA; (2) A PHA that absorbed a family that subsequently decides to move out of the jurisdiction of the absorbing PHA. 24 CFR 982.4

Initial Payment Standard - The payment standard at the beginning of the HAP contract term.

Initial Rent to Owner - The rent to owner at the beginning of the initial lease term.

Interim (Examination) - A reexamination of a household's income, expenses, and household status conducted between annual recertifications when a change in a household's circumstances warrant such a reexamination.

Jurisdiction - The area in which the housing authority has authority under State and local law to administer the program. For purposes of RHE, the jurisdiction shall be the corporate city limits of Rockville, Maryland.

Landlord - Either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

Lease - A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner and the PHA. In cooperative housing, a written agreement between a cooperative and a member of the cooperative. 24 CFR 982.4

Legal Capacity - The participant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Live-In Aide - A person who resides with an elderly or disabled person or persons and who (1) is determined by RHE to be essential to the care and well being of the person(s); (2) is not obligated for the support of the person(s); and (3) would not be living in the unit except to provide the necessary supportive services. 24 CFR 813.102

Low-Income Family - A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes. 24 CFR 813.102

Medical Expenses - Those medical expenses, including medical insurance and premiums, that are anticipated during the period for which annual income is computed and that are not covered by insurance.

Merger Date - October 1, 1999

Minor - A person who is less than 18 years old.

Mixed Family - A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

Monthly Adjusted Income: One twelfth of adjusted income.

Monthly Income - One twelfth of annual income.

Mutual Housing - Included in the definition of “cooperative.”

National - A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

Near-Elderly Family - A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides. 24 CFR 5.403

Net Family Assets - Net cash value after deducting reasonable costs that would be incurred in disposal of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land, and excluding the equity in HUD homeownership programs. In determining net family assets, housing authorities or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore.

In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms. The value of necessary items of personal property such as furniture and automobiles are excluded; and, in cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the Family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining Annual Income. 24 CFR 813.102

1937 Housing Act - The United States Housing Act of 1937 [42 U.S.C. 1437 et. seq.)

Non-Citizen - A person who is neither a citizen nor national of the United States.

Notice of Funding Availability (NOFA) - For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance, and the criteria for awarding the funding.

Occupancy Standards - The standards that the housing authority establishes for determining the appropriate number of bedrooms needed to house families of different sizes or compositions.

Owner - Any person or entity, including a cooperative, having the legal right to lease or sublease existing housing. 24 CFR 982.4

Participant (participant family) - A family that has been admitted to the PHA program, and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term). 24 CFR 982.4

Payment Standard - In a voucher tenancy, the maximum monthly assistance payment for a family (before deducting the total tenant payment by family contribution). For a voucher tenancy, the housing authority sets a payment standard in the range from 90% to 110% of the current FMR. 24 CFR 982.4

Person with Disabilities - A person having a physical or mental impairment that: (1) is expected to be of a long continued and indefinite duration, (2) substantially impedes the person's ability to live independently, and (3) is of such a nature that the person's ability to live independently could be improved by more suitable housing conditions. 24 CFR 813.102 (See narrative, page VII-2).

Portability - Renting a dwelling unit with Section 8 tenant-based assistance outside the

jurisdiction of the initial PHA. 24 CFR 982.4

Preferences (local preferences) - Preferences for use in selecting among applicants. 24 CFR 5.410

Premises - The building or complex in which the dwelling unit is located, including common areas and grounds.

Preponderance of the Evidence - 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.

Proration of Assistance - The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family (see definition, Glossary page 10) who are eligible for assistance.

Public Housing - Housing assisted under the 1937 Act, other than under Section 8. Public Housing includes dwelling units in a mixed finance project that are assisted by a PHA with capital or operating funds.

Public Housing Agency (PHA) - A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing. 24 CFR 982.4

PHA Plan - The annual plan and the 5-year plan as adopted by the PHA and approved by HUD.

Reasonable Rent - A rent to owner that is not more than charged (1) for comparable units in the private unassisted market; and (2) for a comparable unassisted unit in the premises.

Receiving PHA - In portability, a PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a Housing Choice Voucher, and provides program assistance to the family. 24 CFR 982.4

Recertification - A reexamination of a household's income, expenses, and family composition to determine the household's rent for the following 12 months.

Remaining Member of a Tenant family - A member of the family listed on the lease who continues to live independently in an assisted household after all other family members have left. The remaining member does not include live-in aides, foster children, or foster adults.

Rent to Owner - The monthly rent payment to the owner under the lease. Rent to owner

includes payment for any services, maintenance and utilities that the owner is required to provide in accordance with the lease. 24 CFR 982.4

Residency Preference - A preference for admission of families that reside anywhere in a specified "residency preference area." RHE's local residency preference applies to applicant families that live, work or have notice of work in the corporate limits of the city of Rockville, Maryland. 24 CFR 5.410

Residual Family - Remaining member(s) of a participating family.

RHE - Rockville Housing Enterprises, formerly the Housing Authority of the City of Rockville (RHA). This is the public housing agency (PHA) authorized to assist in the development or operation of low-income housing in Rockville, Maryland.

Secretary - The Secretary of Housing and Urban Development, or designee.
24 CFR 882.102

Section 8 - Section 8 of the United States Housing Act of 1937.

Security Deposit - A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.

Service Agency - A public or private nonprofit organization which is recognized by the State as qualified to determine the supportive service needs of individuals who will reside in a Group Home. The service agency may perform outreach to potential residents of Group Homes and assist these individuals in applying for housing assistance, provide all or a portion of the supportive services and may identify and coordinate appropriate local, public or private resources to furnish these services. The service agency may own or sublease a Group Home. 24 CFR 882.102

Service Agreement - A written agreement approved by the State between the owner (including an entity with the right to sublease) of a Group Home and the service agency and/or other entities, providing the supportive services to the occupants of Group Homes. The agreement specifies the type and frequency of the supportive services to be furnished.
24 CFR 882.102

Single Person - Someone living alone or intending to live alone who does not qualify as an elderly person, a person with disabilities, a displaced person, or the remaining member of a tenant family. 24 CFR 812.3.

Single Room Occupancy Housing (SRO) - A unit for occupancy by a single eligible individual capable of independent living that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities.

Special Admission - Admission of an applicant that is not on the housing authority waiting list, or admission without considering the applicant's waiting list position. Non-Waiting List admissions based on a HUD award to a PHA program of funding that is targeted for families living in specified units. The PHA must use the assistance for the families living in these units. This funding may be used by HUD, for example, for desegregation, demolition or disposition of a public housing project, or for a family residing in a project-based Section 8 HAP contract at or near the end of the HAP contract term. 24 CFR 982.203 & 24 CFR 982.54

Special Housing Types - Special housing types include: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

Specified Welfare Benefit Reduction -

- A. A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.
- B. "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:
 - 1. at the expiration of a lifetime or other time limit on the payment of welfare benefits;
 - 2. because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or
 - 3. because a family member has not complied with other welfare agency requirements.

Spouse - The marriage partner of the Head of Household.

State Wage Information Collection Agency (SWICA) - The State agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the State, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

Statement of Family Responsibility - An agreement in the form prescribed by HUD,

between the PHA and a family to be assisted under the Moderate Rehabilitation Program, stating the obligations and responsibilities of the family.

Subsidy Standards - Standards established by a housing authority to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions. See narrative, page IV-12.

Suspension (Tolling) - Stopping the clock on the term of a family's Housing Choice Voucher, for such period as determined by the housing authority, from the time when a family submits a request for housing authority approval to lease a unit, until the time when the housing authority approves or denies the request.

Targeted Funding - HUD special funding for certain family types and only applicants on the Waiting List that meet the targeted funding criteria can be served from the list. If there is no one identified on the list, the Waiting List is opened only for the specific targeted group. The following programs are administered by RHE as targeted programs: the Mainstream Disabled Program, and the Section 8 Welfare to Work Program.

Tenancy Addendum - An addendum to the lease between an owner and an eligible family that has mandatory lease language required by HUD. The Tenancy Addendum must be attached to the tenant lease and must also be attached as part C to the HAP Contract. 24 CFR 982.4

Tenant - The person or persons (other than a live-in aide) who executes the lease of the dwelling unit. 24 CFR 982.4

Tenant-Based - Rental assistance that is not attached to the structure. 24 CFR 982.4

Tenant Rent - The amount payable monthly by the family as rent to the owner minus any utility allowance. 24 CFR 813.102 & 24 CFR 982.4

Temporary, Nonrecurring, or Sporadic Income - includes (1) casual, sporadic, and irregular gifts; (2) amounts which are specifically received for, or are reimbursements of, the cost of illness or medical care; (3) lump-sum additions to family assets, such as, but not necessarily limited to, inheritances, insurance payments (including payments under death and accident insurance and workmen's compensation), capital gains, and settlements for personal or property losses; (4) amounts of educational scholarships paid directly to the student or to the educational institution and amounts paid by the United States Government to a veteran for use meeting the cost of tuition, fees and books and that are not available for sustenance; (5) hazardous duty pay to a Family Member in the Armed Forces away from home and exposed to hostile fire; and (6) payment received by participants in other publicly-assisted programs as reimbursement for out-of-pocket expenses incurred (special equipment, clothing, transportation, reimbursement for child care, and so forth which are made solely to allow participation in a specific program and cannot be used for any other purposes).

Term of Lease - The amount of time a tenant agrees in writing to live in a dwelling unit.

Third-Party Verification - Oral or written confirmation of a household's income, expenses, or household composition provided by a source outside the household, such as an employer, doctor, school official, etc.

Tolling - See suspension.

Total Tenant Payment (TTP). The amount the HUD rent formula requires tenants to pay

toward rent and utilities. The minimum TTP is the amount calculated under Section 3(a)(1) of the 1937 Housing Act, which is the higher of (1) 30% of the family's monthly adjusted income; (2) 10% of the family's monthly income; or (3) minimum rent, if applicable.

Unit - Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero (0) bedrooms to six (6) bedrooms.

Utility Allowance - If the cost of utilities (except telephone and cable) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a housing authority or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances, consistent with the requirements of a safe, sanitary, and healthful living environment. 24 CFR 813.102

Utility Reimbursement - The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment for the family occupying the unit. It is only paid when the Housing Assistance Payment exceeds the rent to owner.

Utilities - Includes water, electricity, gas, other heating, refrigerator and cooking fuels, trash collection, sewage services; excludes telephone and cable service.

Verification - The process of obtaining statements from individuals or organizations who can attest to the accuracy of the amounts of income, expenses, or household member status (e.g., employers, public assistance agency staff, doctors). The three types of verification are (1) Third-party verification, either written or oral (obtained from employers, public assistance agencies, schools, etc.); (2) Documentation, such as a copy of a birth certificate or a bank statement; (3) Family certification or declaration (only used when third-party or documentation verification is not available). (See page VI-9 of the Administrative Plan for more details on verification.)

Very-Low-Income Family - A low-income family whose annual income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. 24 CFR 813.102

Violent Criminal Activity - Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

Voucher (Rental Voucher) - A document issued by a PHA to a family selected for admission to the Housing Choice Voucher program. This document describes the program and the procedures for housing authority approval of a unit selected by the family and states the obligations of the family under the program. 24 CFR 982.4

Voucher Holder - A family holding a voucher with unexpired housing search time.
24 CFR 982.4

Waiting List Admission - An admission from the housing authority waiting list.
24 CFR 982.4

Welfare Assistance - Welfare or other payments to families or individuals, based on need, that are made under programs funded by Federal, State, or local governments.
24 CFR 5.603(d).

Welfare-to-Work Families - Families assisted with Voucher funding awarded under the HUD Welfare-to-Work Voucher Program.

A. ACRONYMS

AAF	Annual Adjustment Factor
ACC	Annual Contributions Contract
ADA	Americans With Disabilities Act of 1990
BR	Bedroom
CACC	Consolidated Annual Contributions Contract
CFR	Code of Federal Regulations
MWCOG	Metropolitan Washington Council of Governments
COR	City of Rockville, Maryland
ELI	Extremely Low Income
FMR	Fair Market Rent
FSS	Family Self-Sufficiency
FY	Fiscal Year
FYE	Fiscal Year End
HAP	Housing Assistance Payment
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	U.S. Department of Housing and Urban Development
IG	Inspector General

INS	U.S. Immigration and Naturalization Service
MTCS	Multifamily Tenant Characteristics System
MSA	Metropolitan Statistical Area established by the U.S. Census Bureau
NAHA	(Cranston-Gonzales) National Affordable Housing Act
NOFA	Notice of Funding Availability
OMB	Office of Management and Budget
PASS	Plan for Achieving Self Support
PCC	Program Coordinating Committee
PBC	Project-Based Certificate (program)
PHA	Public Housing Agency
PMSA	Primary Metropolitan Statistical Area established by the U.S. Census Bureau
QHWRA	Quality Housing and Work Responsibility Act of 1998
RFTA	Request for Tenancy Approval
RHE	Rockville Housing Enterprises, formerly the Housing Authority of the City of Rockville, Maryland (RHA)
ROC	Regional Opportunity Counseling Program
SEMAP	Section Eight Management Assessment Program
SRO	Single Room Occupancy
SWICA	State Wage Information Collection Agency
TANF	Temporary Assistance to Needy Families (formerly AFDC)
TCA	Temporary Cash Assistance (the local term for TANF)
TTP	Total Tenant Payment

UA Utility Allowance

URP Utility Reimbursement Payment

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 \$ 135,200

B. Eligibility type (Indicate with an “X”) N1 _____ N2 _____ R _____

C. FFY in which funding is requested FY97/FY98

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

Our DEG program was designed with a great deal of resident and community input, and offers a multi-tiered approach to drugs and crime, addressing security, as well as community, family and individual needs. Highlights include voluntary tenant patrols, youth recreational activities, a family strengthening program, educational and employment opportunities for teens and adults, and covering the cost of transportation for those in drug treatment, as well as inpatient treatment on a case-by-case basis.

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.

PHDEP Target Areas (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)
Lincoln Terrace	68	485
David Scull Courts	76	
Scattered Site Units	28	

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 _____ 18 Months _____ 24 Months x 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 amount of funding received. If previously funded programs have not been closed out at the time of this submission, indicate the fund balance and anticipated completion date. For grant extensions received, place “GE” in column or “W” for waivers.

Fiscal Year of Funding	PHDEP Funding Received	Grant #	Fund Balance as of Date of this Submission	Grant Extensions or Waivers	Anticipated Completion Date
FY 1995	80.500	MD39DEP0070195	0	None	10/96
FY 1996	85.500	MD39DEP0070196	0	None	10/97
FY 1997	84.500	MD39DEP0070197	15,895.66	None	10/00
FY1998	50.700	MD39DEP0070198	13,588.17	None	10/00
FY 1999	37.390	MD39DEP0070199	0	0	

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.

Our PHDEP plan focuses on increasing resident’s feelings of safety and security while reducing the number of reports and drug-related activities, in partnership with both police departments serving our community. To increase residents involvement and membership in the newly established Resident Council. Multiply the number of RHE residents earning income from employment, and to enhance the skills of employed residents so that they can earn higher wages. Strengthen families living in public housing. In particular, to assist families and individuals in developing “protective” factors, while reducing “risk” factors. Finally to collaborate with drug treatment providers to provide public housing residents with immediate access to drug screening, in and out- patient treatment and aftercare support programs.

B. PHDEP Budget Summary

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

FY 97/98 PHDEP Budget Summary	
Budget Line Item	Total Funding
9110 - Reimbursement of Law Enforcement	45,310.00
9120 - Security Personnel	0
9130 - Employment of Investigators	0
9140 - Voluntary Tenant Patrol	2,240.00
9150 - Physical Improvements	0
9160 - Drug Prevention	62,430.00
9170 - Drug Intervention	13,220.00
9180 - Drug Treatment	12,000.00
9190 - Other Program Costs	0
TOTAL PHDEP FUNDING	135,200.00

C. 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: \$	
Goal(s)	To provide residents with a feeling of safety outside of normal business hours						
Objectives	To become familiar with law enforcement personal and develop a saens of community						
Proposed Activities	# Of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount/Source)	Performance Indicators
1. Police officers			10/98	10/00	30,000.0	None	
2. Security Cameras			10/98	10/00	15,310.0	None	
3.							

9120 - Security Personnel						Total PHDEP Funding: \$	
Goal(s)							
Objectives							
Proposed Activities	# Of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount/Source)	Performance Indicators
1.							
2.							
3.							

9130 - Employment of Investigators						Total PHDEP Funding: \$	
Goal(s)							
Objectives							
Proposed Activities	# Of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount/Source)	Performance Indicators
1.							
2.							
3.							

9140 - Voluntary Tenant Patrol						Total PHDEP Funding: \$	
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Goal(s)	To establish 2 tenant patrols with approximately 15 members each for Lincoln Terrace and David Scull						
Objectives	To help residents become more involved in their community						
Proposed Activities	# Of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1. Equipment	30	485	10/98	10/00	2,000.0	None	
2. Insurance	30	485	10/98	10/00	240.00	None	
3.							

9150 - Physical Improvements					Total PHDEP Funding: \$		
Goal(s)							
Objectives							
Proposed Activities	# Of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1.							
2.							
3.							

9160 - Drug Prevention					Total PHDEP Funding: \$		
Goal(s)	To provide salaries and benefits for 1 FT/DEG coordinator and 1 FT/ computer trainer						
Objectives	To help residents be empowered through positive programs and to encourage self sufficiency						
Proposed Activities	# Of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1. DEG Coord.	485	485	10/98	10/00	44,400	None	
2. Computer Trainer	485	485	10/98	10/00	18,030	None	
3.							

9170 - Drug Intervention					Total PHDEP Funding: \$		
Goal(s)	To strengthen RHA residents towards independence and self sufficiency						
Objectives	To move residents to vocational aspirations and homeownership						
Proposed Activities	# Of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1. Computers/ software	485	485	10/98	10/00	5,000.00	None	

2.GED/ Esol	485	485	10/98	10/00	5,000.00	None	
3. Jobs Club	485	485	10/98	10/00	220.00	None	

9180 - Drug Treatment					Total PHDEP Funding: \$		
Goal(s)	To provide RHA residents and their families with treatment options						
Objectives	To have an understanding of the tools for recovery						
Proposed Activities	# Of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1.inpatient treatment	25	485	10/98	10/00	12,000.0	None	
2.							
3.							

9190 - Other Program Costs					Total PHDEP Funds: \$		
Goal(s)							
Objectives							
Proposed Activities	# Of Persons Served	Target Population	Start Date	Expected Complete Date	PHEDEP Funding	Other Funding (Amount /Source)	Performance Indicators
1.							
2.							
3.							

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	11,327.50	45,310.00	22,655.00	45,310.00
9120	0	0	0	0
9130	0	0	0	0
9140	560.00	2,240.00	1,120.00	2,240.00
9150	0	0	0	0

9160	15,607.50	62,430.00	31,215.00	62,430.00
9170	3,305.00	13,220.00	6,610.00	13,220.00
9180	3,000.00	12,000.00	6,000.00	12,000.00
9190	0	0	0	0
TOTAL	33,800.00	135,200.00	67,600.00	\$ 135,200.00

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.”