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

LAGRANGE (TX) HOUSING AUTHORITY
TX381
250 NW Circle
LaGrange, TX 78945

PHA Plans

5 Year Plan for Fiscal Years 2000 - 2004
Annual Plan for Fiscal Year 2000

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

PHA Plan
Agency Identification

PHA Name: The Housing Authority of the City of La Grange, Texas

PHA Number: TX381

PHA Fiscal Year Beginning: 07/2000

Public Access to Information

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

- [x] Main administrative office of the PHA
- [x] 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:

- [x] Main administrative office of the PHA
- [x] 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

PHA Plan Supporting Documents are available for inspection at:

- [x] Main business office of the PHA
- [ ] PHA development management offices
- [ ] Other

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5-YEAR PLAN
PHA FISCAL YEARS 2000 - 2004

[24 CFR Part 903.5]

A. Mission

☒ 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:

B. Goals

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

☒ PHA Goal: Improve the quality of assisted housing
Objectives:
- ☒ Improve public housing management: (PHAS score) ***50***
- ☒ Improve voucher management: (SEMAP score)
- ☐ 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:

☒ PHA Goal: Increase assisted housing choices

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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:

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:

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:

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:

Other PHA Goals and Objectives:

- ***There are no additional PHA Goals and Objectives***

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

i. Annual Plan Type:

☐ **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)]

The current Executive Director joined the La Grange Housing Authority at the time that it was being designated by HUD as troubled. The troubled status has required the staff and Board of Commissioners to create and implement new strategies for improving the operational effectiveness of the organization. Many of these strategies can be found in the policy documents that support this Plan.

Most important to the development of the 5-year and Annual Agency Plan was the strong working relationship that developed between LGHA staff and the Resident Council (RC). To communicate the development of this Plan to all the residents, the Resident Council took a leading role by participating in the discussion of every aspect of the Plan, holding resident meetings at each of the developments, and developing and compiling a resident survey. The Resident Council has, and continues to meet with the Executive Director on a monthly basis to discuss issues relating to the communities and the Authority at large.

In terms of the public housing program, new policies and procedures have been developed in the areas of occupancy and management. The Authority currently has $1.24 MM in un-funded physical needs in its two developments and 82 total units, which are now starting to be addressed through the Authority's modernization program.

The LGHA also administers a Section 8 tenant based assistance program that provides rent subsidies to approximately 50 families that permits them to live in the private rental market. Policies and procedures governing this program have also been included in the Agency Plan.

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iii. Annual Plan Table of Contents

[24 CFR Part 903.7 9 (r)]

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Attachments

Required Attachments:

- ☒ Admissions Policy for Deconcentration — See ACOP
- ☒ FY 2000 Capital Fund Program Annual Statement — Pgs. 27-29
- ☒ Most recent board-approved operating budget — Hard Copy

Optional Attachments:

- ☐ PHA Management Organizational Chart
- ☒ FY 2000 Capital Fund Program 5 Year Action Plan — Pgs. 29-32
- ☐ Public Housing Drug Elimination Program (PHDEP) Plan
- ☐ Comments of Resident Advisory Board or Boards
- ☒ Other:

Admissions and Continued Occupancy Policy	***tx381a01***
Section 8 Administrative Plan	***tx381b01***
Disposition Policy	***tx381c01***
Grievance Procedure	***tx381d01***
Pet Policy	***tx381e01***
Rent Collection Policy	***tx381f01***
Dwelling Lease	***tx381g01***
Procurement Policy	***tx381i01***
Maintenance Plan	***tx381j01***

Supporting Documents Available for Review

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
X	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan	5 Year and Annual Plans
X	Fair Housing Documentation: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing that require the PHA's involvement.	5 Year and Annual Plans
X	Consolidated Plan for the jurisdiction/s in which the PHA is located (which includes the Analysis of Impediments to Fair Housing Choice (AI))) and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
X	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources;
X	Public Housing Admissions and (Continued) Occupancy Policy (A&O), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies

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List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
X	Public Housing Deconcentration and Income Mixing 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 Quality Housing and Work Responsibility Act Initial Guidance; Notice* and any further HUD guidance) and 2. Documentation of the required deconcentration and income mixing analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public housing rent determination policies, including the methodology for setting public housing flat rents ☒ check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Schedule of flat rents offered at each public housing development ☒ check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies ☒ check here if included in Section 8 Administrative Plan	Annual Plan: Rent Determination
X	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation)	Annual Plan: Operations and Maintenance
X	Public housing grievance procedures ☐ check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures ☒ check here if included in Section 8 Administrative Plan	Annual Plan: Grievance Procedures
X	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for the active grant year	Annual Plan: Capital Needs
X	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grant	Annual Plan: Capital Needs
X	Most recent, approved 5 Year Action Plan for the Capital Fund/Comprehensive Grant Program, if not included as an attachment (provided at PHA option)	Annual Plan: Capital Needs
NA	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
NA	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
NA	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
NA	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act	Annual Plan: Conversion of Public Housing
NA	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
NA	Policies governing any Section 8 Homeownership program ☐ check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
NA	Any cooperative agreement between the PHA and the TANF agency	Annual Plan: Community Service & Self-Sufficiency
NA	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency
NA	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency
NA	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
X	The most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U. S.C. 1437c(h)), the results of that audit and the PHA's response to any findings	Annual Plan: Annual Audit
X	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
NA	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

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	305	5	4	1	1	2	3
Income >30% but <=50% of AMI	161	4	3	4	1	2	5
Income >50% but <80% of AMI	165	3	4	5	2	1	4
Elderly	219	5	3	4	4	3	4
Families with Disabilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Black	108	5	3	4	2	1	3
Hispanic	157	5	4	3	2	1	3

What sources of information did the PHA use to conduct this analysis?

☒ Consolidated Plan of the Jurisdiction/s
Indicate year: State of Texas FY 2000

☐ 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:

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

Housing Needs of Families on the Waiting List			
Waiting list type: (select one) ☒ Section 8 tenant-based assistance ☐ Public Housing ☐ Combined Section 8 and Public Housing ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/sub-jurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	28		100%
Extremely low income <=30% AMI	10	35.7%	
Very low income (>30% but <=50% AMI)	11	39.2%	
Low income (>50% but <80% AMI)	7	25.0%	
Families with children	22	78.5%	
Elderly families	1	3.5%	
Families with Disabilities	7	25.0%	
White	10	35.7%	
Black	13	46.4%	
Hispanic	5	17.8%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

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Housing Needs of Families on the Waiting List
Is the waiting list closed (select one)? ☒ No ☐ Yes If yes: How long has it been closed (# of months)? Does the PHA expect to reopen the list in the PHA Plan year? ☐ No ☐ Yes Does the PHA permit specific categories of families onto the waiting list, even if generally closed? ☐ No ☐ Yes

Housing Needs of Families on the Waiting List

Waiting list type: (select one)

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

	# of families	% of total families	Annual Turnover
Waiting list total	19		200%
Extremely low income <=30% AMI	1	5.23%	
Very low income (>30% but <=50% AMI)	2	10.5%	
Low income (>50% but <80% AMI)	16	84.2%	
Families with children	12	63.2%	
Elderly families	2	10.5%	
Families with Disabilities	3	15.8%	
White	9	47.3%	
Black	8	42.1%	
Hispanic	1	5.25%	
Arabic	1	5.25%	

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Housing Needs of Families on the Waiting List			
Characteristics by Bedroom Size (Public Housing Only)			
1BR	6	31.5%	
2 BR	8	42.1%	
3 BR	5	26.3%	
4 BR			
5 BR			
5+ BR			

Is the waiting list closed (select one)? ☒ No ☐ Yes

If yes:

How long has it been closed (# of months)?

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

Does the PHA permit specific categories of families onto the waiting list, even if generally closed? ☐ No ☐ Yes

C. Strategy for Addressing Needs

(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:

- ☒ 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

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

☒ 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:

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

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

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

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

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

☐ Employ admissions preferences aimed at families who are working
☒ Adopt rent policies to support and encourage work
☐ Other:

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:

☐ Seek designation of public housing for the elderly
☒ Apply for special-purpose vouchers targeted to the elderly, should they become available
☐ Other:

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:

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

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

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

☒ Affirmatively market to races/ethnicities shown to have disproportionate housing needs
☐ Other:

Strategy 2: Conduct activities to affirmatively further fair housing

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

Other Housing Needs & Strategies:

(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

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☐ Results of consultation with advocacy groups
☐ Other:

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2. Statement of Financial Resources

[24 CFR Part 903.7 9 (b)]

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
1. **Federal Grants (FY 2000 grants)**		
a) Public Housing Operating Fund	$ 43,657	
b) Public Housing Capital Fund	$159,094	
c) HOPE VI Revitalization		
d) HOPE VI Demolition		
e) Annual Contributions for Section 8 Tenant-Based Assistance	$182,291	
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)		
g) Resident Opportunity and Self-Sufficiency Grants		
h) Community Development Block Grant		
i) HOME		
j) Other Federal Grants		
2. Prior Year Federal Grants (unobligated funds only)		
3. Public Housing Dwelling Rental Income	$146,040	Operations and Administration
4. Other income		
Interest	$ 4,660	Operations
CD Interest	$ 14,150	Operations
5. Non-federal sources		
Total resources	$549,892	

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3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.7 9 (c)]

A. Public Housing

(1) Eligibility

a. When does the PHA verify eligibility for admission to public housing?

☐ When families are within a certain number of being offered a unit:
☒ When families are within a certain time of being offered a unit: ***30-60 days***
☐ Other:

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

☒ Criminal or Drug-related activity
☒ Rental history
☒ Housekeeping
☒ Other (describe) Behavior of minor children verified with Social Services and Probation Department

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

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

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

(2)Waiting List Organization

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

☒ Community-wide list
☐ Sub-jurisdictional lists
☐ Site-based waiting lists
☐ Other

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

☒ PHA main administrative office
☐ PHA development site management office
☐ Other

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?
☐ 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

(3) Assignment

a. How many vacant unit choices are applicants ordinarily given before they fall to the bottom of or are removed from the waiting list?
☐ One
☒ Two
☐ Three 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?
☒ Emergencies
☐ Overhoused
☒ Underhoused

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☒ Medical justification
☒ Administrative reasons determined by the PHA (to permit modernization work)
☐ Resident choice:
☒ Other:

- ***Section 504***
- ***Victims of Domestic Violence***
- ***Witnesses to Hate Crimes***

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?

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:
☐ 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)

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

Date and Time

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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

☐ 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)

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?

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

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

☒ At an annual reexamination and lease renewal
☒ Any time family composition changes
☐ At family request for revision
☐ Other

(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?

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

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

☐ Adoption of site-based waiting lists
If selected, list targeted developments below:

☐ Employing waiting list "skipping" to achieve deconcentration of poverty or income mixing goals at targeted developments
If selected, list targeted developments below:

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

☐ Other

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

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

☐ Additional affirmative marketing
☐ Actions to improve the marketability of certain developments
☐ Adoption or adjustment of ceiling rents for certain developments
☐ Adoption of rent incentives to encourage deconcentration of poverty and income-mixing
☐ Other

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

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

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?

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

B. Section 8

(1) Eligibility

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a. What is the extent of screening conducted by the PHA?

☒ 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
☐ Other

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?

☒ Criminal or drug-related activity
☐ Other

(2) Waiting List Organization

a. With which of the following program waiting lists is the section 8 tenant-based assistance waiting list merged?

☒ None
☐ Federal public housing
☐ Federal moderate rehabilitation
☐ Federal project-based certificate program
☐ Other federal or local program

b. Where may interested persons apply for admission to section 8 tenant-based assistance?

☒ PHA main administrative office
☐ Other

(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:

- ***Extenuating circumstances, such as hospitalization or family emergency, which has affected the family's ability to find a unit within the 60-day period. Verification is required.***

- ***LFHA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the LGHA, throughout the initial 60 day period. A completed search record is required.***
- ***Family was prevented from finding an apartment due to the need to locate an accessible unit to accommodate a disabled family member or to the family's need for a unit with four or more bedrooms. A completed search record is required as part of the verification.***

(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**)

3. Which of the following admission preferences does the PHA plan to employ in the coming year?

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

☐ 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)

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

Date and Time

Former Federal preferences

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

Other preferences

☐ 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)

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

☐ 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"

☐ 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:

☐ 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?

☒ The Section 8 Administrative Plan
☐ Briefing sessions and written materials
☐ Other

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

☐ Through published notices
☒ Other

- ***To reach people from diverse backgrounds, LGHA will advertise through a wide variety of sources including local newspapers, minority media, minority civic clubs, and service agencies. LGHA will communicate the status of housing availability to other service providers in the community, such as agencies serving individuals with special housing needs, and advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance. LGHA will continuously monitor and evaluate outreach activities to ensure that it reaches the widest possible audience.***

4. PHA Rent Determination Policies

[24 CFR Part 903.7 9 (d)]

A. Public Housing

(1) Income Based Rent Policies

a. Use of discretionary policies:

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

---or---

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

b. Minimum Rent

1. What amount best reflects the PHA's minimum rent?

☐ $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

☒ 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

e. Ceiling rents

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

☒ Yes for all developments
☐ Yes but only for some developments
☐ No

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2. For which kinds of developments are ceiling rents in place?

☒ 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

3. Select the space or spaces that best describe how you arrive at ceiling rents

☒ 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

f. Rent re-determinations:

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

☐ Never
☒ At family option – ***For decreases in income expected to last at least 30 days***
☐ 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: ***Hardship cases***

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

(2) Flat Rents

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

☒ The section 8 rent reasonableness study of comparable housing
☐ Survey of rents listed in local newspaper
☒ Survey of similar unassisted units in the neighborhood

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☐ Other

B. Section 8 Tenant-Based Assistance

(1) Payment Standards

a. What is the PHA's payment standard?

☐ At or above 90% but below100% of FMR
☒ 100% of FMR
☐ Above 100% but at or below 110% of FMR
☐ Above 110% of FMR (if HUD approved; describe circumstances below)

b. If the payment standard is lower than FMR, why has the PHA selected this standard?

☐ 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

c. If the payment standard is higher than FMR, why has the PHA chosen this level?

☐ 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

d. How often are payment standards reevaluated for adequacy?

☒ Annually
☐ Other

e. What factors will the PHA consider in its assessment of the adequacy of its payment standard?

☒ Success rates of assisted families
☒ Rent burdens of assisted families
☐ Other

(2) Minimum Rent

a. What amount best reflects the PHA's minimum rent?

☐ $0
☐ $1-$25
☒ $26-$50

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

5. Operations and Management

[24 CFR Part 903.7 9 (e)]

A. PHA Management Structure

☐ An organization chart showing the PHA's management structure and organization is attached.

☒ A brief description of the management structure and organization of the PHA follows:

There are 4 positions at LGHA including the Executive Director, Administrative Assistant, Maintenance Supervisor and Maintenance Mechanic. The Administrative Assistant and Maintenance Supervisor report to the Executive Director and the Maintenance Mechanic reports to the Maintenance Supervisor.

The Executive Director has overall responsibility for Authority operations. The Administrative Assistant performs occupancy functions for both the public housing and Section 8 programs as well as administrative activities. The Maintenance Supervisor is responsible for the upkeep of the public housing units. The Maintenance Mechanic is responsible for maintaining the grounds.

B. HUD Programs Under PHA Management

Program Name	Units or Families Served at Year Beginning	Expected Turnover
Public Housing	82	28
Section 8 Vouchers	24	18
Section 8 Certificates	36	17
Section 8 Mod Rehab	NA	
Special Purpose Section 8 Certificates/Vouchers	NA	
Public Housing Drug Elimination Program (PHDEP)	NA	
Other Federal Programs	NA	

C. Management and Maintenance Policies

(1) Public Housing Maintenance and Management:

- ***Admissions and Continued Occupancy Policy***
- ***Maintenance Plan***
- ***Personnel Policy***
- ***Procurement Policy***
- ***Disposition Policy***
- ***HUD's Maintenance Guidebooks and Handbook***
- ***Rent Collection Policy***
- ***Pet Policy***
- ***Grievance Procedure***

(2) Section 8 Management:

- ***Section 8 Administrative Plan***

6. PHA Grievance Procedures

[24 CFR Part 903.7 9 (f)]

A. Public Housing

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

If yes, list additions to federal requirements below:

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

☒ PHA main administrative office
☐ PHA development management offices
☐ Other

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:

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2. Which PHA office should applicants or assisted families contact to initiate the informal review and informal hearing processes?

☒ PHA main administrative office

☐ Other

7. Capital Improvement Needs

[24 CFR Part 903.7 9 (g)]

A. Capital Fund Activities

(1) Capital Fund Program Annual Statement

Select one:

☐ The Capital Fund Program Annual Statement is provided as an attachment to the PHA Plan

-or-

☒ The Capital Fund Program Annual Statement is provided on the following pages.

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

Capital Fund Grant Number TX59p087707-2000 FFY of Grant Approval: (10/2000)

☒ Original Annual Statement

Line No.	Summary by Development Account	Total Estimated Cost
1	Total Non-CGP Funds	
2	1406 Operations	
3	1408 Management Improvements	
4	1410 Administration	$ 15,186
5	1411 Audit	
6	1415 Liquidated Damages	
7	1430 Fees and Costs	$ 18,005
8	1440 Site Acquisition	
9	1450 Site Improvement	$ 5,675
10	1460 Dwelling Structures	$ 104,229
11	1465.1 Dwelling Equipment-Nonexpendable	
12	1470 Nondwelling Structures	$ 1,500
13	1475 Nondwelling Equipment	$ 14,500
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)**	$159,094
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	$101,267

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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
PHA Admin	**Administration**	**1410**	**$15,186**
	Salaries		
	Financial management, record keeping and reporting	1410	3,600
	Procurement, resource management and construction	1410	4,800
	Employee Benefit Contribution	1410	5,406
	Travel Expense	1410	480
	Sundry	1410	900
PHA Fees and Costs	**Fees and Costs**	**1430**	**$18,004**
	Architect/Engineer Fee	1430	6,577
	Construction Management	1430	4,545
	Modernization Coordinator	1430	4,773
	Inspection Fee	1430	2,109
TX381-01	**Site Improvements at River Valley**	**1450**	**$5,675**
	Sidewalk Modifications to address potential tripping hazard	1450	3,500
	Tree Trimming	1450	2,175
TX381-02	**Site Improvements at Northwest Hills**	**1460**	**$104,229**
	Air Conditioning is required for the health and safety of the elderly and disabled families, and to keep the property competitive in the rental market.	1460	104,229
TX381-02	**Non-Dwelling Units at Northwest Hills**	**1470**	**$1,500**
	Due to age and deterioration, the HVAC units at the site office need replacement	1470	1,500

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PHA Maintenance	**Non-Dwelling Equipment** An additional pick-up truck is needed in conjunction with the Authority's modernization of the units.	**1475** 1475	**$14,500** 14,500

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)
TX381-01 River Valley	03/01	03/02
TX381-02 Northwest Hills	03/01	03/02
PHA-Wide	03/01	03/02

(2) Optional 5-Year Action Plan

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

b. If yes to question a, select one:

☐ The Capital Fund Program 5-Year Action Plan is provided as an attachment to the PHA Plan

-or-

☒ The Capital Fund Program 5-Year Action Plan is provided in the following pages.

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Optional 5-Year Action Plan Tables			
Development Number	**Development Name (or indicate PHA wide)**	**Number Vacant Units**	**% Vacancies in Development**
TX381-01	**River Valley**	**6**	**18.75%**

Description of Needed Physical Improvements or Management Improvements	Estimated Cost	Planned Start Date (HA Fiscal Year)
Site Lighting	1,100	2001
Tree Trimming	2,200	2001
Security Screen Doors and Windows	30,885	2001
Entry Doors and Hardware	16,800	2001
Interior Lighting	17,500	2002, 2003
Dryer Connections	10,500	2003, 2004
Mail Station	2,370	2003
Total estimated cost over next 5 years	$81,355	

Optional 5-Year Action Plan Tables			
Development Number	**Development Name (or indicate PHA wide)**	**Number Vacant Units**	**% Vacancies in Development**
TX381-002	**Northwest Hills**	**3**	**6.00%**

Description of Needed Physical Improvements or Management Improvements	Estimated Cost	Planned Start Date (HA Fiscal Year)
Han Rails for Elderly Units	6,450	2002, 2003, 2004
Modernization of Kitchens	73,162	2001, 2002, 2003, 2004
Modernization of Baths	29,800	2001, 2002, 2003, 2004
Lighting Improvements	11,450	2001, 2002, 2003, 2004
Entry Doors and Hardware	27,500	2001
Security Screen Doors	16,500	2001
Total estimated cost over next 5 years	$164,862	

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Optional 5-Year Action Plan Tables			
Development Number	**Development Name (or indicate PHA wide)**	**Number Vacant Units**	**% Vacancies in Development**
TX381	**PHA Wide**		

Description of Needed Physical Improvements or Management Improvements	**Estimated Cost**	**Planned Start Date (HA Fiscal Year)**
Technical Assistance (1408) – policy updates, training, PHA Plan update **Computer Upgrades (1408)** **Administration (1410)**	**$6,150** **$1,000** **$15,186**	**2001** [redacted]
Total estimated cost over next 5 years	**$22,336**	

Optional 5-Year Action Plan Tables			
Development Number	**Development Name (or indicate PHA wide)**	**Number Vacant Units**	**% Vacancies in Development**
TX381	**PHA Wide**		

Description of Needed Physical Improvements or Management Improvements	**Estimated Cost**	**Planned Start Date (HA Fiscal Year)**
Technical Assistance (1408) – policy updates, training, PHA Plan update **Computer Upgrades (1408)** **Administration (1410)**	**$5,000** **$1,000** **$15,186**	**2002** [redacted]
Total estimated cost over next 5 years	**$21,186**	

Optional 5-Year Action Plan Tables			
Development Number	**Development Name (or indicate PHA wide)**	**Number Vacant Units**	**% Vacancies in Development**
TX381	**PHA Wide**		

Description of Needed Physical Improvements or Management Improvements	**Estimated Cost**	**Planned Start Date (HA Fiscal Year)**
Technical Assistance (1408) – policy updates, training, PHA Plan update **Computer Upgrades (1408)** **Administration (1410)**	**$5,000** **$1,000** **$15,186**	**2003** [redacted]
Total estimated cost over next 5 years	**$21,186**	

Optional 5-Year Action Plan Tables			
Development Number	**Development Name (or indicate PHA wide)**	**Number Vacant Units**	**% Vacancies in Development**
TX381	**PHA Wide**		

Description of Needed Physical Improvements or Management Improvements	**Estimated Cost**	**Planned Start Date (HA Fiscal Year)**
Technical Assistance (1408) – policy updates, training, PHA Plan update **Computer Upgrades (1408)** **Administration (1410)**	**$7,500** **$2,500** **$15,186**	**2004** [redacted]
Total estimated cost over next 5 years	**$25,186**	

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

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

b) Status of HOPE VI revitalization grant (complete one set of questions for each grant)

1. Development name:
2. Development (project) number:
3. Status of grant:
   - ☐ Revitalization Plan under development
   - ☐ Revitalization Plan submitted, pending approval
   - ☐ Revitalization Plan approved
   - ☐ Activities pursuant to an approved Revitalization Plan underway

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

☐ Yes ☒ No: d) Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year?
If yes, list developments or activities below:

☐ Yes ☒ No: e) Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement?
If yes, list developments or activities below:

8. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

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

2. Activity Description

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

Demolition/Disposition Activity Description
1a. Development name: 1b. Development (project) number:
2. Activity type: Demolition ☐ Disposition ☐
3. Application status (select one) Approved ☐ Submitted, pending approval ☐ Planned application ☐
4. Date application approved, submitted, or planned for submission: (DD/MM/YY)
5. Number of units affected: 6. Coverage of action (select one) ☐ Part of the development ☐ Total development
7. Timeline for activity: a. Actual or projected start date of activity: b. Projected end date of activity:

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

[24 CFR Part 903.7 9 (i)]

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

2. Activity Description

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

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Designation of Public Housing Activity Description
1a. Development name: 1b. Development (project) number:
2. Designation type: Occupancy by only the elderly ☐ Occupancy by families with disabilities ☐ Occupancy by only elderly families and families with disabilities ☐
3. Application status (select one) Approved; included in the PHA's Designation Plan ☐ Submitted, pending approval ☐ Planned application ☐
4. Date this designation approved, submitted, or planned for submission: (DD/MM/YY)
5. If approved, will this designation constitute a (select one) ☐ New Designation Plan ☐ 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 903.7 9 (j)]

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

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

2. Activity Description

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

Conversion of Public Housing Activity Description
1a. Development name:

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1b. Development (project) number:
2. What is the status of the required assessment? ☐ Assessment underway ☐ Assessment results submitted to HUD ☐ Assessment results approved by HUD (if marked, proceed to next question) ☐ Other (explain below)
3. ☐ Yes ☐ 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) ☐ Conversion Plan in development ☐ Conversion Plan submitted to HUD on: (DD/MM/YYYY) ☐ Conversion Plan approved by HUD on: (DD/MM/YYYY) ☐ 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

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11. Homeownership Programs Administered by the PHA

[24 CFR Part 903.7 9 (k)]

A. Public Housing

1. ☐ Yes ☒ No: Does the PHA administer any homeownership programs administered by the PHA under an approved section 5(h) homeownership program (42 U.S.C. 1437c(h)), or an approved HOPE I program (42 U.S.C. 1437aaa) or has the PHA applied or plan to apply to administer any homeownership programs under section 5(h), the HOPE I program, or section 32 of the U.S. Housing Act of 1937 (42 U.S.C. 1437z-4). (If "No", skip to component 11B; if "yes", complete one activity description for each applicable program/plan, unless eligible to complete a streamlined submission due to **small PHA** or **high performing PHA** status. PHAs completing streamlined submissions may skip to component 11B.)

2. Activity Description

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

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

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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?

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

b. PHA-established eligibility criteria

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

12. PHA Community Service and Self-sufficiency Programs

[24 CFR Part 903.7 9 (l)]

A. PHA Coordination with the Welfare (TANF) Agency

1. Cooperative agreements:

☐ Yes ☒ No: Has the PHA 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? DD/MM/YY

2. Other coordination efforts between the PHA and TANF agency

☒ Client referrals

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☒ 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

B. Services and programs offered to residents and participants

(1) General

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

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

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.)

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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)
NA	*NA*	*NA*	*NA*	*NA*

(2) Family Self Sufficiency program/s

a. Participation Description

Family Self Sufficiency (FSS) Participation		
Program	Required Number of Participants (start of FY 2000 Estimate)	Actual Number of Participants (As of: DD/MM/YY)
Public Housing	NA	NA
Section 8	NA	NA

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:

☒ 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:

D. Reserved for Community Service Requirement pursuant to section 12(c) of the U.S. Housing Act of 1937

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13. PHA Safety and Crime Prevention Measures

[24 CFR Part 903.7 9 (m)]

- ***LGHA is currently not participating in PHDEP***

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

☐ 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

2. What information or data did the PHA used to determine the need for PHA actions to improve safety of residents.

☐ 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

3. Which developments are most affected?

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:

☐ 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

2. Which developments are most affected?

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:

☐ 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

2. Which developments are most affected?

D. Additional information as required by PHDEP/PHDEP Plan

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

14. RESERVED FOR PET POLICY

[24 CFR Part 903.7 9 (n)]

- ***See Attachment tx381e01***

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)]

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?

☒ Not applicable
☐ Private management
☐ Development-based accounting
☐ Comprehensive stock assessment
☐ Other:

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?
☐ 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:

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:
☒ 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:

b. Eligible candidates:
☒ 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

c. Eligible voters:
☒ All adult recipients of PHA assistance (public housing and section 8 tenant-based assistance)
☐ Representatives of all PHA resident and assisted family organizations

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☐ Other

C. Statement of Consistency with the Consolidated Plan

1. Consolidated Plan jurisdiction: (provide name here) The State of Texas

2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction:

☒ 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.

☐ Other:

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

D. Other Information Required by HUD

- ***None***

19. Definition of "Substantial Deviation" and Significant Amendment or Modification

[1903.7(r)]:

This Housing Agency defines "substantial deviation" and "significant amendment or modification" as discretionary changes in its plans or policies which fundamentally alter the mission, goals or objectives of the Agency and which require formal approval by the Board of Commissioners.

LA GRANGE (TX) HOUSING AUTHORITY
250 NW CIRCLE
LA GRANGE, TX 78945

ADMISSIONS AND CONTINUED OCCUPANCY POLICY

Adopted:

September 26, 2000

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POLICY ON ADMISSIONS AND CONTINUED OCCUPANCY

I. GENERAL STATEMENT OF MISSION, NONDISCRIMINATION AND PRIVACY

It is the intent of the La Grange Housing Authority (hereinafter referred to as LGHA or the Housing Authority) to provide safe, decent housing for eligible lower income tenants and families and to promote self-sufficiency and economic independence. LGHA will not discriminate because of race, color, gender, sexual preference, religion, age, disability, ancestry, national origin, marital status, familial status or lawful source of income in the leasing, rental, or other disposition of housing or related facilities (including property) included in any housing development(s) under its jurisdiction covered by a contract for annual contribution under the United States Housing Act of 1937, as amended or with the State of Texas or in the use or occupancy thereof.

It is the policy of LGHA to comply fully with Title VI of the Civil Rights Act of 1964, Title VIII and Section 3 of the Civil Rights Act of 1968, amended by the Community Development Act of 1974, Executive Order 11063, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, the Americans with Disability Act, and any other legislation protecting the individual rights of tenants, applicants, or staff, which may subsequently be enacted.

The Housing Authority shall not automatically deny admission to any particular group or category of otherwise eligible families nor will any criteria be applied, or information be considered, pertaining to attributes or behavior that may be imputed by some to a particular group or category. All criteria applied and information considered in administering this policy shall relate solely to the attributes and behavior of the individual members of the household.

It is also the policy of LGHA to guard the privacy of individuals in accordance with the Privacy Act of 1974, and to ensure the protection of individuals' records maintained by LGHA. Therefore, the Housing Authority shall not disclose any personal information (including, but not limited to information on any disability) contained in its records to any person or agency unless the individual about whom the information is requested gives written consent to such disclosure, or as required by law. This privacy policy in no way limits LGHA's ability to collect such information as it may need to determine eligibility, compute rent, or determine the applicant's suitability for tenancy.

LGHA is committed to identifying and eliminating situations that create barriers to equal housing for all. In accordance with the Americans with Disability Act and Section 504 of the Rehabilitation Act of 1973, as amended, LGHA will make such procedural, administrative, locational, or physical changes as will reasonably accommodate persons with disabilities and which do not impose an unreasonable burden either administratively or financially on the Housing Authority.

II. ELIGIBILITY FOR ADMISSION

A. Eligibility Criteria

It is the policy of LGHA to admit only eligible applicant families according to the following criteria:

1. Those who qualify as a family, single person, elderly person, near-elderly person, displaced person or remaining adult member of a tenant family (see Appendix C-Glossary of Terms).

2. *Annual* Income. Those whose annual income at the time of admission does not exceed the income limits or guidelines as prescribed by HUD for federally-assisted housing. A copy of the most current income limits or guidelines shall be conspicuously posted at LGHA locations.

3. Members age 6 or older have been issued a Social Security Number (SSN) and have disclosed it to the satisfaction of LGHA. Where a SSN has not been assigned, certification to that effect must be executed.

4. Members are U.S. Citizens or noncitizens who have eligible immigration status.

5. Household composition is appropriate for the housing types and unit sizes available in LGHA developments in accordance with the occupancy standards outlined herein.

6. Those who do not maintain another residence in addition to a LGHA unit.

7. Members have not committed fraud in connection with any Federal Housing Assistance program.

8. Members have not been evicted from public housing, Indian Housing, Section 23, or any Section 8 program because of drug-related criminal activity for a three-year period beginning the date of the eviction.

9. Members have not been convicted of manufacturing or producing methamphetamine (commonly referred to as “speed”) on the premises of a public housing project.

10. Those who do not include any individual who is subject to a lifetime registration requirement under a state sex offender registration program are denied admission for life.

11. Those who meet or exceed the tenant selection criteria outlined in this Policy.

B. Ineligibility Because of Prior Drug-Related Activity

1. Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance. Pursuant to federal law, persons evicted from public housing, Indian housing, Section 23, or any Section 8 program because of drug-related criminal activity are ineligible for admission to public housing at LGHA for a three-year period beginning on the date of such an eviction.

2. Applicants are denied admission for life who have been convicted of manufacturing or producing methamphetamine (commonly referred to as Aspeed@) on the premises of a public housing project. "Premises" is defined as the building or complex in which the dwelling is located, including common areas and grounds.

3. LGHA may waive at its sole discretion this restriction if the applicant can demonstrate to the satisfaction of LGHA that:

   a) the person successfully completed a rehabilitation program approved by LGHA; or
   b) the circumstance(s) leading to the eviction no longer exists. For example, the person involved in drugs and responsible for the eviction is no longer part of the household; and
   c) the person is committed to being drug-free and not participating in drug-related criminal activity as evidenced by executing an addendum imposing reasonable additional lease restrictions such as enrollment in a local drug rehabilitation approved by LGHA as may be deemed necessary by LGHA to guarantee the health, safety and welfare of other residents.

C. Screening Out Illegal Drug Users and Alcohol Abusers

1. LGHA will prohibit the admission to public housing of any person who it determines is illegally using a controlled substance.

2. LGHA will also prohibit admitting any person to public housing in cases where LGHA determines that there is reasonable cause to believe that the person abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

3. LGHA may at its sole discretion waive the policies prohibiting admission in these circumstances if the person demonstrates to the satisfaction of LGHA that:

   a) the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol, and

b) has successfully completed a supervised drug or alcohol rehabilitation program; and
c) has otherwise been rehabilitated successfully; or
d) is participating in a supervised drug or alcohol rehabilitation program, as verified by an authority from such program.

D. Eligibility Restrictions Regarding Noncitizens

1. As required by HUD (24 CFR 5 subpart E), eligibility for assistance or continued assistance under a Section 214 program, such as public housing, is contingent upon a family's submission of documentation either declaring U.S. citizenship or eligible immigration status. LGHA will require both current tenants and applicants to submit the required citizenship or eligible immigration documentation for every household member in order to receive or continue to receive housing assistance. Documentation will be required of all new admissions at the time an application is processed by the Housing Authority. Any current tenant who has not already provided documentation will be required to document citizenship or immigration status at the next reexamination. It is necessary to provide this information only one time for each family member during continued occupancy at LGHA. Whenever a new family member is added, documentation must be provided before the new member can be added to the lease.

2. *Proof of* citizenship *will take the following form*:

a) For families claiming U.S. citizenship, each applicant or tenant family member will sign the citizenship declaration form and, upon LGHA request, present appropriate documentation (such as U.S. passport, or other appropriate documentation), which will become a permanent part of the tenant file. Adults will be required to sign on behalf of all children under the age of eighteen years.
b) Noncitizens age 62 years or older who are current tenants or applicants will be required to sign a declaration of eligible immigration status and proof of age.
c) Tenants and applicants who are noncitizens declaring eligible immigration status must:

(i) sign a declaration of eligible immigration status; and

(ii) provide the required U.S. Immigration and Naturalization Service documents, such as Alien Registration Receipt Card, Arrival/Departure Record, Temporary Resident Card, Immigration and Naturalization Service (INS) receipt in the event of any lost or missing cards listed above; and

(iii) sign a verification consent form.

3. LGHA has the right to deny, terminate or adjust housing assistance if members of any household are found to be noncitizens with ineligible immigration status; however, this determination will not take place until all appeals requested have been exercised by the household. LGHA may grant time extensions to provide appropriate information, provided that the household shows a diligent effort in obtaining immigration status documents.

4. LGHA may not make assistance available to a family submitting an application until at least the eligibility of one family member has been established, and assistance must be prorated based on the number of individuals in the family for whom eligibility has been affirmatively established.

5. LGHA may not delay, deny, reduce or terminate eligibility of an individual for assistance on the basis of the immigration status of the individual. The family will not be penalized for delays on the part of those entities which must verify eligible immigration status.

6. Continued assistance provided to an eligible mixed family after November 29, 1996 will be prorated based on the percentage of family members that are eligible for assistance.

7. LGHA is required to suspend assistance to a family for a period of at least 24 months if it is determined that the family has knowingly permitted an ineligible individual to reside on a permanent basis in the family's unit. This provision does not apply if the ineligible individual has already been considered in calculating any proration of assistance for the family.

8. If LGHA discovers that eligible immigration status information provided is expired, fraudulent, or otherwise invalid, it will notify the family or individual of the results of these findings. The family or individual will then have 30 days from the date of the notification to file an appeal with the INS to correct the problem. The family or individual must provide the Housing Authority a copy of the appeal request to the INS, which will become a permanent item in the tenant file. LGHA can extend this 30 day appeal period at its sole discretion if good cause is found.

9. Any applicant or resident family affected by these provisions has the right to a formal appeal provided the family notifies LGHA within 30 days of the action or decision the family wishes to appeal. All appeals will be conducted in accordance with the provisions of LGHA's Grievance Procedure.

10. In accordance with Federal rules, mixed families who were living in LGHA's units as of June 19, 1995, are permitted to receive continued assistance provided that either the head of household or spouse has eligible immigration status and any ineligible family members are either the head, spouse, parents, or children of the head or spouse.

11. Families who were living in units operated by LGHA as of June 19, 1995 but became ineligible for housing assistance because there are no family members with eligible immigration status may be given a temporary deferral of assistance to transfer to other housing at the discretion of the Housing Authority. If the temporary assistance is provided, it will be offered in six-month increments and never for longer than a total of 18 months. The maximum period for deferrals granted prior to November 29, 1996 will be three years.

12. Families that no longer qualify for housing assistance due to their citizenship status may apply for prorated assistance to decrease the level of housing assistance provided to the household based on the ratio of eligible and ineligible persons in the household.

13. Rental housing assistance is prohibited to noncitizen students and their families. None of the provisions of the rules related to prorated assistance, continued assistance, or temporary deferral of termination of assistance applies to noncitizen students. This prohibition does not include a citizen′s spouse and their children.

E. Verification and Documentation of Eligibility

1. Applicants may not become residents until the documentation pertaining to citizenship is provided and verified. The applicant will retain their position on the waiting list during this period. The applicant will be given a reasonable time, subject to the circumstances, to furnish the documentation before losing their place on the waiting list and the time may be extended, if such circumstances require an extension. The decision will be made by a LGHA representative and documented, in writing, and placed in the applicant file.

2. Additional documentation that may be required in determining eligibility includes:

   - Temporary Assistance to Needy Families (TANF)
   - Birth Certificate, or Drivers License that displays the date of Birth and/or form(s) that are issued by a Federal, State, City or County Agency that displays the date of Birth
   - Child Care Verification
   - Credit References (History)
   - Credit Bureau Reports
   - Employer's Verification
   - Landlord Verification
   - Social Security Benefits verification
   - Assets Verification

3. *Marital Status*: If a marriage certificate is not available the following information is acceptable:

- Drivers License that displays the same address and last names.

- Federal Tax Forms that indicate that the family filed taxes as a married couple during the last tax reporting period.

- Other acceptable forms of documentation of marriage would include any document that has been issued by a Federal, State, City of County Government and indicates that the individuals are living as a married couple. Couples that are considered married under common law can provide the same information, as listed above, to document that they are living together as a married couple.

- The couple also certifies in their application for housing that they are married.

4. *Personal References*: Personal references (not family) may be used when an applicant cannot produce prior rental history records.

5. Separation means the ending of co-habitation by mutual agreement. If an applicant is divorced or separated and has children by that spouse, the applicant must provide at least one of the verifications listed below:

   a) A FINAL divorce decree. (Applies to individuals who are divorced and are not separated and is the only documentation accepted for individuals that are divorced).

   b) Receiving court-ordered child support from former spouse.

   c) Verification that applicant is pursuing child support through Department of Human Resources, Child Support Unit or Circuit Clerks Office.

   d) If applicant is receiving personal child support, the applicant can make arrangements to have the child support paid through the court system, either through the circuit clerks office, Department of Human Resources, or through a court referee.

   e) Receiving TANF (Temporary Assistance to Needy Families) through the Department of Human Resources for former spouse′s children.

   f) A notarized statement from a current landlord (not family) verifying that he/she knows that the applicant and spouse have not lived together for the last six (6) months or more.

   g) Income tax statements from both the husband and wife indicating both filed income taxes separately the last year and that they filed from different addresses.

   h) A written statement from a lawyer that states the applicant has filed suit for divorce because of physical abuse.

i) A written statement from an abuse shelter, law enforcement agency, or other social service agency that states the applicant needs housing due to physical abuse.

j) Food stamp verification - If no other documentation is available.

6. If the applicant is divorced or separated from a person and has no children by that person, the applicant must provide at least one of the verifications listed below:

   a) A FINAL divorce decree. (Applies to individuals who are divorced and are not separated and is the only documentation accepted for individuals that are divorced.)

   b) A notarized statement from a current landlord (not family) verifying that he/she knows that the applicant and spouse have not lived together for the last six (6) months or more.

   c) Income tax statements from both the husband and wife indicating both filed income taxes separately the last year and that they filed from different addresses.

   d) (i) A written statement from a lawyer that states the applicant has filed suit for divorce because of physical abuse; or

      (ii) A written statement from an abuse shelter, law enforcement agency, or other social service agency that states the applicant needs housing due to physical abuse.

   e) Food Stamp Verification - If no other documentation is available.

7. Families are required to provide Social Security Numbers (SSN) for all family members age 6 and older prior to admission, if they have been issued SSN by the Social Security Administration. All members of the family defined above must either:

   a) Submit SSN documentation; or

   b) Sign a certification if they have not been assigned a SSN. If the individual is under 18, the certification must be executed by his or her parent or guardian. If the participant who has signed a certification form obtains a SSN, it must be disclosed at the next regularly scheduled reexamination, or the next rent change.

   Verification will be done through the provision of a valid Social Security card issued by the Social Security Administration.

   c) LGHA will accept copies of the Social Security card only when it is necessary to verify by mail the continuing eligibility of participant families.

d) If an applicant or tenant cannot provide his or her Social Security card, other documents listed below showing his or her Social Security Number may be used for verification. He or she may be required by the Authority to provide one or more of the following alternative documents to verify his or her SSN, until a valid Social Security card can be provided.

These documents include:

- Drivers license, that displays the SSN
- Identification card issued by a Federal, State or local agency
- Identification card issued by an employer or trade union
- Identification card issued by a medical insurance company
- Earnings statements or payroll stubs
- Bank statements
- IRS Form 1099 or W-2 Form
- Benefit award letters from government agencies
- Medicaid Cards
- Unemployment benefit letter
- Life insurance policies
- Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records
- Verification of Social Security benefits with the Social Security Administration

e) If the Authority verified Social Security benefits with the Social Security Administration, the acceptance of the SSN by the Social Security Administration may be considered documentation of its validity.

f) Employer Identification Number (EIN).

F. Special Eligibility Provisions Relating to Applicants Requiring a Live-In Aide

Some applicants and tenants who would not otherwise be able to fully discharge the responsibilities of tenancy may be able to do so with the assistance of a live-in aide residing in the unit. When an applicant or tenant can provide documentation to the satisfaction of the Housing Authority that a live-in aide is required and available, the following provisions shall apply:

1. The live-in aide must submit information as requested and be reviewed by LGHA staff for eligibility under the Tenant Selection Criteria of this policy. If LGHA determines an individual proposed as a live-in aide to be ineligible, the tenant or applicant may propose an alternate live-in aide for screening or may appeal LGHA's determination as provided in the Informal Review Procedure (Appendix B).

2. *Unit Size Consideration*. The applicant or tenant and the live-in aide may each be allocated a separate bedroom.

3. The *head* of household is responsible for all acts of all household members with respect to the requirements of the dwelling lease. Any violation of lease provisions by the live-in aide may be cause for eviction of the household.

4. The *live*-in aide does not have rights to continue his/her occupancy as a remaining member of a household.

G. Tenant Selection Criteria

1. The applicant household must meet the Tenant Selection Criteria established by LGHA to protect the rights and needs of the public housing communities for a decent, safe and livable environment. It is necessary to deny admission to public housing to those applicants whose habits and practices may be expected to have a detrimental effect on the tenants, the environment of the development or financial stability of the property.

2. *General Requirements.* The burden is on the applicant to demonstrate to the satisfaction of LGHA that the applicant family is:

   a) Willing to reliably discharge the financial obligations of renting a unit;

   b) Willing to maintain the unit in a healthy, safe and secure condition;

   c) Willing to live peacefully with neighbors in a residential community;

   d) Willing to accept and abide by the terms of the lease agreement, attachments, addenda and all house rules; and

   e) Willing to provide the Housing Authority with accurate and complete information on the application form or any other form or document required to determine initial eligibility, preference status, and continued occupancy for public housing. Failure or refusal to comply with the requirement or provision of falsified information is grounds for a determination of ineligibility and for termination of tenancy and eviction.

3. *Documentation*. The following information related to an applicant's potential future habits or practices will be used to determine if the applicant meets LGHA's selection criteria:

   a) The applicant’s acceptable past performance in meeting financial obligations, especially rent and utilities. Positive or neutral references from the current landlord and prior landlords from the past five years (or longer if needed to get a

minimum of two prior landlords) and neutral or better credit reports, together may constitute adequate evidence that the applicant household meets this criteria.

b) In determining an applicant's ineligibility based on a previous history of non-payment of rent, the Housing Authority will consider whether:

(i) The applicant was residing in a substandard unit and was withholding rent payments pending repairs in a manner consistent with local ordinances; or

(ii) The record of nonpayment or frequent late payment was due to the applicant being required to pay excessive rent relative to his/her income and the applicant demonstrated responsible efforts to resolve the nonpayment problem.

c) The applicant, members of the applicant household, guests or visitors do not have a record of disturbance of neighbors or destruction of property. Acceptable landlord references, personal references and police and court record reports showing that no household member, guest or visitor engages in these types of activities, together may constitute adequate evidence that the household meets this criteria.

d) The applicant or members of the applicant household do not have a record of housekeeping practices which may adversely affect the health, safety or welfare of others, or cause damage to LGHA property. Acceptable landlord references or a satisfactory or better home visit rating may constitute adequate evidence that the household meets this criteria.

e) The applicant or any member of the applicant household does not have a record of criminal activity or drug-related criminal activity on the part of any household member which would adversely affect the health, safety or right to peaceful enjoyment of others. This includes, but is not limited to, crimes of physical violence and violence to property. Court and police record reports showing that no household member has a record of such activity may constitute adequate evidence that the household meets this criteria. If the Housing Authority uses the information to deny or terminate assistance, LGHA must provide to the applicant a copy of the information used.

f) The applicant or any member of the applicant household is not a former tenant of a public housing authority, or a former participant in a Section 8 program who had a record of lease violations or whose tenancy was terminated by the Housing Authority or private landlord. No previous tenant may be readmitted unless all previous amounts owed have been paid to a public housing authority; but payment of such debt does not necessarily entitle an applicant to eligibility under

this section unless LGHA has agreed in writing to grant eligibility upon payment of amounts due.

g) The applicant is willing to accept and comply with the terms of the lease agreement and other related documents. Acceptable landlord references and a satisfactory or better home visit rating may constitute adequate evidence that the household meets this test.

h) The applicant has lived responsibly on his/her own or has the maturity necessary to do so. Indicators of maturity may include, but are not limited to: the applicant's school attendance record, handling of finances (such as bill payment) and holding a job or other community responsibility (such as volunteer work).

i) The applicant has not misrepresented or falsified any information related to eligibility, preference status, selection criteria or income and has provided all information requested and required by LGHA. If at any time during the tenant selection process it is determined that the household has provided information which is false or misleading, or has failed to supply LGHA with any information or documentation required, the applicant household will be considered to have failed this criteria.

j) There is no reasonable cause to believe that any member of the applicant household has exhibited a pattern of illegal use of a controlled substance or a pattern of abuse of alcohol which interfered with the health, safety, or right to peaceful enjoyment of the premises by other residents. Acceptable landlord references, personal references and court and police record reports showing that no household member has exhibited these patterns may constitute adequate evidence that the household meets this criteria.

k) In evaluating applicant families under this criteria, LGHA may consider information which demonstrates to the satisfaction of the Housing Authority that the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol and:

- has successfully completed a supervised drug or alcohol rehabilitation program; or
- has otherwise been rehabilitated successfully; or
- is participating in a supervised drug or alcohol rehabilitation program.

l) There is no evidence relating to previous habits or practices which indicate that the applicant or any member of the applicant household would likely have a detrimental effect on the public housing community if admitted.

4. *Verification Procedures*. LGHA may use the following procedures to verify if the applicant meets the tenant selection criteria:

   a) *References from Landlords and Prior Landlords*. LGHA will obtain references from current and prior landlords for the past five years (or longer if needed to get a minimum of two prior landlords), if any, and places great importance on the information obtained from these references as prior landlords have relationships with prospective tenants that are similar to the relationship to be established with LGHA.

   LGHA will attempt to check court records for evidence of evictions or judgments against members of the household. References from landlords who are related by blood or marriage are generally considered to be insufficient. In addition, LGHA may schedule and perform a home visit and/or attempt to interview the current housing provider and others who are familiar with the behavior and abilities of household members.

   b) *Home Visits. LGHA* staff will perform a home visit for applicants for whom landlord references of acceptable credibility and quality are not available. The purpose of the Home Visit is to obtain information to be used in determining whether the applicant household meets certain of LGHA's tenant selection criteria and will consider the following:

      (i) Condition of entrance ways, halls and yards.

      (ii) Cleanliness in each room used by the household, including rooms shared with other households, if applicable.

      (iii) General care of furniture, appliances, fixtures, windows, doors and cabinets.

      (iv) Evidence of destruction of property.

      (v) Evidence of unauthorized occupants.

      (vi) Evidence of criminal activity.

      (vii) Conditions inconsistent with the information supplied in any application or other document submitted by the household.

   Applicants will be given at least two days' advance verbal notice of the home visit. If the results of the home visit indicate tenant-caused health or safety hazards, tenant-caused damages, or housekeeping practices leading to infestation by pests or other tenant-caused conditions or practices which would diminish the

applicant′s ability to meet LGHA's lease obligations, the applicant household will be considered to have failed LGHA's tenant selection criteria.

c) *Police and Court Records Check.* LGHA will obtain or have the applicant obtain police and court records for all adult members of the applicant family for evidence of behavior which is relevant to the tenant selection criteria outlined herein.

d) *Credit Reports*. LGHA may obtain credit reports on all adult family members to determine the household′s history of meeting financial obligations, especially rent and utilities. Lack of credit history will not, in itself, cause an applicant to fail this criteria.

5. *Sources of Information*. Sources of information that LGHA may use include but are not limited to:

   a) Members of the applicant household;

   b) Present and prior landlords or housing providers;

   c) Home visits;

   d) Present and former neighbors;

   e) Present and former employers;

   f) Personal references;

   g) Credit bureaus;

   h) Landlord Record services, where applicable;

   i) Social workers, school officials, drug and alcohol treatment centers, clinics, health care providers and clergy**,** and guidance counselors;

   j) Police departments, parole officers, court records; and

   k) Department of Economic Security, Internal Revenue Service.

6. LGHA staff will be the final judge of what constitutes adequate and credible information. If there are sufficient doubts with respect to the veracity, credibility, or reliability of any information received, LGHA retains the right to pursue alternative sources of information until satisfied that the information received is the best available.

7. In the event that LGHA receives adverse and unfavorable information regarding an applicant household, consideration will be given to the time, nature and extent of the applicant's conduct and to factors which might indicate a reasonable probability of favorable future conduct and that certain undesirable behavior will not be repeated. In making this consideration, LGHA shall consider all relevant circumstances including:

    a) the severity of the potentially disqualifying behavior or conduct;

    b) the amount of time which has elapsed since the occurrence of such behavior or conduct;

    c) the degree of danger, if any, to the health, safety, and security of others or to the security of the property of others or to the physical conditions of the housing development and its common areas if the behavior or conduct recurred;

    d) the likelihood that the behavior or conduct in the future will be substantially improved.

8. Applicants who fail any of the tenant selection criteria will be sent a Notice of Rejection. These applicants will be considered ineligible for housing at LGHA for a period of one (1) year from the Notice of Rejection and will be removed from the waiting list. After the one year period, these applicants may reapply for housing, subject to all conditions outlined herein. See Appendix B for Informal Review Procedures.

9. The Housing Authority shall maintain a record of all applicants determined ineligible as a result of the failure to meet its Tenant Selection Criteria with an indication of the specific reason(s) for the determination of ineligibility.

III. APPLICATION FOR ADMISSION

A. Application Intake

LGHA will accept applications for admission to LGHA housing only during publicly announced time periods during which all interested persons may apply for admission to LGHA housing. Applications will be accepted at the Office located at 250 NW Circle, La Grange, TX during specified dates and business hours posted at the office. Individuals who have a physical disability that may prevent them from completing an application in person may call LGHA to make special arrangements for completing the housing application. Reasonable accommodation will be made upon request to LGHA for persons with visual and hearing disabilities.

When the number of applicants who can be served within a reasonable period of time is reached, the waiting list(s) may be closed by unit size and/or housing type. Notice of opening and closing of the waiting list(s) shall be made in a newspaper of general circulation and announced by other suitable means. When the waiting lists for one or more unit sizes or housing type are to be reopened, the Housing Authority will clearly state in the public announcement the procedure to be employed to determine the position of each applicant on the waiting list.

B. Criteria for Placement on Waiting List

An applicant will be assigned to the appropriate waiting list(s) according to the policies for public federal housing outlined below. The applicant will be notified of their assigned application number and how to check their status on the waiting list(s) as well as further information on the housing program and its requirements.

Applicants will be placed on the waiting list by:

1. Unit size/type needed
2. Date and time of application

C. Maintaining an Active List

The pool of active applicants will be kept current by requiring each applicant to inform the Housing Authority at least once annually of continued interest. LGHA will send an update letter to the applicant, requiring the applicant to submit a form indicating continued interest and any updated information, such as change of address or household information within ten (10) days. If the applicant fails to respond within that time frame, the applicant′s name will be removed from the waiting list.

D. Responsibility to Report Changes

Applicants on the waiting list must also report to the Housing Authority any changes in income, family composition, address or any other information provided on the preliminary application as they occur. Any such changes could affect the applicant's status or eligibility for housing. Any applicant knowingly providing false information or fraudulent statements affecting the applicant's status or eligibility for housing will be removed from the waiting list.

E. Removal from the Waiting List

An applicant may withdraw an application at any time. A withdrawn application cannot be reactivated and the applicant who has withdrawn an application shall be required to reapply. Any applicant removed from the waiting list by LGHA will be notified in writing of the reason(s) for which the application is being removed. Such notification shall inform the applicant of his/her right to an informal review of the determination and will be made part of the application record. The Housing Authority will provide the applicant, upon written request, within ten (10) days from the date of the notification, an opportunity for an informal review of the determination of removal from the waiting list.

F. Record Keeping

The Housing Authority will keep a copy of each application received. For each applicant, the Housing Authority will document its determination that the applicant is eligible and meets admission standards, or is ineligible and does not meet admission standards, or is removed from the waiting list for any other reason. The Housing Authority will also maintain a record of the dwelling unit(s) offered to an eligible applicant, including the location, date, and circumstances of the offer and its acceptance or rejection. A copy of each application will become a part of a tenant's file during participation in the program. Inactive files will be maintained for a minimum of three years from the date of final action. Waiting list information will contain race or ethnic designation of head of household.

G. Eligibility Determinations

Applicants will be placed on the waiting list based on information provided on the preliminary application form.

1. *Preliminary Application Form*: LGHA shall utilize a preliminary application form (pre-application). The purpose of the pre-application is to permit the LGHA to assess family eligibility or ineligibility and to determine placement on the wait list. Duplicate pre-applications, including applications from a segment of an applicant household, will not be accepted. Ineligible applicants or incomplete applications from applicants will not be placed on the waiting list.

2. If an applicant is determined to be ineligible for placement on the waiting list based on the information provided in the pre-application, the LGHA will notify the applicant in

writing, state the reasons, and inform the applicant of his/her right to an informal review in accordance with Appendix B.

3. *Final Eligibility Determination*: When staff estimate that a unit will become available for applicants within the next few months, applicants in wait list order will be invited to attend an interview and submit an application for final eligibility for housing, after which the formal verification process and resident selection process will commence.

4. *Verification of Final Eligibility Determination:* Each applicant household shall be required to provide all information and authorizations necessary to enable LGHA to verify the applicant's qualification for preference status, income eligibility, household composition and conformance to the Housing Authority's Tenant Selection Criteria.

   a) Information may be required for any or all household members. Verification shall be from third party sources whenever possible. However, the applicant shall not be penalized either by denial of admission or by unreasonable delay of placement solely because third party sources have failed to respond to requests for information. When the applicant and LGHA have made all reasonable efforts to obtain information and the third party source has failed to respond, LGHA shall proceed with the processing of the application using the best available information.

   b) Each applicant household shall have an interview with a member of the management staff. Every member of the applicant household should be present at the office visit except if there are extenuating circumstances.

5. LGHA shall require the applicant to:

   a) Sign all forms necessary to determine eligibility and suitability;

   b) Provide verification of income, assets, exclusions and deductions from income;

   c) Provide verification of family size, age and relationship;

   d) Disclose the Social Security Numbers of all family members six (6) years of age and older;

   e) Provide citizenship information;

   f) Provide the names and addresses of the applicant's current and previous landlords for the past five years (or longer if needed to get a minimum of two prior landlords);

   g) Provide the most recent six (6) month rent receipts, where appropriate;

   h) Provide any other information LGHA determines is necessary to determine eligibility for housing at LGHA (see Section II).

6. All verifications and documentation received by LGHA for use in the determination of eligibility for housing at LGHA will be analyzed by staff and a determination made with respect to:

   a) Eligibility of the applicant family based on the requirements outlined in Section II of this Policy;

   b) Housing type and unit size requirements;

   c) Qualification of the applicant family with respect to the Tenant Selection Criteria outlined in Section IIE.

7. Applicants determined to be ineligible for housing at LGHA will be promptly notified and will receive a Notice of Ineligibility from the Housing Authority stating the basis for this determination. LGHA will provide such applicants with the opportunity for informal review of the decision in accordance with the HUD regulations and the procedure for informal hearing contained in Appendix B of this Policy.

8. Applicants who have disabilities who have been determined to be eligible but who fail the Tenant Selection Criteria will have their cases examined by LGHA to determine whether mitigating circumstances or reasonable accommodations will make it possible for them to be housed in accordance with the selection criteria outlined herein.

9. *Changes in Unit Size Determination*. If, during the final eligibility determination, or at any other time prior to placement, it is determined that the family′s family composition has changed making the family eligible for a different size unit, the family's application shall be placed on the waiting list for the new unit size based on the original date of the family's pre-application.

IV. SELECTION FROM THE WAITING LIST

A. Overview

For its federally-assisted public housing, all otherwise eligible applicants will be assigned to the waiting list according to date and time of application and unit size and type required, as described in Sections B and C below.

B. Income Targeting and Deconcentration

In each fiscal year, LGHA shall reserve a percentage of its new admissions for families who are extremely low income. An extremely low-income family is one whose annual income does not exceed thirty percent of new area median incomes as determined by HUD. The goal shall be forty percent of new admissions.

The intent of these Income Targeting and Deconcentration requirements is to maintain a tenant body in each of LGHA's federal developments composed of families with a broad range of income and rent paying ability which is generally representative of the range of incomes of low income families within La Grange.

LGHA will monitor admissions to its federally assisted public housing units at the end of each quarter throughout the fiscal year. If, at the end of any quarter, extremely low-income families make up less than forty percent of admissions for the fiscal year to date, LGHA will give priority to extremely low-income families in each of the established preference categories until extremely low-income admissions again make up 40% of admissions. Giving priority to extremely low-income families may require skipping families on the waiting list to accomplish LGHA's income targeting and deconcentration goals.

LGHA's Deconcentration Analysis and Policy can be found in Appendix D.

C. Offer of a Unit

1. Units will be offered to the applicant with earliest application date for that housing type and bedroom size. If the applicant refuses the offer of a unit, he will remain at the top of the waiting list and offered one more unit. The applicant rejects both offers, the applicant's name will be taken off the waiting list. If the applicant is on the waiting list for the Section 8 program or any other program administered by LGHA, refusal of a family public housing unit will not affect placement on other lists.

2. For purposes of this policy, the applicant will not be considered to have been offered a unit if he/she provides clear evidence to the satisfaction of LGHA that one of the following circumstances apply:

a) The unit is not of the proper size and type, and the applicant would be able to reside there only temporarily.

b) The applicant is unable to move at the time of the offer because of serious and unusual circumstances which are beyond the applicant's control, and the applicant presents clear evidence which substantiates this to LGHA's satisfaction. Examples:

1. A doctor verifies that the applicant has just undergone major surgery and needs a period to recuperate;

2. A court verifies that the applicant is serving on a jury which has been sequestered.

c) Accepting the offer would result in undue hardship to the applicant not related to considerations of race, creed, color, national origin or language, such as making employment or day care facilities inaccessible, and the applicant presents clear evidence which substantiates this undue hardship to LGHA's satisfaction.

3. An applicant must respond to, and accept or reject the offers within five (5) business days from the date the offer is made. If an applicant fails to keep a scheduled appointment to view a unit offered for occupancy or fails to respond to written correspondence from the Housing Authority within five (5) days, for other than a justifiable reason, such failure shall result in removal from the waiting list. The person may reapply at a time that applications are being accepted.

V. UNIT SIZE AND OCCUPANCY STANDARDS

A. Appropriate Unit Size

It is the policy of LGHA to ensure that the dwelling units are occupied by families of the appropriate size. The following chart outlines the allowable number of occupants per bedroom based on HUD guidelines:

No. of Bedrooms	No. of Persons Min.	No. of Persons Max.
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8
5	5	10

B. Factors in Dwelling Size Determination

Dwelling units will be assigned so that it will not be necessary for persons of different generations or opposite sex (other than married or cohabitating couples) to share a bedroom. Two children of the same sex may be required to share a bedroom regardless of age and children of the opposite sex may be required to share a bedroom if one is under the age of three. Children shall generally not be required to share a bedroom with a parent; however, one very young child may share a bedroom with one parent if there are no larger units available for the family. Assignment will take into consideration households who share joint custody of any individual under the age of 18 at least 50% of the time. Foster children shall be considered in determining dwelling unit size. No unit assignments will be made which require use of the living room for sleeping.

C. Bedroom Size Determination for Single Pregnant Individuals

When making bedroom size determinations, a single individual with no other children who is pregnant at the time of application (proof may be required by a licensed physician) or who is in the process of securing legal custody of any individual under the age of 18, will be housed in a two bedroom unit. If the pregnancy is terminated or legal custody is not granted, the applicant would no longer qualify for a two-bedroom unit but would be considered for a one bedroom unit.

D. Reasonable Exceptions in Emergency Situations

The criteria and standards prescribed above apply to all families applying for housing at LGHA; however, reasonable exceptions to the standards listed above may be made in emergency situations, and in some cases, relationship, age, gender, health, or disability of family members may warrant assignment of a larger or smaller unit by LGHA staff or at the

request of the applicant family. Written approval of such cases will be made by the Executive Director or his/her designee.

E. Requirements for Live-In Aide

Any applicant or tenant who requires a live-in aide, who will be responsible for the essential care and well-being of a family member on a daily basis, will be assigned a bedroom to accommodate this aide, provided that the applicant or tenant can show documentation to support the fact that the live-in aide would not be living in the unit except to provide necessary supportive services. A live-in aide will not be listed on the lease and does not have rights to the unit for continued occupancy as a remaining family member.

F. Handicap Accessible Units

When an accessible unit becomes available, LGHA shall offer the unit in the following order:

1. To current LGHA tenants who have a disability or handicap who would benefit from the unit's accessible feature(s), but whose current unit does not have such features. If there is more than one current tenant requiring the accessibility features of the available unit, the family with the earliest written request for a transfer shall be selected for the unit.

2. To eligible and qualified households on the waiting list who have a disability or handicap and would benefit from the unit's accessibility features based upon local preference points and the date and time of the application. This is despite the presence on the waiting list of households with preferences and/or earlier application dates who do not require the specific accessibility features of the available unit.

3. To other eligible and qualified households on the waiting list without disabilities. In this case, the household must agree, in writing, to transfer to a non-accessible unit at the request of the Housing Authority.

VI. LEASE

A. Lease Execution

At admission, a Lease Addendum for Drug-Free Housing, and a Pet Agreement, if applicable, is to be entered into between the Housing Authority and each tenant family. The lease shall be for a twelve (12) month period and is automatically renewable except for failure to comply with the eight-hour service requirement discussed in Section C below. The dwelling lease is to be kept current at all times and is to reflect rent being charged and the conditions governing occupancy.

1. If, for any reason, any signer of the lease ceases to be a member of the tenant family, the lease will be cancelled, and a new lease and Pet Agreement, if applicable, must be executed and signed by a remaining member of the family who qualifies and is determined to be eligible for continued occupancy by LGHA.

2. If a tenant family transfers to a different unit operated by the Housing Authority at the sole discretion of LGHA, the existing lease may be cancelled and a new lease and Addendum for Drug Free Housing and Pet Agreement, if applicable, executed by the head of household and co-head, if one, for the dwelling unit into which the family is to move.

3. If at any time during the life of the lease, a change in the tenant's status or LGHA needs results in the need for changing or amending any provision of the lease, or if the Housing Authority desires to waive any provisions with respect to the tenant, the LGHA at its sole discretion will have either:

   a) The existing lease cancelled and a new lease agreement executed; or

   b) An appropriate amendment prepared and made a part of the existing lease. The new lease amendment is to be made a part of the permanent tenant file. A lease amendment is to be attached to the existing lease, and must be signed by both the tenant and a Housing Authority representative.

B. Security Deposits

The Housing Authority will comply with Texas state law, including requirements for: amount of security deposit, exemption from attachment and execution, payment of security deposit and interest at termination of tenancy, action to reclaim security deposit, escrow deposit, payment of interest, investigation of complaints, and penalties. A security deposit equal to one month's rent will be required for all tenants.

1. The security deposit is to be paid in full immediately upon execution of the lease. Security deposits will be held on account by the Housing Authority in accordance with applicable state law.

2. Concerning the payment of the security deposit at the end of tenancy, LGHA shall pay to the tenant or former tenant:

   - The amount of any security deposit that was deposited by the tenant with the Housing Authority less the value of any damages suffered as a result of such tenant's failure to comply with such tenant's obligations; and

   - Any accrued interest due on such security deposit at a rate not less than the average rate paid on savings deposits by insured commercial banks as published in the Federal Reserve Board Bulletin.

3. Upon termination of a tenancy, the tenant must notify LGHA in writing of his/her tenant's forwarding address. Within thirty days after termination of a tenancy, the Housing Authority shall deliver to the tenant or former tenant at a forwarding address either:

   - The full amount of the security deposit paid by such tenant plus accrued interest (as mentioned above); or

   - The balance of the security deposit paid by the tenant plus accrued interest, after deduction for any damages suffered because of the tenant's failure to comply with the tenant's obligations, together with a written statement itemizing the nature and amount of such damages.

4. If a tenant fails to notify LGHA of the his/her forwarding address at the time of move-out, the tenant forfeits his/her claim to any remaining amounts of the security deposit not used to cover unpaid rent and charges or damage.

C. <u>8 Hour Community Service Requirement</u>

The Quality Housing and Work Responsibility Act of 1999 (QHWRA) effective October 1, 1999, with important exceptions, requires public housing residents to participate for at least eight (8) hours a month, in a community service or economic self-sufficiency program. This requirement invokes a provision requiring one (1) year public housing leases to be automatically renewable except for failure to comply with community service requirements.

The list of exemptions provided in the QHWRA includes adults who are 62 years of age or older, persons with disabilities, persons engaged in work activities (as defined by section 407(d) of the Social Security Act), and persons participating in a welfare-to-work program, or receiving assistance from and in compliance with a state program funded under part A,

Title IV of the Social Security Act (for purposes of the community service requirement, an adult is a person 18 years or older).

At the time of initial admission to federal public housing, the Authority will determine and document which adults are exempted from this requirement. Documentation of exempted status will be placed in the resident file. The same standards for verification of exempted status will be used as with other information pertaining to eligibility and tenant selection.

Residents not exempted will be informed of the requirements and provided with a list of approved community service and self-sufficiency activities. Staff will work with each non-exempt resident to determine how each month′s requirements will be met and a plan developed that will be placed in the resident file.

Residents may request a change in their status during the year by contacting LGHA staff. For example, a formerly unemployed adult who finds work may request a change in status from the LGHA staff.

D. Tenant Orientation

Eligible applicants selected for admission will be required to participate in a mandatory orientation program conducted by LGHA to acquaint new tenant families with the following policies and procedures: the Dwelling Lease, Maintenance Procedures, services provided by LGHA, resident initiative activities, Grievance Procedures, tenant rights, responsibilities and obligations, the rent collection policy, and the operation of heating, cooling, and plumbing equipment in the units.

Failure to attend a scheduled orientation session without notice to LGHA will result in the family's application being placed on the inactive file and the household may be required to reapply for LGHA housing.

E. Dwelling Unit Inspection Policy

1. *Pre-occupancy*. Prior to occupancy, a LGHA representative and the tenant, or his/her representative, will inspect the premises. LGHA will furnish the tenant a written statement of the condition of the premises and the appliances provided in the dwelling unit where appropriate. The statement will be signed by the LGHA representative and the tenant, or representative, and a copy will be kept in the tenant's file.

2. *Two Month.* An inspection of the dwelling unit may be conducted two months after a tenant′s move-in date to check needed maintenance, tenant housekeeping, and other lease compliance matters. LGHA will furnish the resident with a written statement of any charges, if any, for repairs or removal of non-approved alterations to the apartment.

3. *Annual*. An inspection of each dwelling unit will be conducted on at least an annual basis to check needed maintenance, tenant housekeeping, and other lease compliance matters. LGHA will furnish the resident with a written statement of unit conditions and/or charges, if any, for repairs or removal of non-approved alterations to the apartment.

4. *Special Inspections*. Representatives from HUD and/or other US Government Officials may visit the Authority to monitor operations and as part of the monitoring they may inspect a sampling of the federal public housing inventory.

5. *Move-Out*. Immediately after a tenant moves out, a LGHA representative will inspect the dwelling unit. The tenant is encouraged to participate in the move-out inspection and must contact the LGHA office prior to move-out to schedule the joint inspection. A written statement of the unit conditions and any LGHA provided appliances will be signed by both parties.

   - A statement of repair/replacement charges for tenant caused damages and charges for cleaning of the unit and appliances, if necessary, will be furnished to the tenant and deducted from his/her security deposit if remittance is not made to LGHA.

6. LGHA, in its sole discretion, may randomly and periodically inspect units when it believes there are reasonable grounds for an inspection.

7. A copy of the move-in and/or move-out**,** two month, housekeeping and annual inspection reports will be kept in the tenant files.

8. A copy of Annual Unit Inspections and Preventive Maintenance (PM) inspection forms will be kept in the unit maintenance file.

9. Inspections will be conducted with proper notice to tenants as described in the LGHA lease.

F. <u>Rent, Other Charges, and Rent Adjustments</u>

1. *Rental Payments*

   Family choice of rental payments. HUD regulations provide that public housing families can elect annually whether the monthly rent is a flat rent or income-based rent. Flat rents are set by LGHA based on the rental value of the unit. Income-based rents are calculated based on the level of the resident's income and shall be the higher of 10% of gross monthly income, 30% of adjusted monthly income, or the minimum rent. Families experiencing hardships may switch from paying flat rents. Incomes of families paying flat rents must be reviewed not less than once every three years; incomes of families

paying income-based rents must have income and family composition reviewed annually.

2. *Minimum Rent*. For its federal low-rent housing program, LGHA has established $50 as its minimum Total Tenant Payment (TTP).

3. *Flat Rents.* LGHA, in compliance with HUD regulations, has implemented flat rents for its public housing units. Families may elect to pay a monthly flat or income-based rent. The flat rent amounts are included in Appendix E.

4. *Utility Allowance*. Any family living in a federally-assisted development whose allowance for tenant paid utilities exceeds the Total Tenant Payment will receive a payment from the Housing Authority equal to the amount by which the allowance exceeds the Total Tenant Payment.

5. *Maintenance Charges*. Schedules of charges for maintenance repairs and other services shall be publicly posted in a conspicuous place in the LGHA office and shall be furnished to applicants and tenants upon request. The Housing Authority will notify tenants in writing when such charges are assessed. These charges shall become due and payable fourteen (14) days after such notice has been given to the tenant. A copy of all work orders for tenant abuse are filed in the tenant file.

6. *Excess Utility Charges*. A schedule of charges for excess utilities shall be publicly posted in a conspicuous place in the complex office and shall be furnished to applicants and tenants upon request. The Housing Authority will notify tenants of these charges and they shall become due and payable fourteen (14) days after such notice has been given to the tenant.

7. *Late Charges*. Rent is due and payable on the first of each month. Tenant who have failed to make full payment by 4:00 pm on the sixth (6th) day of the month, or before the end of the tenth (10th) day of the month are considered delinquent and will be assessed a $5.00 late fee. On the eleventh ($11t^{h)}$ day of the month and thereafter, the late fee will be $10 plus $1 per day that the rent payment is outstanding. Also on the eleventh (11th) day, , an eviction notice will be initiated. Tenants who pay their full rent but fail to pay miscellaneous charges properly due will also be subject to eviction action in accordance with their Lease Agreement. Attorney, sheriff and court fees and costs (if incurred by LGHA) shall be assessed when rent or other charges are not paid in a timely manner

VII. REEXAMINATION OF INCOME AND FAMILY COMPOSITION, ADJUSTMENTS AND OTHER ANNUAL REQUIREMENTS

A. Reexamination Procedures

1. The income, allowances and family composition of tenant households electing an income-based rent shall be reexamined at least once a year in accordance with an established reexamination schedule. Residents electing to pay a flat rent shall be reexamined every three years. Reexaminations determine the tenant's monthly rent, eligibility for continued occupancy and the required unit size. The Housing Authority follows all pertinent HUD regulations in its completion of reexaminations. On an annual basis, each resident family will be provided the opportunity to choose between an income-based or flat rent.

2. Every year prior to each residents' anniversary date, the Housing Authority will send a formal letter offering a choice between a flat rent and an income-based rent and scheduling the date/time of the reexamination interview. At the appointment, the Housing Authority will assist the family in identifying the rent method that would be most advantageous for the family. If the family chooses to select the flat rent without meeting with the Authority, they may make this selection on the notice described below and return the form to LGHA. In such cases, LGHA will cancel the reexamination appointment.

   The annual notice sent to all current residents regarding the reexamination process will state the following:

   - Each year at the time of the annual reexamination, the family has the option to pay a flat rent amount or having their rent based on income.

   - The amount of the applicable flat rent.

   - The amount of the current income-based rent based on the most current information available.

   - A fact sheet about income-based rent which lists and explains the types of income included, the most common types of income excluded, and the categories of allowances that are deducted from income.

   - Families who choose to continue to pay a flat rent are required to go through the income reexamination process every three years, rather than annually if paying an income-based rent.

   - Families who choose a flat rent may request to have a special reexamination and return to an income-based rent at any time for the following reasons:

- The family's income has decreased.
- The family's circumstances have changed and expenses have increased for child care, medical care, etc.
- Other circumstances which have created a hardship for the family such that an income-based rent would be more financially feasible at this time.

- The date and time of the annual reexamination appointment.

- The name and phone of an individual to call to get additional information and guidance on flat and income-based rents.

- A certification for the family to sign accepting the flat rent.

3. At the time of the reexamination (annually or every 3 years), families must provide the Housing Authority with all necessary information to verify income and family composition and sign all required certification forms and the Authorization for Release of Information form.

   In the event that a tenant household fails to keep the scheduled reexamination appointment or promptly submit all necessary information, he/she shall be given ten (10) days from the date of written notification to provide LGHA with the required information.

4. In the event the tenant fails to participate in the interview and/or to provide information required by LGHA, the Housing Authority may establish the tenant's rent based upon local market rents or actual operating cost which ever is higher until the matter is resolved and/or terminate the tenant from the program.

   Employment and income data, assets, full-time student status, medical expenses (elderly and disabled families only), child care expense, and handicapped assistance expenses will be verified, documented and placed in the tenant's folder.

   Third party written verifications will be obtained whenever possible. When the LGHA and tenant household have made all reasonable effort to obtain third party written verifications, documents obtained from the tenant and photocopied is an acceptable form of verification, when not prohibited by law. If photocopying is prohibited by law, Housing Authority staff will sign a statement confirming that the verification documents were viewed by recording the document source, date, time, amount, etc. Oral third party verifications are also acceptable, if properly documented. When such documents cannot be photocopied or orally verified, LGHA will proceed with processing using the best possible documentation and information available. All verifications will be maintained in the tenant's folder.

Verified information will be analyzed and a determination of rent and of the appropriate unit size made.

5. *Determination of Compliance with Community Service Requirements*. The Housing Authority will determine on an annual basis whether adult residents subject to the eight (8) hours a month community service requirement are in compliance. Staff will also determine if adult residents originally exempt from the requirements have become non-exempt (see Section VI). Adult residents who, because of the annual review, are determined to be non-exempt will be provided with a list of LGHA approved community service and self-sufficiency activities and a Plan developed and placed in the resident file. For residents paying a flat rent, the review will be performed and appropriate action taken by the Housing Authority 12 months after the initial status determination and every 12 months thereafter.

   If a resident is determined to be non-compliant with the monthly community service requirement, the Housing Authority will notify the family of the following:

   - The family member(s) determined to be non-compliant.
   - That the determination is subject to the grievance procedure.
   - That, unless the family member (s) enter into an agreement to comply, the lease will not be renewed or will be terminated.

   The Housing Authority will offer the non-compliant family member (s) the opportunity to cure the non-compliance by making up the deficient hours over the next 12-month period. The Housing Authority will assist the family member (s) in identifying community service opportunities and will track compliance on a monthly basis. The non-compliant adult and the head of household will be required to sign an agreement that continued non-compliance will result in the eviction of the entire family, unless it is proven to the satisfaction of LGHA that the non-compliant adult is no longer a member of the household.

6. *Temporary Rent Determinations and Special Reexaminations*. When it is not possible to determine the anticipated annual income with any reasonable degree of accuracy at the time of admission or reexamination, a temporary determination of income and rent will be established, giving due consideration to the tenant's past income and other available information. An interim reexamination will be scheduled to take place within 30 days for most households, and within 90 days for households where annual income is zero or difficult to predict. The tenant is to be notified in writing of the date of the special reexamination.

   Special reexaminations will continue to be scheduled until a reasonable estimate of the Adjusted Income can be made. Rents determined at special reexaminations shall be made effective the first of the second month following the final rent determinations. Until

the final rent determination can be made, the family will pay rent based upon the existing Adjusted Income.

If the Total Family Income can be reasonably estimated at the time scheduled, the reexamination is to be completed and actions taken as appropriate to adjust the Tenant Rent amount.

7. *Changes in Rent*

a) Limit on rent increases.

(i) Federal housing regulations preclude LGHA from increasing a qualified family's rent as a result of an increase in income due to employment during the cumulative twelve (12) month period beginning on the date a member of the family is employed or experiences an increase in annul income due to employment. A qualified family is a family currently living in public housing whose:

- annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment; or

- annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or

- annual income increases as a result of new employment or increased earnings of a family member, during or within six (6) months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by LGHA in consultation with the local TANF and Welfare to Work agencies.

(ii) During the second cumulative twelve (12) month period after the date a member of a qualified family is first employed or the family first experiences an increase in annual income due to employment, LGHA will exclude from annual income 50% of any increase in annual income attributable to employment over the income of that family member prior to the beginning of employment.

(iii) Maximum four year disallowance. LGHA will limit the disallowance of increased income of an individual family member outlined in (i) and (ii) above to a lifetime 48 month period. The disallowance of increased income is limited to a maximum of 12 months under (i) and a maximum of

12 months under (ii) above, during the 48 month period beginning from the initial exclusion.

(iv) This disallowance of increases in income as a result of employment does not apply for purposes of admission to the public housing program (including the determination of income eligibility and income targeting).

b) *Loss of Welfare Benefits.* If a family's welfare benefits are reduced, in whole or in part, for a family member because of fraud or because of a welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program, LGHA will not reduce the rent to reflect the lost benefit. LGHA will include in the family's annual income for purposes of determining rent, an imputed welfare income. Imputed welfare income is the amount of annual income not actually received by a family as a result of a welfare benefit reduction that is included in the family's income for purposes of calculating rent.

LGHA will request from the welfare agency the amount and term of any specified welfare benefit reduction for a family member and will use this information to determine the amount of the imputed welfare income for a family.

- LGHA may deny a request for a rent calculation only after obtaining written verification from the welfare agency that the family's benefits have been reduced for one of the reasons stated above.

- Residents subject to the imputed welfare income requirement and who disagree with the determination may request a grievance hearing in accordance with LGHA's Grievance Procedure. The tenant is not required to pay an escrow account deposit for the portion of the tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing.

- This restriction does not apply if the reduction in benefits is a result of:

  – The expiration of a lifetime time limit on receiving benefits; or

  – A situation where the family has complied with welfare program requirements but cannot obtain employment (e.g., the family has complied, but loses welfare because of a duration time limit such as a cap on welfare benefits for a period of no more than two years in a five year period).

– LGHA will not include imputed income in the annual income of a family who was on the waiting list at the time the sanction was imposed by the welfare agency.

c) Increases in rent shall be effective on the scheduled reexamination effective date, with 30 days advance notice, provided the tenant has complied with all reporting requirements. When the tenant has failed to attend interviews or to provide required information, the Housing Authority may increase the rent retroactive to the reexamination effective date, and the balance of such retroactive rent adjustment must be paid within ten (10) days of notification. Retroactive charges shall not be made when delays are solely the fault of LGHA.

d) Decreases in rent shall take effect on the first of the month after the month in which the change was reported and verified.

8. *Minimum Rent Hardship Exemption*

a) LGHA shall immediately grant an exemption from application of the minimum monthly rent to any family making a proper request in writing who is unable to pay because of financial hardship for the following reasons:

(i) The family has lost eligibility for, or is awaiting an eligibility determination from a federal, state, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Naturalization Act who would be entitled to public benefits under Title VI of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

(ii) The family would be evicted as a result of the implementation of the minimum rent (this exemption is only applicable for the initial implementation of a minimum rent or increase to the existing minimum rent).

(iii) The income of the family has decreased because of changed circumstance, including loss of employment.

(iv) A death in the family has occurred which affects the family circumstances.

(v) Other circumstances which may be decided by LGHA on a case-by-case basis.

All of the above must be proven by the resident by providing verifiable information in writing to LGHA prior to the rent becoming delinquent and before the lease is terminated by LGHA.

b) If a resident requests a hardship exemption (prior to the rent being delinquent) under this section, and the Housing Authority reasonably determines the hardship to be of a temporary nature (three months or less), exemption shall not be granted during a ninety-day period beginning on the date of the request for the exemption. A resident may not be evicted during the ninety day period for non-payment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long term basis (over three months), LGHA shall retroactively exempt the resident from the applicability of the minimum rent requirement for a ninety-day period. This paragraph does not prohibit LGHA from taking eviction action for other violations of the lease.

B. Eligibility for Continued Occupancy

Only those tenants meeting all of the following requirements will be considered eligible for continued occupancy:

1. Qualify as a family or the remaining member of a tenant family.

2. Have exhibited appropriate conduct since residing in public housing including:

   - Have not interfered with other tenants in such a manner as to diminish their enjoyment of the premises by adversely affecting their health, safety or welfare;

   - Have not adversely affected the physical environment of the community;

   - Have not adversely affected the financial stability of the development;

   - Have not illegally used a controlled substance or engaged in drug-related criminal activities on or off the premises; and

   - Have not interfered with the health, safety, or right to peaceful enjoyment of the premises by other tenants because of the abuse of alcohol.

3. Have abided by the terms and conditions of the lease and any other addenda to the lease.

4. Have signed any required new or existing lease addendum such as the Drug-Free Housing Addendum.

5. Have complied with the 8 Hour Per Month Service requirement, if applicable. LGHA will determine on an annual basis whether non-exempt residents are in compliance.

C. Interim Reexaminations

1. *Reasons for Interims.* Any of the changes listed below must be reported to LGHA Management within ten (10) days of their occurrence. Failure to report changes as required may result in a retroactive rent charge and/or eviction action against the tenant. All tenants must report the following:

   a) Any change in household composition.

2. Tenants may report the following changes which would result in a decrease in the family's rent:

   a) Decrease in income expected to last at least 30 days; and

   b) Increase in allowances or deductions.

3. An interim recertification may also occur should it be found that the tenant has misrepresented the facts upon which the family's rent is based, so that the rent being paid is less than what should have been charged.

4. *Effective Dates*. For interim reexaminations, increases in rent shall become effective on the first day of the second month following the month the change was reported, provided the change was reported within ten days of its occurrence and the family complies with the verification requirements and completes a reexam. Decreases in rent shall take place on the first day of the month following the month in which the change is reported and verified. The effective dates of changes that are not reported in a timely manner are covered in #5 below.

5. *Errors/Omissions, Misrepresentations/Failure or Delay in Reporting Changes* (in the interest of brevity, the word "error" is used in this section to represent errors, omissions, misrepresentations, and failure to report changes). If an error in rent is revealed at any time, an appropriate adjustment will be made to correct the error as follows:

   a) Errors which are the fault of the tenant:

      - Increased rent shall be retroactive to the first day of the month following the date the change occurred.

      - Decreased rent shall be effective on the first day of the month following the month the change was reported.

   b) Errors not the fault of the tenant:

      - Increased rent shall be made effective the first day of the second month following the date the error was discovered.

- Decreased rent shall be made retroactive to the date of the rent adjustment in which the error occurred.

D. Changes in Household Composition

1. The tenant is required to report in writing any change in household composition within ten (10) days of the change.

2. A new born child, an adopted child under 10 years old, or a child under 10 years old for whom custody has been awarded by a court to the Head of the Household or the spouse may be added to a tenant's lease. No other new household member may be added to the tenant's lease unless and until that person has provided the required information to the Housing Authority and been determined eligible for admission according to the guidelines specified in Section II of this policy and a unit of the appropriate size is available. The Housing Authority has the right to deny admission to any person found to be ineligible.

3. A tenant must provide documentation as required by LGHA when reporting that a family member has vacated the household. In the case of an income producing household member or any member which the LGHA has reasonable cause to believe has been involved in criminal activity or drug-related criminal activity, LGHA will require at least two documents verifying the new address of the departing family member or other evidence deemed acceptable by LGHA. Utility bills, a driver's license, an automobile registration, employment verification, a lease or a rent receipt bearing the family member's name, new address and a date are examples of acceptable evidence. Court papers indicating that a family member has left the household such as a Petition for Dissolution of Marriage, a Petition for an Order of Protection from Abuse, or a Petition for Legal Separation may also be acceptable.

4. A tenant eligible for a transfer to a larger or smaller unit as the result of approved changes in household composition may request a transfer and be placed on the master transfer list effective the date the transfer request is approved (see Section VIII). A tenant reporting a decrease in household size which changes the unit size for which the family is eligible will not be required to be placed on the transfer list until the effective date of the family's next annual reexamination.

E. Visitors

Tenants will be allowed to have visitors for a period of up fourteen (14) cumulative days in any one calendar year (twelve month period), except in the case of a family member requiring care during illness or recuperation from illness or injury as certified by a physician. Written permission must be obtained from the Housing Authority for any deviation from the occupancy standards listed in this policy.

VIII. UNIT TRANSFERS

A. Introduction

1. Transfers of tenants from one unit to another will be approved solely in accordance with this policy.

2. Transfers shall be made without regard to race, creed, color, gender, familial status, disability or national origin**.**

3. Tenants shall not be transferred to a dwelling unit of equal size except for transferring a non-handicapped family residing in a handicap-accessible unit or for alleviating hardships or other undesirable conditions as determined by the Executive Director or designee.

4. Transfers will only be made when tenants are not delinquent in rent, have good housekeeping habits, have not caused damage to the current unit being occupied, and do not have long standing charges remaining outstanding on their accounts.

5. Transfer requests shall be placed on a Transfer List in the order of the date the request is approved. All transfer requests shall be reviewed by the Manager and Executive Director or his/her designee. Separate transfer lists shall be maintained for each development; however, a master listing of transfer requests shall be maintained at the office of the Housing Authority.

6. With the exception of transfers related to modernization activity or in the case of an emergency, a tenant family transferring from one apartment to another is responsible for any costs associated with moving to the new apartment.

B. Type of Transfers

The LGHA has three types of transfers: Emergency - Category 1 and Administrative - Category 1 and 2.

1. *Emergency Transfers, Category 1*, are permitted when the unit or building conditions pose an immediate threat to resident life, health or safety, as determined by LGHA. Emergency transfers within sites or between sites may be made to repair unit defects hazardous to life, health, or safety, alleviate verified medical problems of a life threatening nature, or, based on documentation provided by a law enforcement agency, protect members of the household from attack by the criminal element in a particular property or neighborhood. These transfers shall take priority over new admissions.

2. *Administrative Transfers,* Category *1*, include transfers within sites or between sites to alleviate verified medical problems of a serious nature, permit modernization of units,

permit a family that requires a unit with accessible features to occupy such a unit, remove residents who are witnesses to crimes and may face reprisals (as documented by a law enforcement agency), or provide housing options to residents who are victims of hate crimes or extreme harassment. These transfers shall take priority over new admissions.

a) Requests for transfers under Category 1 will be made to the Executive Director. The resident will provide the Executive Director with the necessary verification and/or documentation to substantiate the need for a transfer. Whenever feasible, transfers will be made within a resident's development. Transfers may also be initiated by LGHA.

3. *Administrative Transfers, Category 2,* within sites or between sites may be made to correct occupancy standards (i.e. over/under housed conditions), or to address situations such as neighbor disputes that are not criminal but interfere with the peaceful enjoyment of the unit or common areas. These transfers will not automatically take priority over new admissions.

a) Category 2 administrative transfers will be processed with new admissions using a ratio of one transfer for every five new admissions. This ratio is discretionary and will be reviewed at least annually to determine its effects on the vacancy rate. Based on recommendations from staff, the Executive Director may authorize a change in this ratio or suspend the processing of this type of transfer.

b) Transfers to correct occupancy standards may be recommended at the time of re-examination or interim redetermination. This is the only method used to determine over/under housed status.

c) Residents in an over/under housed status will be advised within 30 days of the annual or interim reexamination that a transfer is recommended and that the family has been placed on the transfer list.

d) When a head of a household, originally housed in a bedroom by him/herself, has a child, that child shall remain in the parent's bedroom until he/she is two (2) years of age. After age 2, a Category 2 Administrative Transfer may be recommended.

C. Unit Offers

1. A tenant that has received a formal transfer offer is given seven (7) days to accept the offer and sign a Dwelling Lease for the new unit. Thereafter, the tenant is given an additional seven (7) days to move personal belongings. If the transfer has not been completed and keys to the former unit returned after seven (7) days, per diem rent for the former unit will be charged in addition to rent for the new unit until the keys are returned to the LGHA office. However, for Authority-initiated moves for over and

underhousing, the Authority shall provide at least sixty (60) days advance notice of its intention to transfer such a tenant prior to a tenant receiving a formal transfer offer.

2. If the tenant refuses a unit offer, the tenant's lease may be terminated in accordance with the lease, or at LGHA's discretion, the tenant may be placed at the bottom of the transfer list as of the date of refusal and the tenant will be notified in writing. During the entire proceedings, the tenant will be advised of his/her rights under the Grievance Procedure.

D. Extended Family

Members of an extended family living in a LGHA unit may not be separated into two dwelling units through a transfer application. Specific family members may apply for a separate unit using the application procedures described in this Policy. Members of such a family will receive no preference on the standard waiting list as a result of occupancy in a LGHA unit.

E. Revision or Suspension of Transfer Policy

The Housing Authority reserves the right to revise or suspend its Transfer Policy because of efforts to decrease vacancies or any other management initiative. Transfers during such times will be treated on a case-by-case basis solely at the discretion of the Executive Director.

IX. TERMINATIONS

A. Termination Notices

1. The tenant must give a written notice to the Housing Authority of at least 30 days of intent to terminate the lease.

2. If the Housing Authority terminates the lease of a tenant household in federally-assisted housing, written notice must be given to an adult member of the household as follows:

   a) When the health or safety of other tenants or employees of the Authority is threatened, notice of LGHA's intention to terminate the lease in reasonable amount of time (but not to exceed 30 days) considering the seriousness of the situation. The Tenant and Authority agree that seven (7) days is reasonable time for any drug-related criminal activity on or off the premises.

   b) In the case of failure to pay rent which includes all payments due under the lease, notice of LGHA's intention to terminate the lease is fourteen (14) days unless all amounts due under the lease have been paid before that date.

   c) In all other cases, notice of LGHA's intention to terminate the lease is at least thirty (30) days.

3. Notice of termination to the tenant shall state reasons for the termination and shall inform the tenant of the right to make such reply as tenant may wish. The notice shall also inform the tenant of the right to examine, prior to hearing or trial, and copy at tenant's expense, Housing Authority documents directly relevant to the termination. The notice shall inform the tenant of the right to request a hearing in accordance with Housing Authority's Grievance Procedure (if the Grievance Procedure is applicable to the dispute involved).

B. Reasons for Termination

The Housing Authority may not terminate or refuse to renew the lease except for serious or repeated violations of the terms of the lease including, but not limited to:

1. The failure to pay rent or other payments when due;

2. Repeated late payment, which shall be defined as failure to pay the amount of rent or other charges due by or on the 10th of the month. Three such late payments within a twelve month period shall constitute repeated late payment;

3. Failure to pay electric, gas or heating bills when Tenant is responsible for paying such bills directly to the supplier of utilities;

4. Misrepresentation of family income, assets, or composition at the time of admission or anytime thereafter;
5. Failure to supply, in a timely fashion, any certification, release, information or documentation on family income, assets or composition needed to process re-examinations or interim re-determinations;

6. Serious or repeated damage to the apartment, creation of physical hazards in the apartment, common areas, grounds or parking area of the Housing Authority's property;

7. Behavior and/or activity by Tenant, household member, guest or visitors which disturb other residents' peaceful enjoyment of their apartments; and/or is not conducive to maintaining all LGHA projects in decent, safe and sanitary conditions;

8. Drug-related criminal activity by the Tenant, household member, guest or visitor on or off the premises. With respect to a public housing resident convicted of manufacturing or producing methamphetamine on the premises, eviction shall be permanent. Premises shall be defined as the building or complex in which the dwelling is located, including common areas and grounds;

9. Criminal activity by Tenant, household member, guest or visitor including criminal activity that threatens the health, safety, or right to peaceful enjoyment of the Authority's public housing premises by other residents or employees, or any drug-related criminal activity on or off the premises;

10. Alcohol and/or controlled substance abuse that the Housing Authority determines interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;

11. The presence of weapons or illegal drugs in the resident's apartment;

12. Any fire on Housing Authority premises caused by the tenant, household members guests or visitors' by their own actions or neglect;

13. Uninhabitable apartment conditions caused by the tenant, household member, guests or visitors' by their own actions or neglect;

14. Refusal of an offer of a new lease;

15. Failure to accept a transfer when currently residing in a unit that is too large or too small for the family based on the Housing Authority's Occupancy Standards or to accommodate an administrative need of LGHA including but not limited to the disposition, demolition or modernization of the unit;

16. Abandonment of the unit;

17. Failure to comply with the 8 Hour Service Requirement as determined appropriate by LGHA; and

18. Other serious or repeated violations of any material term of this lease.

C. Written Records

Written records documenting eviction actions shall be maintained by the Housing Authority in strict confidence and shall contain all of the following information:

1. Name of tenant and identification of unit occupied.

2. Copies of the Termination Notice and any subsequent correspondence or notices.

3. Specific reason(s) for eviction. For example, if a tenant is being evicted for drug-related criminal activity, the record shall detail the actions for which the eviction has been instituted.

4. Responses or answers, if any, received from the tenant.

5. Date and method of notifying tenant of reasons and showing a summary of any conference(s) with the tenant, including the names of conference participants.

6. Dated and signed records of the minutes of any hearing held.

7. Date and description of the final action taken.

D. Abandonment of the Unit

The Housing Authority will comply with Texas state law, including requirements for posting and mailing notices of intent to declare a unit abandoned, taking possession of the unit, and the timing and method of disposal of items left in the abandoned unit.

1. If you vacate or abandon the apartment which may be evidenced by your removal of substantially all of your possessions or have been absent from your apartment for twenty-one consecutive days and either (a) fail to pay rent for 2 months; or (b) make an express statement that you do not intend to occupy the apartment after a specific date, LGHA may send notices to each occupant at his last-known address, stating that:

   - LGHA has reason to believe that the occupant has abandoned the dwelling unit;

- LGHA intends to reenter and take possession of the dwelling unit unless the occupant contacts LGHA within ten days of receipt of the notice;

- If the occupant does not contact LGHA, the Housing Authority intends to remove any possessions and personal effects remaining in the premises and to reenter the premises; and

- If the occupant does not reclaim such possession and personal effects within thirty days after the notice, they will be disposed of in accordance with state law.

2. If the notices are returned as undeliverable, or the occupant fails to contact LGHA within ten days of the receipt of the notice, the Housing Authority may reenter and take possession of the dwelling unit, at which time any rental agreement or lease still in effect shall be considered to be terminated.

3. LGHA shall take inventory of any possessions and personal effects of the occupant on the premises and shall remove and keep them for not less than thirty days. The occupant may reclaim such possessions and personal effects from LGHA within the said thirty-day period. If the occupant does not reclaim such possessions and personal effects by the end of the said thirty-day period, the Housing Authority may dispose of them in accordance with Texas state law.

X. POSTING REQUIREMENTS/REVISIONS

A. Posting Requirements

This document must be publicly posted in a conspicuous location in the LGHA office and must be furnished to applicants and tenants upon request.

B. Revisions

This document may be modified by the Housing Authority provided that the Housing Authority shall give at least a thirty-day written notice to each affected tenant setting forth the proposed modification, the reasons therefore, and providing the tenant an opportunity to present written comments which shall be taken into consideration by the Housing Authority prior to the proposed modification becoming effective. A copy of such notice shall be:

1. Delivered directly or mailed to each tenant; or

2. Posted in a conspicuous place at the LGHA office.

XI. REVISION OF OCCUPANCY POLICY RESULTING FROM CHANGES IN LOCAL, STATE, OR FEDERAL LAW OR REGULATION

The provisions of this plan are based upon local, state and federal law and regulations. Should any applicable law or regulation change, this plan will be deemed automatically revised. To the extent that the change is mandatory (allowing no Housing Authority discretion), the text of the plan will be revised without requirement for administrative processing. By approving this provision, the Board of Commissioners understands that they are approving future automatic revisions responding to mandatory regulatory changes.

XII. MISREPRESENTATION

The tenant shall be notified in writing if the Housing Authority finds evidence that the tenant or any adult member of the tenant family has misrepresented facts affecting the family's eligibility or rent. Willful misrepresentation of facts may result in retroactive rent charges, eviction action, and/or criminal prosecution.

Section 1001 of Title 18 of the United States Code makes it a criminal offense to knowingly make a false statement to any department or agency of the United States as to any matter within its jurisdiction and establishes penalties or fines up to $10,000 and/or imprisonment not to exceed five years.

XIII. GRIEVANCE PROCEDURE

The Grievance Procedure sets forth the requirements, standards, and criteria established to assure the tenants of LGHA an opportunity for a Hearing if he or she disputes any Housing Authority action or failure to act involving the tenant's lease or Housing Authority regulations which adversely affect the individual tenant's rights, duties, welfare or status.

Each tenant and tenant organization shall be given a copy of the Grievance Procedure and it is incorporated into this Policy on Admissions and Continued Occupancy and the lease by reference.

XIV. PET POLICY

LGHA's Pet Policy establishes the rules and guidelines by which residents may keep domestic pets in their dwelling units and is incorporated by reference into this Policy.

Each tenant requesting permission to own and keep a pet shall be provided a copy of the Policy and be required to sign a Pet Agreement at initial occupancy or at the time of initial request for a pet and every year at the time of reexamination or as otherwise required by LGHA.

XV. RELOCATION

When LGHA intends to rehabilitate a development or developments and rehabilitation activities will require tenants to move temporarily or permanently, a Relocation Plan will be developed in cooperation with the affected tenants. The plan will dictate preferences to which relocatees will be entitled and their rights to housing choices, moving expenses, etc. Such preferences may affect the order of selection for applicants and transferees, and the Relocation Plan, therefore, will serve as an amendment to this policy.

APPENDICES

APPENDIX A
PUBLIC HOUSING ADMISSIONS AND CONTINUED OCCUPANCY POLICY
UTILITY ALLOWANCES

APPENDIX B
PUBLIC HOUSING ADMISSIONS AND CONTINUED OCCUPANCY POLICY
INFORMAL REVIEW PROCEDURES

APPLICANTS FOR PUBLIC HOUSING ONLY

I. Applicability:

A. The Housing Authority will provide an opportunity for an informal review regarding a decision denying assistance to an applicant, including a decision:

1. Denying placement on the waiting list.

2. Denying participation in the Public Housing Program

B. The Housing Authority is not required to provide an opportunity for informal review:

1. To review discretionary administrative determinations by the Housing Authority, or to consider general policy issues or class grievances.

2. To review the Housing Authority's determination of the number of bedrooms determined under the standards established by the Housing Authority in accordance with HUD regulations.

II. Procedures:

1. The Housing Authority shall give an applicant prompt written notice of a decision denying assistance to the applicant, including a decision of ineligibility for housing, or removal from or denying placement on the waiting list. The notice shall also state that the applicant may request in writing an informal review of the decision, and shall describe how to obtain the informal review.

2. The applicant must submit a written request for an informal review within ten (10) days of notification of the decision denying assistance.

3. If the applicant's request is not submitted within ten (10) days or in another way fails to comply with requirements, the request will be denied and the applicant will be promptly notified in writing.

4. If the request meets the criteria, an informal review will be scheduled within thirty (30) days of the request.

5. The informal review shall be conducted by a person or persons designated by the Executive Director, other than a person who made or approved the decision under review or a subordinate of such person.

6. The applicant shall be given an opportunity to present written or oral objections to the Housing Authority's decision.

7. The Housing Authority shall promptly notify the applicant in writing of the final decision after the informal review, including a brief statement of the reasons for the final decision. If an applicant is successful in his/her appeal, LGHA shall restore or upgrade his/her application on the waiting list, as applicable.

APPENDIX C
PUBLIC HOUSING ADMISSIONS AND CONTINUED OCCUPANCY POLICY
GLOSSARY OF TERMS

ADJUSTED INCOME. Annual Income minus applicable allowances.

For federally-assisted housing, as defined in 24CFR Part 5.

ALLOWANCE FOR DEPENDENTS

$480 deduction for each family member who is a dependent. (See definition of Dependent below.)

ADULT

A person, 18 years of age or older, or an emancipated minor whom the members of the family have routinely looked to as the head of the family, and who is legally competent to sign a binding agreement.

ALLOWANCE FOR DISABILITY ASSISTANCE EXPENSES

The amount of Disability Assistance Expense in excess of three (3) percent of annual income which enables a family member (including the handicapped or disabled person) to work. The allowance may not exceed the annual income earned by the family member who is enabled to work. Disability assistance expenses include costs for care attendants and auxiliary apparatus (e.g., wheelchairs, adaptations, to vehicles, special equipment) if directly related to permitting the handicapped person or other family members to work.

ALLOWANCE FOR MEDICAL EXPENSES

For elderly families (see definition of Elderly Family below) or families living in state moderate housing only the amount of unreimbursed medical expenses (see definition of Medical Expenses below) in excess of three (3) percent of annual income.

ANNUAL INCOME

1. Annual income 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 initial determination or re-examination of income, exclusive of income that is temporary, non-recurring or sporadic. Annual income includes, but is not limited to:

a. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
b. 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.

c. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph 1b of this section. 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 exceeds $5,000, Annual Income shall include the greater of the actual income derived from all Net Family Assets or a percentage of the value of such Assets based on the current passbook savings rate, as determined by HUD or state regulations, as applicable.

d. 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 amount or prospective monthly amount for the delayed start of a periodic payment (except as provided in 2n below).

e. Payments in lieu of earnings such as unemployment and disability compensation, worker's compensation and severance pay.

f. Periodic and determinable income or allowances, such as alimony and child support payments and regular contributions, lottery winnings, or gifts received from persons not residing in the dwelling..

g. All regular pay, special pay allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family or spouse (but see 2g below

2. Income Exclusions

Annual income does not include the following:

a. Income from employment of children (including foster children) under the age of 18 years;

b. Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the tenant family, who are unable to live alone);

c. Lump-sum additions to family assets, such as inheritances, lottery winnings, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in 1e above);

d. Amounts received by the Family that are specifically for, or in reimbursement of, the cost of Medical Expenses for any Family member;

e. Income of a live-in aide as defined in 24 CFR 5.403;

f. The full amount of student financial assistance paid directly to the student or to the educational institution;

g. The special pay to a Family member serving in the Armed Forces who is exposed to hostile fire;

h. (i) Amounts received under training programs funded by HUD;
   (ii) Amounts received by a disabled person 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);
   (iii) Amounts received by a tenant 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; or
   (iv) A resident service stipend: this is a modest amount (not to exceed $200 per month) received by a public housing resident for performing a service for LGHA, on a part-time basis, that enhances the quality of life in public housing. This may include, but is not limited to fire patrol, hall monitoring, lawn maintenance and resident initiatives coordination. No resident may receive more than one such stipend during the same period of time; or
   (v) Incremental earnings and benefits to any family member resulting from participation in qualifying State or local employment training programs (including training programs not affiliated with the local government) 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 the period during which the family member participates in the employment training program.

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

j. 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;

k. For federally-assisted housing, earnings in excess of $480 for each full-time student 18 years or older (excluding the head of household and spouse);

l. Adoption assistance payments in excess of $480.00 per adopted child;

m. The earnings and benefits to any family member resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, section 22 of the 1937 Act (42 U.S.C. 1437t), or any comparable Federal, state or local law during the exclusion period;

For the purposes of this paragraph, the following definitions apply:

(i) Comparable Federal, State or local law means a program providing employment training and supportive services that (1) is authorized by a Federal, State or local law; (2) is funded by the Federal, State or local government, (3) is operated or administered by a public agency; (4) has as its objective to assist participants in acquiring employment skills.

(ii) Exclusion period refers to the period during which the family member participates in a program described in this section, plus 18 months from the date the family member begins the first job acquired by the family member after completion of such program that is not funded by public housing assistance under the 1937 Act. If the family member is terminated from employment with good cause, the exclusion period shall end.

(iii) Earnings and benefits refers to the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.

n. Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump-sum amount or in prospective monthly amounts;

o. 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;

p. 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;

q. 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 1937 Act. The following is a list of incomes that qualify for that exclusion:

(i) The value of the allotment provided to an eligible household under Food Stamp Act of 1977;

(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) Payments received under Alaska Native Claims Settlement Act;

(iv) Income derived from certain submarginal land of the United States that 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 judgment 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;

(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 BIA student assistance programs. These are made available to cover the cost of tuition, fees, books, equipment, materials, supplies, transportation and miscellaneous personal expenses of a student or an educational institution;

(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 fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, MDL No. 381 (E.D.N.Y.)

(xii) Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-426, 94 Stat. 1785).

(xiii) The value of any childcare provided or reimbursed for under the Child Care and Development Block Grant Act of 1990.

(xiv) Earned income tax credit.

If it is not feasible to anticipate a level of income over a 12-month period, the income anticipated for shorter periods may be annualized, subject to redetermination at the end of the shorter period.

Any family receiving the reparation payments referred to in paragraph 2j of this section that has been requested to repay assistance under this chapter as a result of receipt of such payments shall not be required to make further repayments on or after April 23, 1993.

APPLICANT

An applicant is a Family who is seeking assistance through the Public Housing Program and who does not yet have a fully executed lease agreement with the Housing Authority.

APPLICATION FOR ADMISSION

The written form that is signed and dated by all adult members of the family and which includes information the Housing Authority needs to determine whether the family can be admitted. The format for this basic information will be developed by the Housing Authority.

ASSETS

The value of (or equity in) real property, stocks, bonds, checking and savings accounts or certificates, stocks or merchandise or valuables and other forms of capital investments (Not including personal and household belongings and automobiles). Assets shall include any asset disposed of at less than fair market value within the last two years.

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/her education. A child care deduction will not be allowed if an adult family member is capable and available to provide the child care. 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 and only to the extent such amounts are not reimbursed.

CITIZEN

A citizen or national of the United States.

DEPENDENT

A member of the family household (excluding foster children, head of household, or spouse) who is under 18 years of age or is a disabled person or is a full-time student.

DISABLED PERSON

A person who is under a disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423), or who has a developmental disability as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) which defines a developmental disability.

Section 223 of the Social Security Act defines disability as:

A(a) the inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; or (b) in the case of an individual who has attained the age of 55 and is blind, the inability by reason of such blindness to engage in substantial gainful activity requiring the skills or abilities comparable to those of any gainful activity in which he/she has previously engaged with some regularity and over a substantial period of time.@

Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) defines a developmental disability as:

"a severe chronic disability that (a) is attributable to a mental or physical impairment or combination of mental and physical impairments; (b) is manifested before the person attains age twenty-two; (c) is likely to continue indefinitely; (d) results in substantial functional limitations in three or more of the following areas of major life activity: (1) self-care, (2) receptive and responsive language, (3) learning, (4) mobility, (5) self-direction, (6) capacity for independent living, and (7) economic self-sufficiency; and (e) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment or other services which are of lifelong extended duration and are individually planned and coordinated."

DRUG-RELATED CRIMINAL ACTIVITY

The illegal manufacture, sale, or distribution, or the possession with the intent to manufacture, sell, or distribute, of a controlled substance (as defined in Section 102 of the Controlled Substance Act, 21 U.S.C. 802); or the illegal use, or possession for personal use, of a controlled substance.

ELDERLY FAMILY

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

ELDERLY PERSON

A person who is at least 62 years of age.

EVICTION

The dispossession of the tenant from an apartment as a result of the termination of the lease, for serious or repeated violation of material terms of the lease such as failure to make payments due under the lease or to fulfill the tenant obligations set forth in HUD regulations, Federal, and state law, or for other good cause..

EVIDENCE OF CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS

The documents required of family member claiming U.S. citizenship or eligible immigration status.

EXTREMELY LOW INCOME FAMILY

A family receiving income at or below 30% of the median annual income for their area.

FAMILY

Family includes but is not limited to:

a. 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);

b. An elderly family;

c. A near-elderly family;

d. A disabled family;

e. A displaced family;

f. The remaining adult member of a tenant family; and

g. For federally-assisted housing only, a single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

FOSTER-CARE PAYMENT

Payment to eligible households by state, local or private agencies for the care of a child placed in the home by an agency.

FULL-TIME STUDENT

A person who is attending school or vocational training on a full time basis.

HANDICAPPED/DISABILITY ASSISTANCE EXPENSE

Reasonable expenses in excess of three (3) percent of annual income that are anticipated during the period for which annual income is computed for attendant care and auxiliary apparatus for a disabled family member and expenses 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.

HEAD OF HOUSEHOLD

An adult, 18 years of age or older, or an emancipated minor under the age of 18 years, whom the members of the family have routinely looked to as the head of the family, and who is legally competent to sign a binding contract.

HUD

The U.S. Department of Housing and Urban Development or its designee.

INS

U.S. Immigration and Naturalization Service.

LEASE

A written agreement between LGHA and an eligible family for the leasing of a public housing unit.

LIVE-IN-AIDE

A person who resides with one or more elderly persons or near-elderly persons, or persons with disabilities, and who:

a. Is determined by the Authority to be essential to the care and well-being of the person(s); and

b. Is not obligated for support of the person(s); and

c. Would not be living in the unit except to provide necessary supportive services.

A live-in aide does not qualify as the remaining member of a tenant family.

LOWER INCOME FAMILY

A family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD.

LUMP SUM BENEFIT

A payment of periodic benefits for a previous period which may be included as income, not including Social Security and Social Security lump sum benefits. Only that portion of the payment attributable to the time the tenant resided continuously under the Public Housing Program may be counted as income.

MEDICAL EXPENSES

For purposes of income determination for elderly or disabled families, medical expenses in excess of 3% of total family income which are anticipated to be incurred during the period for which the annual income is computed, where these expenses are not compensated for, or covered by insurance. Medical expenses include such items as medical insurance premiums, dental expenses, prescription and nonprescription medicines, etc.

MINIMUM RENT

Established by LGHA at $50.

MINOR

A person less than eighteen years of age.

MIXED FAMILY

A family whose members include both citizens/eligible immigrants and noncitizens with ineligible immigration status.

NATIONAL

A person who owes permanent allegiance to the U.S. as the result of birth in a U.S. 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 (or 55 years of age for state elderly housing) but below the age of 62, living together or one or more persons

who are at least 50 years of age (or 55 years of age for state elderly housing) but below the age of 62 living with one or more live-in aides.

NEAR-ELDERLY PERSON

A person who is at least 50 years of age but below the age of 62, who may be a person with a disability.

NET FAMILY ASSETS

Value of equity in real property, savings, stock, bonds, life insurance policies, and other forms of capital investment, excluding interests in Indian trust land (Excluding the value of necessary items of personal property such as furniture and automobiles).

In cases where a trust fund had 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.

In determining the Net Family Assets, the Housing Authority shall include the value of any assets greater than one thousand dollars ($1000) which were 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 any consideration received for the asset.

NON-CITIZEN

A person who is neither a citizen nor national.

PROGRAMS ESTABLISHED UNDER THE UNITED STATES HOUSING ACT OF 1937

1. The Public Housing program or Indian Housing program; 2. Any program operated as part of the Section 8 program; 3. The Section 23 Leased Housing program.

RECOVERING ADDICT

A person that: 1) has completed a supervised drug rehabilitation program and is not currently engaged in the illegal use of a controlled substance; or has otherwise successfully been rehabilitated and not currently illegally using drugs; or, 2) is involved in a supervised rehabilitation program and not currently illegally using drugs; and is involved in a self help group, such as Narcotics Anonymous, and not currently illegally using drugs.

OVERHOUSED

A tenant family with a greater number of bedrooms than required for family members, according to the standards set forth in Section V of this policy.

REMAINING FAMILY MEMBER

A person left in an assisted unit after other family members have vacated who may or may not normally qualify for assistance based on his or her own circumstances. The person must be of legal age to sign a lease (adult) and all amounts incurred under the previous lease must have been paid before the person is provided a lease in his/her name.

SECURITY DEPOSIT

A dollar amount set by the Housing Authority for the Public Housing Program for unpaid rent, damages or other amounts owed under the lease upon termination of the lease.

SINGLE PERSON

A person who lives alone or intends to live alone who does not qualify as elderly, disabled, or handicapped or as a remaining adult member of a tenant family.

TENANT RENT

The amount payable monthly by the family as rent to the Housing Authority. Where all utilities (except telephone and cable) and other essential housing services are supplied by the Housing Authority, Tenant Rent equals Total Tenant Payment. Where some or all utilities (except telephone and cable) and other essential housing services are not supplied by the Housing Authority and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment (TTP) less the Utility Allowance.

TOTAL TENANT PAYMENT (TTP)

An amount equal to 30 percent of the family's monthly adjusted income or 10 percent of the gross monthly income of the family occupying the dwelling unit, whichever amount is greater. TTP does not include charges for excess utility consumption or other miscellaneous charges.

TRANSFER

A move by a tenant family from one LGHA apartment to another, generally as the result of changes in family composition which changes the number of bedrooms required by the family. A transfer may not be used to split an extended family into two households by moving only some members of the family to a second apartment.

UNDERHOUSED

A tenant family with an insufficient number of bedrooms for the number of persons in the family, according to the standard set forth in Section V of this policy.

UTILITIES

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

UTILITY ALLOWANCE

The cost of utilities (except telephone and cable TV) and other housing services for an assisted unit when not included in the tenant rent but is the responsibility of the family occupying the unit. An amount equal to an estimate made or approved by the Housing Authority or HUD of the monthly cost of a reasonable consumption of utilities for the unit by an energy conservative household of modest circumstances, consistent with the requirements of a safe, sanitary, and healthful living environment.

VERY LOW INCOME FAMILY

Family whose annual income does not exceed 50 percent of the median income for the area as determined by HUD.

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.

WAITING LIST ADMISSION

An applicant selected for occupancy from LGHA's waiting list.

APPENDIX D
DECONCENTRATION ANALYSIS AND POLICY

In accordance with the requirements of QHWRA, the La Grange Housing Authority conducted an analysis of the income levels of its two developments to determine whether or not there were income disparities between the two sites. The analysis of occupancy data from June 2000 revealed that average incomes at both Northwest Hills Apartments and River Valley Apartments are very similar:

	Average Income
Northwest Hills Apartments	$10,219
River Valley Apartments	$10,724

Even though there is not a concentration of poverty at either site, it is the La Grange Housing Authority's policy to provide for deconcentration of poverty and to encourage income mixing by bringing higher income families into lower income developments and lower income families into higher income developments should it become necessary in the future. In an attempt to meet any future deconcentration goals, the La Grange Housing Authority may revise its current Admissions and Continued Occupancy Policy and offer one or more incentives to encourage applicant families and families seeking voluntary transfers to consider residing in developments which we are attempting to deconcentrate.

Various incentives may be used at different times or under different conditions, but will always be provided in a consistent and nondiscriminatory manner. In no way does our deconcentration policy establish quotas by development, nor does it impose requirements on families to live in a development in which they are not interested.

LGHA will continue to monitor HUD deconcentration regulations and make any necessary adjustments to this policy as may be determined necessary.

APPENDIX E
FLAT RENTS

The LGHA conducted a market analysis to determine its flat rents. That analysis involved comparing the features and amenities offered by the LGHA's public housing units compared to the features and amenities of comparable rental housing in the private market.

The Authority's flat rents for the public housing program are as follows:

Bedroom Size	**Flat Rent**
1	$300
2	$350
3	$400

SECTION 8 ADMINISTRATIVE PLAN

LA GRANGE (TX) HOUSING AUTHORITY
250 NW CIRCLE
LA GRANGE, TX 78945

Adopted: September 26, 2000

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CHAPTER 1:
STATEMENT OF POLICIES AND OBJECTIVES

A. INTRODUCTION

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

As a result of the Quality Housing and Work Responsibility Act of 1998 (QHWRA), the Certificate Program is to be phased out before the middle of year 2001. This plan includes the policies of the La Grange Housing Authority (LGHA) for the Certificate Program while it is merging with the Housing Choice Voucher Program.

Administration of LGHA's Section 8 Rental Assistance Program and the functions and responsibilities of LGHA staff shall be in compliance with LGHA's Personnel Policy, the Department of Housing and Urban Development's (HUD) Section 8 regulations, and all applicable Federal, State and local fair housing laws.

B. PROGRAM OBJECTIVES

LGHA Strategic Goals 2000

LGHA's Strategic Goals, specifically for the Section 8 Rental Assistance Program (Certificates and Vouchers), is to maximize the benefits of the Rental Assistance Program for participants and Smithville neighborhoods by providing eligible and responsible families and senior citizens with Section 8 rental assistance to secure decent, safe and standard privately owned housing to the full extent of available resources. In addition, LGHA aims to ensure that rental assistance not only improves the housing choices available to program participants, but also positively contributes to, or at least does not detract from, the stability of the neighborhoods into which Section 8 recipients move and in which owners participate.

The following program objectives support this strategic goal:

- *Achieve Program Mandates*. Substantially improve the housing opportunities and circumstances (both physical and economic) for eligible and responsible lower income families and senior citizens through effectively providing rental housing assistance within the programmatic and financial parameters of LGHA's Rental Assistance Programs and LGHA's Administrative Plan.

- *Self-Sufficiency Initiative Preferences*. Within the parameters of the 1998 QHWRA, ensure that housing assistance preferences and related support is given to families who are working toward self-sufficiency through employment, training and/or education initiatives.

- *Good Neighbor Initiative*. Ensure that the housing assistance provided not only improves the housing conditions of lower income families and senior citizens but also positively contributes to, or at least does not detract from, the stability of the neighborhoods into which Section 8 recipients move and in which owners participate.

- *Program Integrity*. Minimize, detect and remedy violations of Section 8 Program requirements, leases, and Housing Assistance Payments (HAP) contracts to ensure that only eligible and responsible applicants, participants and owners receive Section 8 Program benefits.

C. PURPOSE OF THE ADMINISTRATIVE PLAN

The purpose of the Administrative Plan is to establish policies and guidelines for administering the Section 8 Rental Assistance Program in a manner consistent with Federal regulations and program objectives. The Plan covers admission to the Housing Choice Voucher Program and continued participation in the Certificate and Voucher Programs. This Administrative Plan is set forth to define LGHA's local policies for operating the housing programs in the context of Federal laws and regulations and LGHA's five (5) year Strategic and Annual Plans. All issues related to the Section 8 Rental Assistance Program not addressed in this document are governed by Federal regulations, HUD memoranda, Notices and guidelines, or other applicable law.

LGHA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence. The original Plan and any changes must be approved by LGHA's Board of Commissioners and a copy is to be provided to HUD.

D. FAIR HOUSING AND EQUAL OPPORTUNITY POLICY

LGHA complies fully with all Federal, State, and local anti-discrimination laws and administers its programs in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in providing housing assistance and employment opportunities. (See LGHA's Personnel Policy for more detail related to employment opportunities).

LGHA shall not deny any family or individual the opportunity to apply for or receive assistance under the Section 8 Rental Assistance Program on the basis of race, color, sex, religion, creed, national or ethnic origin, age, family or marital status, disability or sexual orientation.

To further its commitment to fully comply with applicable Civil Rights laws, LGHA will provide Federal, State and local information to Certificate and Voucher holders regarding "discrimination" and any recourse available to them if they are victims of discrimination. Such information shall be made available during the family briefing session. As part of its briefing, LGHA provides families with the HUD Fair Housing Information and Discrimination Complaint Form and directs the family to report suspected discrimination to HUD.

Except as otherwise provided in 24 CFR 8.21 (c(1), 8.24(a), 8.25, and 8.31, no individual with a disability shall be denied program benefits or excluded from program participation or otherwise

subjected to discrimination because LGHA's facilities are inaccessible to or unusable by persons with disabilities.

Posters and housing information will be displayed in locations throughout LGHA's office in such a manner as to be easily readable from a wheelchair.

LGHA's office is accessible to persons with disabilities or handicaps.

E. ACCOMMODATIONS POLICY

This accommodations policy is applicable to all situations described in this Administrative Plan when a family initiates contact with LGHA, when LGHA initiates contact with a family, including when a family applies for housing assistance, and when LGHA schedules or reschedules appointments of any kind.

Persons with Disabilities

LGHA's policies and practices are designed, to the extent feasible, to provide all persons with disabilities with reasonable accommodations in order that they may have full access to and utilize the Section 8 Program and related services. The availability of specific accommodations will be made known through notices on LGHA forms and letters to all families, and all requests will be verified so that the LGHA can properly accommodate the need presented by the disability.

Federal Americans with Disabilities Act of 1990

With respect to an individual, the term "disability" means:

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

Those regarded as having such an impairment may include those with conditions such as obesity or cosmetic disfigurement, and individuals perceived to be at high risk of incurring a work-related injury.

Individuals with contagious diseases who do not pose a direct threat to others are covered by the Act. Persons with AIDS and those who test positive for the HIV virus are considered to have a disability.

Undue Hardship

Requests for reasonable accommodation will be granted, provided that the accommodation will not create an "undue financial and administrative burden" for LGHA. In determining whether an accommodation would create an undue hardship, the following factors will be taken into consideration:

- Nature and cost of the accommodation needed;

- Overall financial resources of the facility or facilities involved in the provision of the reasonable accommodation; and

- Number of families likely to need such accommodation, the effect on expenses and resources, or the likely impact on the operation of the program as a result of the accommodation.

Requests for accommodation must be supported with verification from a reliable and knowledgeable professional that the accommodation is required. LGHA will refer families who have members with disabilities to agencies in the community that offer services to persons with disabilities.

F. TRANSLATION OF DOCUMENTS

In determining whether it is feasible to provide translation of documents written in English into another language, LGHA will consider the following factors:

- Number of applicants and participants in the jurisdiction who do not speak English;

- Estimated cost to LGHA per client of translation of English written documents into another language; and

- Availability of bilingual staff to provide translation for non-English speaking families.

If translation services are required for other languages, the applicant or participant may request a friend or family member to accompany him or her to the meeting or the LGHA will refer applicants and participants to agencies who assist ethnic groups.

G. FAMILY OUTREACH

LGHA reserves the right to open or close the waiting list based on the supply of applicants and availability of subsidy. The waiting list will be closed when there are not enough Section 8 subsidies to assist all the applicants in a reasonable period of time, such as two years. When LGHA determines that additional applicants are needed, it will issue a public notice and open the waiting list.

To reach people from diverse backgrounds, LGHA will advertise through a wide variety of sources including local newspapers, minority media, minority civic clubs, and service agencies. LGHA will communicate the status of housing availability to other service providers in the community, such as agencies serving individuals with special needs, and advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance. LGHA will continuously monitor and evaluate outreach activities to ensure that it reaches the widest possible audience.

H. OWNER OUTREACH

The LGHA's Owner Outreach Program includes the following efforts to encourage owners to participate in the program and to ensure greater mobility and housing choice to very low-income households.

- The LGHA maintains a list of interested landlords and a list of available units, both of which are updated frequently. These lists are made available to applicants and participants.

- To the extent feasible, LGHA will conduct a pre-inspection of a unit prior to listing it to ensure compliance with Housing Quality Standards (HQS).

- The LGHA holds owner briefings to review the Section 8 Program and distributes an Owner's Manual and periodic newsletters.

- The LGHA contacts real estate agents and property managers to market the program and encourage their participation.

- LGHA makes a concerted effort to contact and encourage property owners with units specially designed or adapted for persons with disabilities to participate in the program. Information is also provided to owners regarding the availability of these improvements.

- LGHA encourages program participation by owners of units located outside areas of poverty or minority concentration. LGHA periodically evaluates the geographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choice and better housing opportunities to families. Voucher holders are informed of the full range of areas where they may lease units inside LGHA's jurisdiction and are given a map that identifies areas of low-poverty and low-minority concentration.

I. OWNER RESPONSIBILITIES

An Owner is responsible for:

- Screening tenants.
- Complying with the HAP contract.
- Maintaining the unit in compliance with HQS.
- Enforcing lease requirements.

For a further description of owner responsibilities refer to 24 CFR parts 882, 982, and 983.

J. FAMILY RESPONSIBILITIES

Applicant responsibilities

While on the waiting list an applicant must notify LGHA of any changes in address and preference status.

Upon selection, an applicant must provide LGHA with complete and accurate information necessary to determine program eligibility.

Upon determination of eligibility, an applicant must conduct and complete a housing search within the time allowed by LGHA.

For a further description of applicant responsibilities refer to 24 CFR parts 882, 982, and 983.

Participant Responsibilities

For a further description of family responsibilities refer to 24 CFR parts 882, 982, and 983. Families participating in a Family self-sufficiency program should refer to 24 CFR part 984.

Family Obligations

For the complete text of family obligations see the Housing Choice Voucher, the tenancy addendum, and the lease signed by the tenant and owner. Violation of Family Obligations may be cause for program termination as discussed in Chapter 16.

K. PRIVACY RIGHTS

All applicant or participant household members 18 years of age or older must sign Form HUD-9886, Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD will release family information.

All information relating to a participant or applicant family is confidential. LGHA's policy regarding release of information is in accordance with Federal, State, and local laws, which may restrict the release of family information. LGHA staff will not discuss family information contained in its files unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action. LGHA has adopted a Confidentiality Policy with regards to information on drug and criminal activity (attached).

In accordance with HUD requirements, the LGHA will furnish prospective owners with the family's current address as shown in LGHA records and, if known to the LGHA, the name and address of the landlord at the family's current and prior address. A statement of the LGHA's policy on release of information to prospective landlords will be included in the briefing packet provided to the family

L. JURISDICTION

The Jurisdiction of the LGHA is the city of La Grange, Texas.

M. MONITORING PROGRAM PERFORMANCE

LGHA's policies, procedures, and tracking systems are designed to respond to the goals, objectives, and performance measures of HUD's Section 8 Management Assessment Program (SEMAP). To comply with HUD and other pertinent regulations, LGHA will maintain records, reports and other documentation for a period of time that is in accordance with HUD requirements and in a manner that will allow an auditor, housing professional, or other interested party to assess LGHA's operational procedures objectively and with accuracy.

Specifically, records and reports will be maintained for the purpose of complying with the following SEMAP performance measures as defined by HUD:

- *Indicator 1.* The Public Housing Agency (PHA) has written policies in its administrative plan for selecting applicants from the waiting list, and the PHA follows these policies when selecting applicants for admission from the waiting list.

- *Indicator 2.* The PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units.

- *Indicator 3.* At admission and reexamination, the PHA verifies and correctly determines adjusted annual income for each assisted family and, where the family is responsible for utilities under the lease, the PHA uses the appropriate utility allowances in determining gross rent.

- *Indicator 4.* The PHA maintains an up-to-date utility allowance schedule.

- *Indicator 5.* A PHA supervisor or other qualified person reinspects a sample of units during the PHA fiscal year, numbering at least 5% of the number of units under contract during the last completed PHA fiscal year, for quality control of HQS inspections.

- *Indicator 6.* Following each failed HQS unit inspection, any cited life-threatening HQS deficiencies are corrected within 24 hours and all other cited HQS deficiencies are corrected within 30 calendar days from the inspection or any PHA-approved extension.

- *Indicator 7.* The PHA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration.

- *Indicator 8.* Initial gross rents for certificate units, other than over-FMR tenancies, do not exceed the FMR and voucher payment standards do not exceed the current applicable FMR or HUD approved exception rent limit and are not less than 80% of the current FMR/exception rent limit, unless otherwise approved by HUD.

- *Indicator 9.* The PHA completes a reexamination for each participating family at least every twelve months.

- *Indicator 10.* The PHA correctly calculates tenant rent in the Certificate Program and the family's share of the rent to owner in the Voucher program.

- *Indicator 11.* Newly leased units pass HQS inspection on or before the beginning date of the assisted lease and HAP contract.

- *Indicator 12.* The PHA inspects each unit under contract at least annually.

- *Indicator 13.* The PHA executes HAP contracts on behalf of eligible families for the number of units under budget for at least one year.

- *Indicator 14.* The PHA has enrolled families in the FSS program as required and has made progress in supporting FSS as measured by the percentage of current FSS participants with escrow account balances.

In order to ensure quality control, supervisory staff or contract firms annually complete the following:

- Audit of two percent (2%) of recent annual reexamination files.
- Reinspect five percent (5%) of units under contract during the last completed fiscal year to ensure quality control of HQS inspections

N. MERGER OF CERTIFICATES AND VOUCHERS

In compliance with the Final Rule published October 21, 1999 for the Merger of Section 8 Certificate and Voucher Programs, LGHA will no longer issue Section 8 Certificates. Any current Certificate holders searching for units will be leased under the Housing Choice Voucher Program upon selecting a unit.

Current Certificate Program Participants

All participants currently leased under the Certificate program will be converted to the Housing Choice Voucher program at the earliest of:

- The participant's second annual recertification following the October 1, 1999 conversion;
- Upon any move to a new unit;
- At the next regular reexamination that results in a change in family unit size;
- Upon the execution of any new lease or HAP contract for the participant's current unit.

Pre-Merger Voucher Program Participants

Current participants in the pre-merger Voucher program will continue under the current HAP contracts until the next time that a new HAP contract is required under program rules. The method of calculating subsidy under the Housing Choice Voucher Program will eliminate the shopping incentive. This method will not become effective for pre-merger voucher participants until the effective date of the second regular reexamination of family income and composition unless the family moves to a new unit or requires a new HAP contract due to a change in family unit size.

CHAPTER 2:
ELIGIBILITY FOR ADMISSIONS

A. INTRODUCTION

This chapter defines both HUD's and LGHA's criteria for admission and denial of admission to the program. LGHA strives for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply. Staff will review all information provided by the family carefully and without regard to factors other than those defined in this chapter. Families will be provided the opportunity to explain their circumstances, furnish additional information, if needed, and to receive an explanation of the basis for any decision made by LGHA pertaining to their eligibility.

Generally, only very-low income and extremely low income families are eligible for assistance through the Housing Choice Voucher program. The Quality Housing and Work Responsibility Act of 1998 established new income targeting requirements. At least 75% of all new program admissions in each fiscal year must be families with income levels at or below 30% of the area median income. The remaining 25% of new admissions may be families with income levels at or below 50% of the area median income. LGHA has a procedure for tracking new admissions so it can demonstrate that it meets the income targeting requirements.

In some circumstances, a low-income family that has been continuously assisted is eligible for assistance (24 CFR 982.201). A family is considered to be continuously assisted if the family is already receiving assistance under any housing program covered under the 1937 Housing Act when the family is admitted to the Housing Choice Voucher program. Housing programs covered under the 1937 Housing Act include:

- The public or Indian housing program.
- Any program assisted under Section 8 of the 1937 Act, including assistance under a Section 8 tenant-based or project-based program.
- The Section 23 leased housing program.
- The Section 23 housing assistance payments program.

Brief interruptions in assistance caused by transitioning from one form of assistance under one 1937 Act program to another will not be considered to break the continuity of assistance where the reason for the transition was through no fault of the family, such as the expiration of a HAP contract for a project-based development or termination of a HAP contract for owner breach. LGHA has elected to allow a 30 day break in assistance; therefore, if an applicant for the Housing Choice Voucher program has income below the low income limit, and is not currently receiving assistance but did receive assistance during the previous 30 days, LGHA will consider that family to be continuously assisted.

Low-income families are also eligible if they qualify as:

- A non-purchasing household in the following homeownership programs: HOPE 1, HOPE 2, or other HUD-assisted multifamily homeownership programs;

- Displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract; (Under this category a family may have income below the moderate income limit (95% of median) and qualify for assistance);

- Displaced as a result of the expiration of a project based Section 8 contract.

B. ELIGIBILITY FACTORS

To be eligible for participation, an applicant must meet HUD's criteria, as well as any permissible additional criteria established by the LGHA. HUD eligibility criteria are:

1) Applicant must be a "family."

2) Household's annual income must be within the appropriate Income Limits.

3) All household members ages six and older must furnish their Social Security Numbers, or certify that they do not have one.

4) Each member of the applicant household must certify to citizenship/eligible immigrant status.

5) Persons evicted from public housing, Section 23 or any Section 8 program for drug-related or criminal activity are ineligible for a minimum of three years from the date of eviction. See Chapter 15 "Denial or Termination of Assistance".

The family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors. Evidence of eligible immigration status will not be verified until the family is selected from the waiting list for final eligibility processing.

C. ELIGIBILITY FACTOR 1: FAMILY COMPOSITION

The applicant must qualify as a Family. A Family may be a group of persons or a single person. When application is made, the applicant determines who is "family." Discrimination on the basis of familial status is prohibited, and a group of persons may not be denied solely because members are not related by blood, marriage, or operation of law.

Definitions

A group of persons may be:

- Two or more persons who intend to share residency, whose income and resources are available to meet the family's needs, and who have a history as a family unit or show evidence of a stable family relationship.

- Two or more elderly, near-elderly or disabled persons living together, or one or more elderly, near-elderly or disabled persons living with one or more live-in aides.

- A pregnant woman and her unborn child(ren).

A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.

A single person may be:

- An elderly person.
- A near-elderly person.
- A displaced person.
- A person with a disability.
- The remaining member of a tenant family.
- Any "other single" person.

Head of Household

The Head of Household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.

Spouse o*f* Head

The Spouse of Head is defined as the marriage partner who, in order to dissolve the relationship, would have to be divorced. The term "Spouse" does not apply to boyfriends, girlfriends, significant others, or co-head of household.

Co-Head

An individual in the household who is equally responsible for the lease with the Head of Household. A family may have a spouse or co-head but not both. A co-head never qualifies as a dependent.

Live-in Aide

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

- Is determined by LGHA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with a disability. A near elderly person may be defined as someone at least 50 years of age;

- Is not obligated for the support of the person(s); and

- Would not be living in the unit except to provide care for the person(s).

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

- Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits;

- Live-in aide is not subject to Non-Citizen Rule requirements; and
- Live-in aide will not be considered as a remaining member of the applicant or participant family.

A live-in aide may only reside in the unit with the prior written approval of the LGHA and owner. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker or case worker. The verification must specifically state that a live-in aide is essential for the daily care of the family member who is elderly, near-elderly or disabled.

Relatives are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above.

The live-in aide's family members may also reside in the unit with the LGHA and owner's prior written approval. The presence of the live-in aide's family members must not overcrowd the unit.

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

- Commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- Commits drug-related criminal activity or violent criminal activity;
- Currently owes rent or other amounts to the LGHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act; or
- Does not qualify under the eligibility criteria indicated in Chapter 16 of this Plan.

Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two (or more) otherwise eligible families and the new families both claim the same placement on the waiting list, LGHA will make the decision as to which household should receive a subsidy taking into consideration the following factors:

- Which family unit retains the children or disabled or elderly member(s);
- Which family unit meets the highest priority local preferences;
- Any court or legal determination;
- Role of domestic violence in the split; and
- Recommendations of social service agencies or qualified professionals, such as children's protective services.

Multiple Families in the Same Applicant Household

When a family, which consists of two or more families living together (such as a mother and father and a daughter with her own husband or children) applies for assistance, LGHA will treat the family as a single-family unit.

Transfer of Applicant Status

In the case where a family applies for a Voucher and the Head of Household, Spouse or Co-Head of Household voluntarily withdraws from the application with prior LGHA approval, the remaining applicants and otherwise eligible family will be entitled to placement on the waiting list based on the original date of application.

D. ELIGIBILITY FACTOR 2: INCOME LIMITATIONS

In order to be eligible for assistance, an applicant must be either a:

- Very low income family, as defined by the very low-income limits published by HUD in the *Federal Register* for the La Grange MSA; or

- Low income family in any of the following categories:

  - Continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act Program within 60 days of Voucher issuance. Programs include Public Housing, all Section 8 Programs, and all Section 23 programs.

  - Physically displaced by rental rehabilitation activity under 24 CFR Part 511.

  - Non-purchasing family residing in a HOPE 1 or HOPE 2 project.

  - Non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173.

  - Displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.

  - Residing in a HUD-owned multifamily rental housing project when the project is sold, foreclosed or demolished by HUD (Certificate Program only).

To determine if the family is income eligible, the LGHA compares the annual income of the family to the applicable income limit for the family's size. Families whose annual income exceeds the income limit will be denied admission, notified of the denial and offered an informal review.

For initial lease-up, portability families (see Chapter 14) must be within the very low-income limit for the jurisdiction in which they want to live.

E. ELIGIBILITY FACTOR 3: SOCIAL SECURITY NUMBERS

Families are required to provide verification of Social Security Numbers for all family members age six or older prior to admission, if they have been issued a number by the Social Security Administration. This requirement also applies to persons joining the family after admission to the program. Family members who have not been issued a Social Security Number must certify to this fact. Guardians or another adult family member must certify for children under the age of 18. Failure to furnish verification of social security numbers or certify that no number has been issued is grounds for denial or termination of assistance.

F. ELIGIBILITY FACTOR 4: CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS

In order to receive assistance, a family member must be a U.S. Citizen or have legal immigrant status. Individuals who are neither may elect not to declare their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD. Individuals claiming eligible immigration status must present appropriate immigration documents, which must be verified through the Immigration and Naturalization Service (INS).

The citizenship and eligible immigration status of each member of the family is considered individually before the family's eligibility is determined. Families including ineligible members may be classified as mixed families or as ineligible families.

Mixed Families. A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called “mixed families.” Mixed families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

Ineligible Families. Applicant families that include no eligible members will be ineligible for assistance. Such families will be denied admission and offered an opportunity for an informal hearing.

Non-citizen students are not eligible for assistance. A non-citizen student is a person admitted to this country temporarily solely for the purpose of pursuing a course of study who has a residence in another country that the person has no intention of abandoning.

Appeals. Individuals whose eligible immigration status cannot be verified through INS may appeal to INS. An applicant who is denied Section 8 eligibility due to ineligible immigration status is entitled to an informal hearing exactly like those provided for participants.

G. ELIGIBILITY FACTOR 5: EVICTED FOR DRUG-RELATED CRIMINAL ACTIVITY/CONVICTED OF CERTAIN CRIMES

Drug-related activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance. Drug-related criminal activity means *on or off* the premises, not just *on or near* the premises.

Persons evicted from public housing, Indian housing, Section 23, or any Section 8 program because of drug-related criminal activity are ineligible for a three-year period beginning on the date of such eviction.

The LGHA will waive this requirement if:

- The person demonstrates successful completion of a rehabilitation program approved by the LGHA, or

- The circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person is incarcerated.

- Persons convicted of manufacturing or producing methamphetamine ("speed") on the premises of an assisted housing project are permanently ineligible for assistance.

- Persons who are convicted sex offenders are permanently ineligible for assistance.

H. SUITABILITY OF FAMILY

LGHA may take into consideration any of the grounds for denial of admission identified in Chapter 16 of this Administrative Plan but may not otherwise screen for factors which relate to the suitability of the applicant family as participants. It is the responsibility of the owner to screen the applicant as to their suitability for tenancy.

LGHA will advise families how to file a Fair Housing complaint if they believe that the owner has discriminated against them. LGHA may also report the owner to HUD's Office of Fair Housing/Equal Opportunity or the local fair housing organization.

I. CHANGES IN ELIGIBILITY PRIOR TO ISSUANCE

Changes that occur during the period between placement on the waiting list and issuance of a Voucher may affect the family's eligibility or Total Tenant Payment. If applicants are found to be ineligible, they will be notified in writing of their ineligible status and their right to an informal review.

J. NOTIFICATION TO INELIGIBLE FAMILIES

Applicants who are determined to be ineligible will be notified in writing of the reason for denial of assistance. This notification will include the opportunity to request, within 14 days of notification, an informal review (or an informal hearing if they were denied due to noncitizen status) pursuant to the following. See Chapter 10 for information about reviews and hearings.

Informal Reviews Required	Informal Reviews Not Required
Decisions Concerning: Listing on PHA's Waiting List Certificate or Voucher Issuance **PARTICIPATION IN PROGRAM** Any Type of Preference	Decisions Concerning: Unit Size under PHA's Subsidy Standards Rejection of Units that fail HQS or are not in accordance with Family Size Disapproval of Owner's Lease Refusal to Extend Certificate or Voucher General Policy Issues or Class Grievances Discretionary Administrative Determinations by PHA

CHAPTER 3:
APPLYING FOR ADMISSION

A. INTRODUCTION

The policy of LGHA is to ensure that all families who express an interest in the Section 8 Program are given an equal opportunity to apply and are treated in a fair and consistent manner. Chapter 3 describes the policies and procedures for opening and closing the waiting list, completing an application for assistance, placement and denial of placement on the waiting list, maintaining the waiting list, and limitations on who may apply.

All families wishing to apply for housing assistance shall complete an application for housing. Applications will be accepted at the following two locations: 250 NW Circle, and 500 Koenig Lane, both of which are located in La Grange, TX 78945. Applications may be made in person at this location during specified dates and business hours posted in LGHA's office.

Individuals who have a physical impairment which would prevent them from completing an application in person may call the Authority to make special arrangements to complete the housing application. A Telecommunication Device for the Deaf (TDD) is available for hearing impaired persons. If the applicant is visually impaired, all notices will be in a format understandable by the applicant.

B. OPENING AND CLOSING THE WAITING LIST

As needed, LGHA will open the waiting list by advertising through public notice in local newspapers, minority media, minority civic clubs and service agencies. LGHA will communicate the status of housing availability to other service providers in the community, such as agencies serving individuals with special needs, and advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance. LGHA will continuously monitor and evaluate outreach activities to ensure that information reaches the widest possible audience for which applications are being accepted. The notice will contain:

- Dates, times and locations where families may apply.
- Programs for which applications will be taken.
- Brief description of the program(s).
- Limitations, if any, on who may apply.
- LGHA address, telephone number and business hours.

The notices will provide potential applicants with information regarding how to submit an application, information on eligibility requirements, and the availability of local preferences. Upon request from a person with a disability (determined on a case-by-case basis), additional time may be given as an accommodation for submission of an application after the closing deadline.

When the waiting list is open, all interested families and persons are given the opportunity to apply.

If the Section 8 waiting list is open when a person applies for public housing, LGHA must offer to place the family on both lists. If the public housing waiting list is open at the time an applicant applies for Section 8, LGHA must offer to place the family on the public housing waiting list.
The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 24 months. In evaluating whether to close its Section 8 waiting list, LGHA will consider the expected number of Vouchers to be issued per year, the number of current applicants and the anticipated waiting time.

When the period for accepting applications is over, LGHA will add the new applicants to the list by order of date and time of application.

C. APPLICATION

LGHA will use an application form. The information is to be filled out by the applicant whenever possible. To provide specific accommodation for persons with disabilities, LGHA staff may assist the applicant in completing the application over the telephone. It may also be mailed. The purpose of the application is to permit LGHA to preliminarily place the applicant on the waiting list. The application will contain, but is not limited to questions designed to obtain the following information:

- Names of adult members and age of all members;
- Sex and relationship of all members;
- Street address and phone numbers;
- Mailing address (if P.O. Box or other permanent address);
- Amount(s) and source(s) of income received by household members;
- Information regarding disabilities to determine qualifications for allowances and deductions;
- Information related to qualification for preferences;
- Social Security Numbers;
- Race/ethnicity; and
- Request for specific accommodation needed to fully utilize program and services.

LGHA will inform all applicants about available preferences and give each applicant an opportunity to document preference eligibility.

Duplicate applications will not be accepted.

Applications will not require an interview. The information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

D. APPLICANT STATUS WHILE ON THE WAITING LIST

The family will be notified in writing. This written notification of preliminary eligibility will be mailed to the applicant by first class mail. The LGHA will confirm receipt of application by postcard.

If the family is determined to be ineligible based on the information provided in the application, LGHA will notify the family in writing, state the reason(s), and inform the family of its right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation.

E. MAINTAINING AND PURGING THE WAITING LIST

Applicants are required to inform LGHA of changes in circumstances while on the waiting list. These may include changes in address, family composition, or preference status. Applicants are required to notify the LGHA in writing when their circumstances change.

Applicants are also required to respond to requests from LGHA to update information on their applications and to determine their continued interest in and need for assistance. Failure to provide information or to respond to two LGHA mailings that request updated information will result in the applicant being removed from the waiting list

F. WAITING LIST SELECTION

When funding is available, applicants will be selected from the waiting list according to date and time of application, and income targeting requirements regardless of family size.

When there is insufficient funding available for the family at the top of the list, LGHA will not admit any other applicant until funding is available for the first applicant.

LGHA will maintain information that permits proper selection from the waiting list. The waiting list contains, but is not limited to the following information for each applicant listed:

- Applicant Name
- Family Unit Size (number of bedrooms family qualifies for under LGHA subsidy standards)
- Date and time of application
- Income Information
- Racial or ethnic designation of the head of household

The application will be a permanent file. All applicants in the pool will be maintained by date and time of application.

G. INCOME TARGETING

A minimum of 75% of the families admitted to LGHA's Section 8 program during each fiscal year must be extremely low-income families. An extremely low-income family is one whose annual income does not exceed 30% of the area median income.

LGHA will monitor admissions to the Section 8 program at the end of each quarter throughout the fiscal year. If, at the end of any quarter, extremely low-income families make up less than 75% of admissions for the fiscal year to date, LGHA will give priority to extremely low-income families in each of the established preference categories until extremely low-income admissions again make up 75%.

H. ELIGIBILITY DETERMINATION

Applicant Interview and Completion of Full Application

All preferences claimed on the application or as a result of any updates to the pre-application will be verified after the applicant is selected from the waiting list, and prior to completing the full application. The qualification for preference must exist at the time the preference is claimed and at the time of verification because claim of a preferences determines selection from the waiting list.

When an applicant is selected from the waiting list, LGHA schedules an interview to complete or update the application, discuss the family's circumstances in greater detail, clarify information that has been provided by the family, and ensure that the information is complete. The interview, which must be attended by the head of household and spouse or co-head, is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process. During the interview, applicants will be required to update the household's application by writing in and initialing any changes to the family's circumstances and by certifying that all information is complete and accurate.

The head of household, spouse, co-head and all members over the age of 17 are required to complete an authorization for the LGHA to conduct a background check.

The LGHA also conducts a cross-check with the Public Housing Program to determine previous evictions or outstanding rent monies owed.

If the applicant fails to attend the interview, the applicant must reschedule the interview within seven days. If the applicant does not reschedule or misses two scheduled interviews, LGHA will remove the applicant from the waiting list.

Reasonable accommodations will be made for persons with a disability or elderly persons.

All adult members must sign Form HUD-9886, Authorization for the Release of Information, the declarations and consents related to citizenship or immigration status and any other documents required by the LGHA. Applicants will be required to sign specific verification forms for information that is not covered by Form HUD-9886. Failure to do so will be cause for denial of assistance.

If LGHA determines at or after the interview that additional information or document(s) are needed, the LGHA will request the document(s) or information in writing. The family will be given 14 days to supply the information. If the information is not supplied in this time period, the LGHA will remove the applicant from the waiting list.

Verification

Information provided by the applicant will be verified, using the verification procedures in Chapter 8. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than 60 days old at the time a Voucher is issued. See Chapter 7, Verification Procedures.

Final Determination and Notification of Eligibility

After the verification process is completed, the LGHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the LGHA, and the current eligibility criteria in effect. The LGHA will notify the family in writing as to their eligibility for the Section 8 Program. If the family is determined to be eligible, the LGHA will schedule a briefing. During the briefing, the applicant is issued a Voucher and the informational packet is provided and reviewed. If the applicant is determined to be ineligible, the applicant has the opportunity to request an informal review within 14 days of the notification.

I. REMOVAL FROM THE WAITING LIST

Applicants shall be removed from the waiting list for the following reasons:

- Failure to respond to two LGHA written communications regarding failure to comply with application update, applicant interview, and applicant briefing requirements. If a letter is returned by the Post Office without a forwarding address, or unclaimed, the applicant will be removed without further notice, and the envelope will be maintained in the file. If a letter is returned with a forwarding address, it will be re-mailed to the address indicated.

- Refusal to accept an offer of a Voucher.

- If determined ineligible at the time of subsidy issuance.

It is the sole discretion of LGHA to review, on a case-by-case basis, whether an applicant will be required to re-apply for Section 8 assistance or is entitled to reinstatement with their original date of application.

CHAPTER 4:
DENIAL OF ASSISTANCE

A. INTRODUCTION

This chapter describes when LGHA may deny assistance. If denial is based upon behavior resulting from a disability, the LGHA will delay the denial in order to determine if there is an accommodation that would mitigate the behavior resulting from the disability.

B. GROUNDS FOR DENYING ASSISTANCE

Denial of assistance for an applicant may include any or all of the following:

- Denial for placement on the LGHA waiting list.
- Denying issuance of a voucher.
- Refusing to enter into a HAP contract or approve a lease.
- Refusing to process or provide assistance under portability procedures.

Mandatory Denial of Assistance

LGHA will deny assistance to applicants if:

- The family's annual income exceeds the very low-income limits.
- 30% of the family's monthly adjusted income equals the Payment Standard for the family's unit size and the family is unable to use assistance.
- Any member of the family fails to sign and submit to HUD or LGHA required consent forms for obtaining information.
- No member of the family is a U.S. citizen or eligible immigrant (See Chapter 15).
- Any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.

LGHA will deny assistance to an applicant for any of the following reasons:

- Any household member has been evicted from federally assisted housing for drug-related criminal activity during the past three years.

- The family has violated any family obligation under the program as listed in 24 CFR 982.551.

- The family currently owes rent or other amounts to LGHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

- The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family.

- The family breaches an agreement with LGHA to pay amounts owed to LGHA or amounts paid to an owner by LGHA.

- The family has engaged in or threatened abusive or violent behavior toward LGHA personnel.

  – "Abusive or violent behavior towards LGHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for denial.

  – "Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

  – Actual physical abuse or violence will always be cause for denial of assistance.

- LGHA will deny participation in the program to applicants in cases where it determines that there is reasonable cause to believe that the person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. This includes cases where LGHA determines that there is a *pattern* of illegal use of a controlled substance, or *pattern* of alcohol abuse.

  – LGHA will consider the use of a controlled substance or alcohol to be a *pattern* if there has been more than one incident during the previous 12 months.

  – LGHA may waive this policy if the person demonstrates to its satisfaction that s/he is no longer engaging in the illegal use of a controlled substance or abuse of alcohol, and:

    * Has successfully completed a supervised drug or alcohol rehabilitation program;

    * Has otherwise been rehabilitated successfully; or

    * Is participating in a supervised drug or alcohol rehabilitation program.

- Any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine ("speed") on the premises of federally assisted housing.

Housing Authority Discretion

In deciding whether to deny assistance because of action or failure to act by members of the family, LGHA 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, and the length of time since the violation occurred. It may also review the family's more recent record of compliance and consider the effects of denial of assistance on other family members who were not involved in the action or failure to act.

Rehabilitation or a change in circumstances may be considered prior to denying assistance to applicants who were evicted from federally assisted housing for drug related activity or have abused alcohol or used illegal drugs.

For applicants evicted for drug related activity, the LGHA may consider whether the member who was evicted has successfully completed a supervised drug rehabilitation program approved by LGHA, or the circumstances leading to an eviction no longer exist (for example, the criminal household member has died or is imprisoned).

For applicants who have abused alcohol or used illegal drugs, the PHA may consider whether the member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully.

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

Burden of Proof

For denial due to drug-related, violent and other criminal activity LGHA may require the household to submit sufficient evidence that the members of the household have not engaged in drug-related criminal activity during a reasonable period, before admission to the program. The LGHA has sole discretion in determining what evidence is "sufficient" and what period of time prior to admission is "reasonable."

In determining whether to deny assistance due to the abuse of alcohol or illegal use of a drug by a household member, the LGHA may require the applicant to submit evidence of current participation in, or successful completion of a supervised drug or alcohol rehabilitation program.

Access to Criminal Records

- HUD authorizes PHAs administering tenant-based Section 8 programs to obtain criminal conviction records and requires LGHA to conduct criminal history background checks to determine whether an applicant is subject to a lifetime state's sex offender registration requirement.

- LGHA may request criminal conviction records for an adult member of a household that is applying for admission to the Section 8 tenant-based program.

- The criminal conviction records received by LGHA may not be used for lease enforcement or eviction of residents receiving Section 8 tenant-based assistance.

- An adult is a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

Explanations and Terms

Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance *on or off the* premises.

Drug-related criminal activity does not include the prior use or possession of a controlled substance if the family member had an addiction to the substance and has recovered or is recovering from the addiction and does not currently use or possess the substance.

Violent criminal activity includes any criminal activity engaged in by any family member that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property.

Denial of assistance is always optional except where this Plan or the regulations state otherwise.

Confidentiality of Criminal Records

LGHA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

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

LGHA may pursue fact-finding efforts as needed to obtain credible evidence.

C. PROCEDURES FOR NON-CITIZENS

Ineligibility due to Ineligible Immigrant Status

Applicant families in which no members are U.S. citizens or eligible immigrants are ineligible for assistance. They must be given an opportunity for a hearing.

False or Incomplete Information

When the LGHA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant, an investigation will be conducted and the individual given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the LGHA may give him/her an opportunity to provide a new declaration as an eligible immigrant or to elect not to contend their status. The LGHA will then verify eligible status and deny or prorate as applicable.

The LGHA will deny assistance based on the submission of false information or misrepresentations.

Procedure for Denial

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with LGHA either after the INS appeal or in lieu of the INS appeal.

After LGHA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).
Applicants determined to be ineligible due to citizenship status will be informed in writing of their right to request an informal hearing.

D. MISSED APPOINTMENTS AND DEADLINES

An applicant who fails to keep an appointment or to supply information required by a deadline without notifying LGHA may be sent a Notice of Denial of Assistance for failure to provide required information.

The family will be given information about the number of times appointments will be rescheduled as specified in this Plan.

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- Medical emergency.
- Incarceration.
- Family emergency.

Procedure When Appointments Are Missed or Information Not Provided

For most purposes in this Plan, the family will be given two opportunities before being issued a Notice of Denial of Assistance.

CHAPTER 5:
SUBSIDY STANDARDS
[24 CFR 982.54(d)(9)]

A. INTRODUCTION

HUD guidelines require that LGHA establish subsidy standards for the determination of Certificate and Voucher bedroom size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used must be within the minimum unit size requirements of HUD's Housing Quality Standards (HQS). This chapter explains the subsidy standards used to determine the voucher size for various-sized families when they are selected from the waiting list, as well as LGHA's procedures when a family's size changes, or a family selects an apartment size that is different from the family's Voucher. Subsidy standards described in this chapter apply equally to the Section 8 Certificate Program until it is fully phased out.

B. DETERMINING CERTIFICATE OR VOUCHER SIZE

LGHA does not determine who shares a bedroom or sleeping room, but there must be at least one person per bedroom on the Voucher. LGHA's subsidy standards for determining Voucher size shall be applied in a manner consistent with Fair Housing guidelines.

For subsidy standards, an adult is a person 18 years or older.

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements. The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

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

- Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal relationship and very young children).
- Foster children will be included in determining unit size only if they will be in the unit for more than six months.
- Space may be provided for a child who is away at school or a spouse who is away in the military.
- Single person families shall be allocated an efficiency unit or one bedroom Voucher.
- A family that consists of a pregnant woman (with no other persons) will be treated as a two- person family. [24 CFR 982.402(5)]
- Related adults and children of the same sex should share a bedroom.
- Very young children may share a bedroom with a parent.

- A live-in attendant will generally be provided a separate bedroom

GUIDELINES FOR DETERMINING CERTIFICATE OR VOUCHER SIZE

Certificate/Voucher Size	Persons in Household (Minimum #)	Persons in Household (Maximum #)
Efficiency	1	1
1 Bedroom	1	2
2 Bedroom	2	4
3 Bedroom	3	6
4 Bedroom	4	8
5 Bedroom	5	10
6 Bedroom	8	12

C. EXCEPTIONS TO SUBSIDY STANDARDS

LGHA shall grant exceptions from the subsidy standards if the family requests and LGHA determines that the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

LGHA will grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a verified medical or health reason.

A family may request a larger sized Voucher than indicated by LGHA's subsidy standards. Such request must be made in writing within 14 days of LGHA's determination of bedroom size. The request must explain the need or justification for a larger number of bedrooms. Documentation verifying the need or justification will be required as appropriate. Requests based on health related reasons must be verified by a doctor or medical professional.

If LGHA errs in the bedroom size designation, the family will be issued a Voucher of the appropriate size.

Changes in Household Composition

The Voucher size is determined prior to the briefing by comparing the family composition to LGHA subsidy standards. If an applicant requires a change in the Voucher size, the above referenced guidelines will apply.

The family obligations require the family to inform LGHA of the birth, adoption or court-awarded custody of a child, except when the family has custody of a minor, and to request LGHA approval to add any other family member as an occupant of the unit. The family must document custody to be allowed to add minors to the household. The family must request prior approval of additional household members in writing. LGHA may deny requests to add household members who would cause the family to be under housed and require a larger unit size.

If the family does not obtain prior written approval from LGHA, any person the family has permitted to move in will be considered an unauthorized household member.

Likewise, if a family member leaves the household, the family must report this change to LGHA and the owner, in writing, within 30 days of the change and certify as to whether the person is temporarily or permanently absent (See Chapter 7 for definitions).

In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody.

LGHA will conduct an interim recertification for changes that affect the Total Tenant Payment in accordance with the interim recertification policy and will require verification that the family member reported to have left the household has a new address.

Under-Housed and Over-Housed Families

If a unit does not meet HQS space standards due to an increase in family size (unit has become too small), LGHA will issue a new Voucher and assist the family in locating a suitable unit.

If a Certificate family is occupying a unit which has more bedrooms than allocated under LGHA's subsidy standards, and the gross rent exceeds the FMR/exception rent for the family size under LGHA's subsidy standards, LGHA will issue the family a Voucher and assist the family in finding a suitable unit. The family will be given a minimum of 60 days to locate a suitable unit. After the term of the family's Voucher has expired, LGHA may terminate the family's assistance if the family has rejected a suitable unit without good reason or failed to document best efforts to locate a unit.

LGHA may grant an exception to this policy, on a case-by-case basis. Exceptions might include:

- If a family with a disabled member is under-occupied in an accessible apartment.
- If a family requires the additional bedroom because of a health problem which has been verified by the LGHA.

D. UNIT SIZE SELECTED

The family may select a different size unit than that listed on the Voucher within the following criteria:

- Subsidy Limitation: LGHA will apply the Payment Standard for the smaller of (1) the bedroom size shown on the Voucher or (2) the size of the actual unit selected by the family.

- Utility Allowance: The utility allowance used to calculate the gross rent is based on the actual bedroom size of the unit the family selects, regardless of the size authorized on the family's Voucher.

- Housing Quality Standards (HQS): Generally, HQS allow two persons per bedroom or sleeping room and permit maximum occupancy levels as shown in the table on page 5-2. HQS allow living space (other than kitchen and bathroom) to be utilized as a sleeping room,

provided it meets minimum footage, lighting, and other requirements. The sleeping room will not be counted as a bedroom for purposes of determining Voucher subsidy standards.

CHAPTER 6:
FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION
[24 CFR Part 5, Subparts E and F; 982.153, 982.317, 982.551]

A. INTRODUCTION

LGHA will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and reexamination is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the regulations.

This chapter defines the allowable expenses and deductions to be subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with Federal Regulations and further instructions set forth in HUD Notices, Memoranda and Addenda. The formula for the calculation of TTP is specific and not subject to interpretation. LGHA's policies in this Chapter address those areas that allow LGHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

B. INCOME

Definitions

Income includes all amounts which are received on behalf of the family. For the purposes of calculating TTP, HUD defines what is to be included and what is to be excluded as income in the Federal Regulations. In accordance with this definition, all income that is not specifically excluded in the regulations is counted.

Annual Income is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Annual income is the amount of income prior to any HUD allowable expenses or deductions and does not include income that has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.

Averaging Income

When Annual Income cannot be anticipated for a full twelve months, LGHA may:

1. Average known sources of income to compute an annual income, or

2. Annualize current income.

The method used depends on the regularity, source and type of income.

If there are bonuses or overtime pay which the employer cannot anticipate for the next 12 months, bonuses and overtime received the previous year will be used unless the employer certifies that these payments are expected to be different in the coming year.
If, by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so as to reduce the number of interim adjustments.

C. INCOME OF TEMPORARILY AND PERMANENTLY ABSENT FAMILY MEMBERS

Temporarily Versus Permanently Absent

LGHA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

Temporarily absent is defined as away from the unit for less than 30 days.

Income of persons permanently absent will not be counted. Any member of the household will be considered permanently absent if s/he is away from the apartment for two consecutive months or sixty days except as otherwise noted in this Chapter.

It is the responsibility of the head or co-head of household or spouse to report changes in family composition. The LGHA will evaluate absences from the unit using the above policy guidelines.

The family will be required to notify the LGHA in writing within thirty (30) days when an adult family member moves out. The notice must contain a certification by the family as to whether the adult is temporarily or permanently absent.

If the family member will be permanently absent from the unit, the family must provide verification of the person's new address.

A time extension will be granted as an accommodation upon request by a person with a disability or handicap or health related reasons.

If an adult child goes into the military and leaves the household, they will be considered permanently absent.

If a member of the household is subject to a court order that restricts him/her from the home for more than two months, the person will be considered permanently absent.

Absence of Entire Family

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

Families are required to notify both LGHA and the owner before they move out of a unit and to provide information about any family absence from the unit. Families must notify LGHA and the owner if they are going to be absent from the apartment for more than 30 consecutive days.

HUD regulations require LGHA to terminate assistance if the entire family is absent from the apartment for a period of more than 180 consecutive calendar days. "Absence" means that no family member on the lease is residing in the apartment.

In order to determine if the family is absent from the apartment, LGHA may: write letters to the family at the unit; telephone the family at the unit; interview neighbors and verify if utilities are in service.

A person with a disability or a verified health reason may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD allowed 180 consecutive calendar days limit.

If requested by the family, LGHA may reinstate the family as an accommodation if the following applies:

- The absence, which resulted in termination of assistance, was due to a person's disability, age or health reason;
- LGHA can verify that the person was unable to notify the Authority in accordance with the family's responsibilities; and
- Funding is available.

Absence Due to Medical Reasons

If any family member leaves the household to enter a facility such as a hospital, nursing home, or rehabilitation center, LGHA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 30 consecutive days, the family member will be considered temporarily absent.

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

Absence Due to Incarceration

If the sole member is incarcerated for more than 60 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for two consecutive months or 60 days.

Absence of Children Due to Placement in Foster Care

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

If the time period is to be greater than six months from the date of removal of the child/ren, the Voucher size will be reduced. If all children are removed from the home permanently, the Voucher size will be reduced in accordance with the LGHA's subsidy standards.

Absence of Adult

If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period of time, LGHA will treat the adult as a visitor until a determination of custody is made.

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

When custody is determined, the income of the caretaker will be counted as family income for purposes of determining TTP.

Absence Due to Full-Time Student Status

A full-time student (other than head or co-head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent.

If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for a determination of Voucher size.

Minors and college students, who were part of the family but who now live away from home during the school year and are no longer on the lease, may visit for up to 180 days per year without being considered a member of the household. If the family decides that the member is temporarily absent, any income earned by the full-time student up to $480 a year will be counted as family income.

Visitors

Any adult not included on the Form HUD-50058, may be considered to be living in the unit as an unauthorized household member.

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

Absence of evidence of any other address will be considered verification that the visitor is a member of the household. Statements from neighbors and/or the landlord will also be considered in making the determination. Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

In a joint custody arrangement, if the minor is in the household less than 180 days per year, the minor will be considered to be an eligible visitor and not a family member.

D. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the LGHA will calculate income as follows and will use the income figure which would result in a lower payment by the family:

- Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member; or

- Include the income and deductions of the member if his/her income goes to a family member.

E. REGULAR CONTRIBUTIONS AND GIFTS

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every month or more frequently will be considered a “regular” contribution or gift, unless the amount is less than $300 per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts (see Chapter 8, “Verification Procedures,” for further definition).

If the family’s expenses exceed its known income, the LGHA will question the family about contributions and gifts.

F. ALIMONY AND CHILD SUPPORT

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, the LGHA must use the amount awarded by the court unless the family can verify that they are not receiving the full amount. LGHA will accept as verification that the family is receiving an amount less than the award if:

- LGHA receives verification from the agency responsible for enforcement or collection.

- The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

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

G. ASSETS AND INCOME FROM ASSETS

When net family assets are $5,000 or less, the actual income earned from assets is added to annual income. When net family assets exceed $5,000, the amount added to annual income as income from assets will be the greater of:

- Actual income from assets; or

- The amount that results from multiplying net family assets by the passbook rate established by the HUD Field Office for La Grange.

The value of family assets is the cash value of the asset to the family. The cash value is determined by subtracting from the current market value any expense that would be incurred to turn the asset into cash.

Lump-Sum Receipts

Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments (unemployment or welfare assistance) are counted as income. Lump-sum payments from Social Security or SSI are excluded from income, but may be considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

When LGHA is unable to verify income due to delays in processing a change to unemployment or welfare benefits, LGHA will calculate an interim rent decrease based on income sources without the unemployment or welfare payments. When the family's benefit payment has been approved, a second interim will be conducted to add the benefit income. The total income calculated in the second interim will include the family's regular periodic welfare or unemployment payment plus all of the lump-sum payment the family received as a result of the processing delay.

The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

Contributions to Retirement Funds

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

- While an individual is employed, LGHA will count as an asset only the amount the family can withdraw without retiring or terminating employment.

- After retirement or termination of employment, LGHA will count any amount the employee elects to receive as a lump-sum.

Assets Disposed of for Less Than Fair Market Value

LGHA must count assets disposed of for less than fair market value during the two years preceding certification or recertification. LGHA will count the difference between the market value and the actual payment received in calculating total assets.

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

The LGHA's minimum threshold for counting assets disposed of for less than fair market value is $10,000. If the total value of assets disposed of within a one-year period is less than $10,000, they will not be considered an asset.

H. ADJUSTED INCOME

Adjusted Income is defined as Annual Income minus any HUD allowable deductions.

HUD has five allowable deductions from Annual Income:

- *Dependent allowance*: $480 each for family members who are minors (other than the head or spouse or co-head) and for family members who are 18 years or older and full-time students or disabled.

- *Reasonable Child Care Expenses:* Deducted for the care of children under 13 when child care is necessary to allow an adult member to work, attend school, or actively seek employment.

- *Elderly/disabled allowance*: $400 per family for families whose head or spouse is 62 or over or disabled.

- *Allowable medical expenses*: Unreimbursed medical expenses which exceed three percent of Annual Income may be deducted for all family members of an eligible elderly/disabled family.

- *Allowable Disability Assistance Expenses:* Unreimbursed expenses exceeding three present of Annual Income which are for attendant care or auxiliary apparatus for persons with disabilities, may be deducted when the expenditure enables the individual or an adult family member to work. If a family has both Disability Assistance and Medical Expenses, the three percent of Annual Income is applied only once and always to the Disability Assistance expense first.

Child Care Expenses

Reasonable child care expenses for children under 13 years of age may be deducted from annual income if they enable an adult to work, attend school full time, or actively seek employment.

In the case of a child attending private school, only after-hours care can be counted as child care expenses.

Child care expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the child care. Examples of those adult members who would be considered unable to care for the child include:

- The abuser in a documented child abuse situation, or
- A person with disabilities or handicaps, or an older person unable to take care of a small child, as verified by reliable, knowledgeable professional, such as a doctor, social worker or case worker.

The maximum child care expense allowed is based on the following guidelines:

- Child care to work: Child care expenses allowed must be less than the amount earned by the person enabled to work. The person enabled to work will be the adult member of the household who earns the least amount of income from working.
- Child care for school: The number of hours claimed for child care may not exceed the number of hours the family member is attending school (including one hour travel time to and from school).

Medical Expenses

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, LGHA will refer to IRS Publication 502 as a guide.

Non-prescription medicines, supplies, apparatus must be doctor-recommended (written verification required) in order to be considered a medical expense. The family is required to furnish legible receipts.

I. "MINIMUM RENT" AND MINIMUM FAMILY CONTRIBUTION

Families are required to pay a minimum TTP (rent and utilities) of $50 a month.

LGHA may grant an exception to the minimum rent requirement when a family documents that the minimum rent would create a hardship because:

- Family has lost eligibility or is awaiting an eligibility determination for a Federal or local assistance program;
- Family would be evicted as a result of imposing the minimum rent requirement;

- Family's income has decreased because of changed circumstances including the loss of employment; or

- There has been a death in the family.

If a family requests a minimum rent hardship exception, LGHA will suspend the minimum rent charge and adjust the HAP payment effective the beginning of the month following the family's hardship request.

LGHA may request documentation of the hardship and will determine promptly whether a hardship exists and whether it is temporary or long term.

If LGHA determines that no hardship exists, the minimum rent will be imposed retroactively to the time of suspension.

If the hardship is determined to be temporary, the minimum rent will not be imposed for a period of 90 days from the date of the family's request but, at the end of that period, the minimum rent will be imposed retroactively to the time of suspension. A reasonable repayment agreement to cover minimum rent charges accumulated during the suspension will be offered.

If LGHA determines the hardship to be of long-term duration, the family will receive an exemption until the hardship no longer exists.

J. REDUCTION IN BENEFITS

If the family's benefits, such as social security, SSI or TANF, are reduced due to family error, omission, or misrepresentations, LGHA will use the gross amount of the benefit. If the family's benefits are reduced through no fault of the family, LGHA will use the net amount of the benefit.

If a family's TANF benefits are reduced or eliminated due to the family's failure to participate in an economic self-sufficiency program, to comply with a work requirement, or as a result of fraud, LGHA will not reduce rent to reflect the lost benefit.

LGHA will obtain written verification that the benefit reduction was caused by non-compliance or by fraud before denying a family's request for recertification of income and rent reduction. The prohibition against reducing rent will not apply when TANF benefits are lost because the lifetime limit on receipt of benefits has expired or in a situation where the family has complied with welfare requirements but cannot obtain employment. Any family denied a rent reduction after a loss of welfare benefits will be informed of its right to an informal hearing.

K. PRO-RATION OF ASSISTANCE FOR "MIXED" FAMILIES

Pro-ration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

"Mixed" families that were participants on June 19, 1995, and that do not qualify for continued assistance must be offered prorated assistance. (See Chapter 13, "Recertifications") Applicant mixed families are entitled to prorated assistance. Families that become mixed after June 19, 1995 by addition of an ineligible member are entitled to prorated assistance.

Pro-rated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Total Tenant Payment is the gross rent minus the prorated assistance.

L. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

LGHA will maintain an up-to-date utility allowance schedule. The Utility Allowance is intended to help defray the cost of utilities not included in the rent and is subtracted from the Total Tenant Payment to establish the family's rent to the landlord. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on the individual family's actual energy consumption.

LGHA will review and revise the utility allowance schedule annually. Revised utility allowances will be applied in a participant family's rent calculation at its next reexamination.

The approved utility allowance schedule is given to families at each briefing. The utility allowance is based on the actual unit size selected.

Where the utility allowance exceeds the family's Total Tenant Payment, LGHA will provide a utility reimbursement payment for the family each month. The check will be made out directly to the tenant.

CHAPTER 7:
VERIFICATION PROCEDURES
[24 CFR Part 5, Subparts B, D, E and F; 982.108]

A. INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment be verified by LGHA. Applicants and program participants must furnish proof of their statements whenever required by the LGHA, and the information they provide must be true and complete. LGHA's verification requirements are designed to maintain program integrity. This Chapter explains LGHA procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and family composition. LGHA will ensure that proper authorization from the family is always obtained before making verification inquiries.

B. METHODS OF VERIFICATION AND TIME LIMITS

LGHA will verify information through the four methods of verification acceptable to HUD in the following order:

1. Third-Party Written
2. Third-Party Oral
3. Review of Documents
4. Certification/Self-Declaration

LGHA will allow two weeks for return of third-party verifications and one week to obtain other types of verifications before going to the next method.

For applicants, verifications may not be more than 60 days old at the time of Voucher issuance. For participants, they are valid for 120 days from date of receipt.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first class mail. The family will be required to sign an authorization for the information source to release the specified information.

Verifications received electronically (faxed) directly from the source are considered third party written verification.

LGHA will not accept verifications that are hand-delivered by the family, except for computerized printouts from the following agencies:

- Social Security Administration
- Veterans Administration
- Welfare Assistance

- Unemployment Compensation Board
- City or County Courts

Third-Party Oral Verification

Oral third-party verification will be used when written, third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to complete a "Certification of Document Viewed or Person Contacted" form. On the form, staff must note with whom they spoke, the date and time of the conversation, and the facts provided. LGHA staff will compare the information provided to any documents provided by the Family. If verification is provided by telephone, LGHA staff must originate the call.

Review of Documents

In the event that third-party verification is unavailable or the information has not been verified by the third party within two weeks, LGHA will note the file accordingly and utilize documents provided by the family as the primary source of verification, only if the documents provide complete information.

All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed but cannot be photocopied, staff viewing the documents(s) will complete a "Certification of Document Viewed or Person Contacted" form.

The LGHA will accept the following documents from the family, provided there is no evidence of tampering and that the document contains sufficient information.

- Printed wage stubs;
- Computer print-outs from the employer;
- Signed letter (provided that the information is confirmed by phone); and
- Other documents noted in this Chapter as acceptable verification.

The LGHA will accept electronic (faxed) documents. LGHA will not accept photocopies.

If third-party verification is received after documents have been accepted as provisional verification and there is a discrepancy, LGHA will utilize the third-party verification.

LGHA will not delay the processing of an application beyond 30 days because a third-party information provider does not return the verification in a timely manner.

Self-Certification/Self Declaration

When verification cannot be made by a third-party verification or review of documents, families will be required to submit a self-certification. Self-certification means a notarized statement and must be witnessed.

C. RELEASE OF INFORMATION

The family will be required to sign specific authorization forms when information is needed that is not covered by the Form HUD-9886, Authorization for Release of Information. Each member requested to consent to the release of information will be required to review and sign appropriate forms. Copies will be provided upon request.

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

D. COMPUTER MATCHING

Where allowed, computer matching may be used to verify the accuracy of income reporting.

E. ITEMS REQUIRING VERIFICATION

- All income not specifically excluded by the regulations.
- Zero-income status of household.
- Full-time student status including high school students who are 18 or over.
- Current assets, including assets disposed of for less than fair market value in the preceding two years.
- Child care expense when child care allows an adult family member to be employed, to seek employment, or to further his/her education.
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled.
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus that allow an adult family member to be employed.
- U.S. citizenship or eligible immigrant status.
- Social Security numbers for all family members six years of age or older who have been issued a number.
- Qualification of preferences.
- Familial/marital status when needed for head or spouse definition.
- Disability status for determination of preferences, allowances or deductions.
- Pregnancy of a woman who applies to live alone as a family.

- Documentation for need of live-in aide.
- Insurance/ownership/tax form ID of property owner.
- Any other information required to ensure program compliance.

F. VERIFICATION OF INCOME

Employment Income

Acceptable methods for verifying employment income include, in this order:

- Employment verification form completed by the employer or completed by LGHA staff via telephone conversation with employer when staff initiates the call.
- Check stubs or earning statements indicating the employee's gross pay, frequency of pay or year to date earnings.
- W-2 forms plus income tax return forms.
- Income tax returns signed by the family for verification of self-employment income or income from tips and other gratuities.

Employers must specify the following on the verification forms:

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

When doubt regarding income exists, applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income. Referrals to the IRS for confirmation will be made on a case-by-case basis.

Social Security, Pensions, Supplementary Security Income(SSI) and Disability Income

Acceptable methods of verification include, in this order:

- Computer report electronically obtained through the Tenant Eligibility Verification System (TEVS) or a hard copy.
- Benefit verification form completed by agency providing the benefits.
- Award or benefit notification letters provided by the providing agency.
- Bank statements for direct deposits.

Unemployment Compensation

- Verification form completed by the unemployment compensation agency.
- Computer printouts from unemployment office stating payment dates and amounts.

Welfare Payments or General Assistance

- LGHA verification form with computer printout completed by payment provider.
- Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.
- Computer-generated Notice of Action.

Alimony or Child Support Payments

- Copy of separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- Notarized letter from person paying the support.
- Copy of latest check and/or payment stub from a court trustee. LGHA must record the date, amount, and number of the check.
- Family's self-certification of amount received and the likelihood of support payments being received in the future, or self-certification that support payments are not being received.
- If payments are irregular, copy of separation or settlement agreement or divorce decree stating the amount and type of support and payment schedules *and* one of the following:
    - Statement from agency responsible for enforcing payments demonstrating that the family has filed for enforcement;
    - Welfare notice of action showing amounts received by the welfare agency for child support; or

- Written statement from an attorney certifying that a collection or enforcement action has been filed.

Net Income from a Business

- IRS Form 1040, including:
  - Schedule C (Small Business);
  - Schedule E (Rental Property Income); and/or
  - Schedule F (Farm Income).

- Documents such as manifests, appointment books, cash books, bank statements, and receipts. These documents will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.

- Credit report or loan application.

Child Care Business

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

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

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

Recurring Gifts

- Self-certification containing the following information:

  - Name of gift-provider;
  - Value of gift;
  - Regularity (dates) of gift; and
  - Purpose of gifts.

Zero Income Status

Families claiming to have no income will be required to file for assistance and execute verification forms to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household.

LGHA will request written verification from the agency that the family is not eligible for assistance, i.e., unemployment, TANF, SSI, etc.

LGHA will request information from IRS.

LGHA may check records of other departments in the jurisdiction that have information about income sources of customers.

Full-Time Student Status

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

G. ACCEPTABLE METHODS FOR VERIFICATION OF INCOME FROM ASSETS

Checking and Savings Account Interest Income and Dividends

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

Interest Income from Mortgages or Similar Arrangements will be verified by:

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

Net Rental Income from Property Owned by Family

- IRS Form 1040 with Schedule E (Rental Income).
- Copies of latest rent receipts, leases, or other documentation of rent amounts.
- Documentation of allowable operating expenses of the property: tax statements, insurance invoice, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
- Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

H. ACCEPTABLE METHODS OF Verification of Assets

LGHA will require the necessary information to determine the current cash value of the asset, i.e. the net amount the family would receive if the asset were converted to cash.

Family Assets

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

Assets Disposed of for Less than Fair Market Value

LGHA will obtain the family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for less than fair market value, the verification or certification must show:

- All assets disposed of for less than fair market value;
- Date assets were disposed of;
- Amount the family received; and
- Market value of the assets at the time of disposition.

Third party verification will be obtained whenever possible.

I. ACCEPTABLE METHODS OF VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

Child Care Expenses

- Written verification from the person who receives the payments. If the child care provider is an individual, a statement of the amount the individual is charging the family for the service. Verifications must specify the name of the child care provider, address, telephone number, Social Security number, names of children cared for, number of hours cared for, rate of pay, and typical yearly amount paid, including school and vacation periods.

- Family certification as to whether any of the child care payments have been or will be paid or reimbursed by outside sources.

Medical Expenses

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

- Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.

- Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

- Written confirmation from the Social Security Administration indicating the amount of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

Attendant Care

- Reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

- Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or paycheck stubs from the agency providing the services.

- Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

- Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

- Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. LGHA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.

LGHA will use mileage at the **IRS** rate, or cab, bus fare, or other public transportation directly related to medical treatment.

Assistance to Persons with Disabilities

- Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independent to enable another family member to be employed.

- Family certification as to whether it receives reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care

- Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

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

Auxiliary Apparatus

- Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.

- In the case where the person with disabilities or handicaps is employed, statement from the employer that the auxiliary apparatus is necessary for employment.

J. ACCEPTABLE METHODS OF VERIFICATION OF NON-FINANCIAL FACTORS

Legal Identity of Adults

- Current, valid Driver's License (Photo Only)
- U.S. military discharge (DD 214)
- U.S. passport
- Department of Motor Vehicles Identification Card (Photo only)
- Certificate of Birth, naturalization papers
- Church-issued baptismal certificate
- Voter's registration
- Company/agency identification card
- Hospital records
- Census data

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

Legal Identify of Minors

- Certificate of Birth
- Adoption papers
- Custody agreement
- School records

Marital Status

- For divorce, certified copy of the divorce decree, signed by a Court Officer.

- For separation, a copy of court-ordered maintenance or other records.

- For marriage, copy of marriage certificate.

Familial Relationships

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification as follows:

- To verify relationship, official identification showing names or birth certificates.

- To verify guardianship:

    - Court-ordered assignment;
    - Affidavit of parent;
    - Verification from social services agency; or
    - School records.

Examples of a stable family relationship include joint bank accounts or other shared financial transactions, leases or other evidence of prior cohabitation, and credit reports showing relationship.

Permanent Absence of Adult Household Member

- Legal papers documenting a spouse instituted a divorce action.

- Legal papers documenting a spouse instituted a legal separation.

- Order of protection/restraining order obtained by one family member against another.

- Proof of another home address, such as utility bills, canceled rent check, drivers license, or lease or rental agreement, if available.

- Statements from other agencies such as social services or written statement from the landlord or manager that the adult family member is no longer living at that location.

- If the adult family member is incarcerated, a document from the Court or prison stating how long the member will be incarcerated.

Change of Family Composition

The LGHA may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspection, landlords, neighbors, school or Department of Motor Vehicles records, and other sources.

Disability

- Receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 (7).

- Verification by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker, using the HUD language as the verification format.

Citizenship/Eligible Immigrant Status

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare his/her status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the LGHA hearing is pending.

- Citizens or Nationals of the United States: Signed declaration under penalty of perjury. LGHA will not require citizens to provide documentation of citizenship.

- Eligible Immigrants who were Participants and 62 or over on June 19, 1995: Signed declaration of eligible immigration status and proof of age.

- Noncitizens with eligible immigration status: Signed declaration of status and verification consent form and submission of original immigration documents to LGHA, which are to be copied and returned to the family. LGHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, LGHA must request within ten days that the INS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Noncitizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in. Once verification has been completed for any covered program, it need not be repeated except, in the case of port-in families, if the initial PHA does not supply the documents, the LGHA must conduct the determination.

Extension must be given for persons who declare their eligible immigration status but need time to obtain the required documents. The length of the extension shall be based on individual circumstance. The LGHA will generally allow up to 60 days to provide the document or a receipt issued by the INS for issuance of replacement documents.

Only the following documents are acceptable documents of eligible immigration, unless changes are published in the *Federal Register*.

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS for a replacement of any of the above documents that shows that the individual's entitlement has been verified.

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept by LGHA for five years.

Social Security Numbers

Social Security numbers must be provided as a condition of eligibility for all family members age six and older if they have been issued a number. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration. If a family member cannot produce a Social Security Card, only the documents listed below showing his or her Social Security number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

- Driver's license (photo only)

- Identification card issued by a Federal, State, or local agency

- Identification card issued by medical insurance company or provider, including Medicare and Medicaid.

- IRS Form 1099.
- Benefit award letter from government agency.
- Retirement benefit letter.
- Verification of benefits or Social Security Number from Social Security Administration.

New family members age six or older will be required to produce their Social Security card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the LGHA.

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

In the case of an individual at least 62 years of age, the LGHA may grant an extension for an additional 30 days to a total of 60 days. If, at the end of this time, the elderly individual has not provided documentation, the family's assistance will be terminated.

If the family member states he or she has not been issued a number, the family member will be required to sign a certification to that effect.

Medical Need for Larger Unit

- Written certification that a larger unit is necessary must be through a written certification from a reliable, knowledgeable professional.

CHAPTER 8:
BRIEFING AND VOUCHER ISSUANCE
[24 CFR 982.301, 982.302]

A. INTRODUCTION

LGHA's objectives are to assure that families selected to participate in the Section 8 Program are successful in leasing a suitable apartment, and that they have sufficient knowledge to derive maximum benefit from the program and to comply with program requirements. When families are determined eligible, LGHA will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, LGHA procedures, and how to lease a unit. The family will also receive a briefing packet, which provides more detailed information about the program, including the benefits of moving outside areas of concentration. This Chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition, income, etc. will be handled.

B. ISSUANCE OF VOUCHERS

When funding is available, LGHA will issue Vouchers to eligible applicants. Voucher issuance must be within the dollar limitations set by the Annual Contributions Contract (ACC) budget.

The number of Vouchers issued must ensure that LGHA maintains maximum lease-up. LGHA performs a monthly calculation to determine whether applications can be processed, the number of Vouchers that can be issued, and to what extent LGHA can over-issue.

The LGHA may over-issue Vouchers only to the extent necessary to meet leasing goals. All Vouchers that are over-issued must be honored. If LGHA finds it is over-leased, it must adjust future issuance in order not to exceed the ACC budget limitations over the fiscal year.

C. BRIEFING TYPES AND REQUIRED ATTENDANCE

Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefing will be conducted in group and/or individual meetings. Families who attend a group briefing but need individual assistance will be met individually by LGHA staff.

The purpose of the briefing is to explain the documents in the Voucher Briefing Packet so that the family is fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The LGHA will not issue a Voucher to a family unless the household representative (head of household, co-head or spouse) has attended a briefing and signed the Voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend two scheduled briefings without prior notification and approval of LGHA, may be denied admission based on failure to supply information needed for certification. The LGHA will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

Briefing Packet

The documents and information provided in the briefing packets will comply with all HUD requirements. LGHA also includes other information and/or materials not required by HUD.

The family is provided with the following information and materials:

- Term of the Voucher and LGHA policy for requesting extensions to the term of the Voucher or suspensions of the Voucher.
- Description of the method used to calculate the Housing Assistance Payment and information on Payment Standards and Utility Allowances.
- Explanation of how the maximum allowable rent is determined, including procedures for determining rent reasonableness.
- Guidance and materials to assist the family in selecting a unit, such as proximity to employment, public transportation, schools, shopping, and the accessibility of services. Guidance will also be provided to assist the family to evaluate the prospective unit, such as the condition, whether the rent is reasonable, average utility expense, energy, and security.
- Explanation of the portability option.
- Sample of the HUD tenancy addendum.
- Request for Lease Approval form and a description of the procedure for requesting approval for a unit.
- LGHA policy on providing information about families to prospective owners.
- Subsidy Standards, including when and how exceptions are made and how unit size listed on Voucher relates to the unit size selected.
- HUD brochure, “A Good Place to Live” on how to select an apartment that complies with HQS.
- HUD brochure on lead-based paint and information about where blood level testing is available.

- Information on Federal, State, and local equal opportunity laws, including the pamphlet "Fair Housing: It's Your Right". LGHA will also include information on reporting suspected discrimination and the phone numbers of the Local Fair Housing Agency and the HUD enforcement office.

- A list of landlords or other parties willing to lease to assisted families or help in the housing search. In addition, a list of available housing units in all neighborhoods submitted by owners as available upon request at LGHA's front desk

- If the family includes a person with disabilities, notice that the LGHA will provide assistance in locating accessible units and a list of available accessible units known to the LGHA.

- Family Obligations under the program.

- Grounds for termination of assistance because of family action or failure to act.

Other Information to be Provided at the Briefing

The person conducting the briefing will also describe how the program works and the relationship between the family and the owner, the family and the LGHA, and the LGHA and the owner.

The briefing interview presentation emphasizes:

- Family and owner responsibilities.
- Where a family may lease a unit inside and outside its jurisdiction.
- How portability works for families eligible to exercise portability.
- Advantages to moving to areas with low concentrations of poor families if the family currently is living in a high poverty census tract in the LGHA jurisdiction.
- Choosing an apartment carefully.
- Family Self-Sufficiency Program.

If the family includes a person with disabilities, LGHA will ensure compliance with 24 CFR 8.6 to ensure effective communication.

A written notice will be given to the family explaining that they have a right to select any unit that qualifies for the program and the choice of LGHA-owned housing must be made freely.

Owner Briefing

Briefings are held for owners at least once per year. All new owners receive a personal invitation and current owners are notified by mail. Prospective owners are also welcome. The purpose of the briefing is to assure successful owner participation in the program.

D. TERM OF VOUCHER

During the briefing session, each household will be issued a Voucher, which represents a contractual agreement between the LGHA and the family and specifies the rights and responsibilities of each party. It does not constitute admission to the program, which occurs when the lease and contract become effective.

Expirations

The Voucher is valid for a period of 60 calendar days from the date of issuance. The family must submit a Request for Lease Approval within the 60 day period unless an extension has been granted by LGHA.

If the Voucher expires and is not extended by the LGHA, or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, it may remain as a participant in the unit if there is an assisted lease/contract in effect.

Suspensions

When a Request for Lease Approval (RLA) is received, the term of the Voucher will be suspended until a lease and contract have been executed for the unit or LGHA determines that leasing the unit is not feasible. If the unit cannot be leased, LGHA will change the expiration date on the voucher and provide the family the same number of search days which remained in the term on the date the RLA was submitted.

Extensions

A family may request an extension of the Voucher time period. All requests for extensions must be received prior to the expiration date of the Voucher. Extensions are permissible at the discretion of the LGHA up to a maximum of 60 days, primarily for these reasons:

- Extenuating circumstances, such as hospitalization or family emergency, which has affected the family's ability to find a unit within the 60 day period. Verification is required.

- LGHA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the LGHA, throughout the initial 60 day period. A completed search record is required.

- Family was prevented from finding an apartment due to the need to locate an accessible unit to accommodate a disabled family member or to the family's need for a unit with four or more bedrooms. A completed search record is required as part of the verification.

Upon receiving satisfactory documentation of one of the above, LGHA will provide extensions of 30 days.

E. ASSISTANCE TO VOUCHER HOLDERS DURING SEARCH

Families who require additional assistance during their search may call the LGHA to request assistance. Voucher holders will be notified at the briefing that the LGHA periodically updates the listing of available units and how the updated list may be obtained. The LGHA will assist families with negotiations with owners and provide other assistance related to the families' search for housing, including assistance in locating units outside of areas of concentration.

F. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS

When a family assisted under the Section 8 Program becomes divided into two otherwise eligible families due to divorce, legal separation or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, LGHA shall consider the following factors to determine which of the families will continue to be assisted:

- Which of the two new family units has custody of dependent children.
- Which family member was the head of household at issuance (listed on the initial application).
- Composition of the new family units, including which unit contains elderly or disabled members.
- Whether domestic violence was involved in the breakup.
- Which family members remain in the unit.
- Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties. If documentation is not provided, LGHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

Where the breakup of the family also results in a reduction in the number of bedrooms required for a family in the Certificate program, the family will be issued a Voucher to search for a unit of appropriate size. LGHA will assist the family by providing information on available units of appropriate size. At the end of the Voucher term, if the family has rejected an opportunity to select another appropriate unit, the family's assistance under the Certificate program will be terminated. The family will have the option of remaining in place with Voucher funding.

G. RETENTION OF CERTIFICATE/VOUCHER FOR REMAINING MEMBER OF TENANT FAMILY

To be considered the remaining member of the tenant family, the person must have been previously approved by LGHA to be living in the unit. A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

In order for a minor child to continue to receive assistance as a remaining family member, the court must have awarded emancipated minor status to the minor, or LGHA must have verified that the appropriate agency has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.

A reduction in family size may require a reduction in the Certificate or Voucher size.

CHAPTER 9:
REQUEST FOR LEASE APPROVAL AND CONTRACT EXECUTION

A. INTRODUCTION

After families are issued a Voucher, they may search for a unit anywhere within the jurisdiction of LGHA, or outside of LGHA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments (HAP) contract with LGHA. This Chapter defines the types of eligible housing and LGHA policy regarding initial inspections, lease requirements, owner disapproval, and the processing of Requests For Lease Approval (RLA).

B. REQUEST FOR LEASE APPROVAL [24 CFR 982.305 (B)]

The RLA and a copy of the proposed Lease must be submitted by the family during the term of the Voucher.

The RLA must be signed by both the owner and Voucher-holder.

LGHA will not permit the family to submit more than one RLA at a time.

Approval of RLA

LGHA will review the RLA to determine whether or not it will be approved. The request will be approved if:

- Total Tenant Payment is within 40% of the family's adjusted monthly income.
- Unit is an eligible type of housing.
- Unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan).
- Rent is reasonable (See Section G).
- Security deposit amount is approvable (Pursuant to State law).
- Proposed lease complies with HUD and LGHA requirements as well as State and local law (See Section D).
- Owner is approvable, and there are no conflicts of interest (See Section J).

Disapproval of RLA

If LGHA determines that the request cannot be approved for any reason, the landlord and the family will be notified in writing. LGHA will instruct the family of the steps that are necessary to approve the Request.
The family will be given five calendar days to submit an approvable RLA from the date of disapproval.

If, for any reason, an RLA is not approved, LGHA will furnish another RLA form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.

C. ELIGIBLE TYPES OF HOUSING

LGHA will approve any of the following types of housing in the Voucher program:

- All structure types can be utilized.
- Manufactured homes where the tenant leases the mobile home and/or the pad.
- Independent group residences.
- Congregate facilities (only the shelter rent is assisted).
- Single-Room Occupancy.
- Units owned (but not subsidized) by the LGHA (following HUD-prescribed requirements).

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad.

A family may lease and have an interest in a cooperative housing development.

Unless its lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. LGHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

The LGHA may not permit a Voucher holder to lease a unit which is receiving Project-Based Section 8 assistance or any duplicative rental subsidies.

The LGHA will not approve:

- Unit occupied by the owner or by any person with an interest in the unit, other than manufactured homes described above.
- Nursing homes or other institutions that provide care.
- School dormitories and institutional housing.
- Any other types of housing prohibited by HUD.

D. LEASE REVIEW

The LGHA will review the lease, particularly noting the approvability of optional charges and compliance with regulations and Texas law. Responsibility for utilities, appliances and optional services must correspond to those provided on the RLA.

Owners may either submit their own lease or permit LGHA to furnish the lease. In cases where the owner's lease is used, the HUD tenancy addendum must be attached and executed.

LGHA encourages owners to use a sample lease provided by the LGHA, which includes the HUD-mandated language. House Rules of the owner may be attached to the lease as an addendum, provided they must be approved by LGHA to ensure they do not violate any fair housing HUD Provisions.

E. SEPARATE AGREEMENTS

Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.

Owners and families may execute separate agreements for appliances (other than HQS requirements such as utilities, range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the LGHA.

Any appliances, services or other items routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item. LGHA is not liable for unpaid charges for items covered by separate agreements, and nonpayment of these agreements cannot be cause for eviction.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.

All agreements for special items or services must be attached to the lease approved by the LGHA. If agreements are entered into a later date, they must be approved by the LGHA and attached to the lease.

LGHA will approve agreements for modifications to the unit for persons with disabilities. The modifications are usually within the dwelling and are critical to the use of the dwelling. If the owner makes modifications to the unit, the costs should be recovered through the rent collected, not by having the tenant pay for the modifications. An exception would be considered if the modifications are such that they most likely would be removed if the tenant moved out.

F. INITIAL INSPECTIONS

See Chapter 11: Housing Quality Standards and Inspections.

G. RENT LIMITATIONS

LGHA will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

In addition, even when the rent is determined to be reasonable within local rental market conditions, the family may not enter into a lease for the unit if the total tenant payment for the unit will be greater than 40% of the family's adjusted monthly income.

If the proposed Gross Rent is not reasonable or the TTP will exceed 40% of the family's adjusted monthly income, at the family's request, LGHA will negotiate with the owner to reduce the rent to a reasonable rent.

If the rent can be approved by taking the above steps, LGHA will continue processing the Request for Lease Approval and Lease. If the revised rent involves a change in the provision of utilities, a new Request for Lease Approval must be submitted by the owner.

If the owner does not agree on the Contract Rent after LGHA has tried and failed to negotiate a revised rent, LGHA will inform the family and owner that the lease is disapproved.

H. SECURITY DEPOSIT REQUIREMENTS

Leases Effective on or after October 2, 1995

Security deposits charged by owners may not exceed those charged to unassisted tenants nor the maximum prescribed by Texas law.

Leases Effective Prior to October 2, 1995

The amount of security deposit an owner could have collected under contracts effective prior to October 2, 1995 is:

- Under the Certificate Program, an amount not to exceed Total Tenant Payment at move-in or $50.00, whichever was greater.

- For the Voucher Program, an amount not to exceed one month's rent at move-in.

I. INFORMATION TO OWNERS

The LGHA is required to provide prospective owners with the address of the applicant and the names and addresses of the current and previous landlords, if known. LGHA will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

LGHA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, eviction history, damage to units, and other factors related to the family's suitability as a tenant.

Upon written request from a prospective landlord, LGHA will provide any of the following information regarding a family's tenancy history during the past three years based on *documentation in its possession* relating to*:*

- Eviction history.
- Damage to rental units.
- Other aspects of tenancy history; including complaints from neighbors or landlords.

The information will be provided orally and/or in writing. Only supervisory staff may provide this information. LGHA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

J. OWNER DISAPPROVAL

For purposes of this section, "owner" includes a principal or other interested party.

LGHA may disapprove the owner for any of the following reasons:

- Owner has a history or practice of failing to terminate the tenancy of residents occupying units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

  - Threatens the right to peaceful enjoyment;

  - Threatens the health or safety of other residents, or employees of the PHA or of owner employees or other persons engaged in management of the housing;

  - Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity or the premises; or,

  - Is engaged in drug-related criminal activity or violent criminal activity.

- Owner has violated obligations under the Housing Assistance Payments contract, including but not limited to:

  - Having a history or practice of non-compliance with the HQS for units leased under the Section 8 programs;

  - Having a history or practice of renting units that fail to meet local housing codes; or

  - Committing fraud, bribery or any other corrupt act in connection with the Section 8 program or any other federal housing program.

- Engaging in any drug-related criminal activity or any violent criminal activity.

- Not paying Texas real estate taxes, fines or assessments, water and sewerage bills.

- Owner has a conflict of interest as described in HUD regulation 24 CFR 982.161(a) and would therefore be unable to enter into a contract with LGHA; or owner is employed by LGHA as a member of the Section 8 Program staff or is a LGHA Commissioner.

- When HUD has informed LGHA that disapproval is required because:

  - Owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24;

  - Federal government has instituted an administrative or judicial action against the owner for violating the Fair Housing Act or other federal equal opportunity requirements and such action is pending;

  - Court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

Before imposing any penalty against an owner, LGHA will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

If an owner commits fraud or abuse or is guilty of frequent or serious contract violations, LGHA may restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. LGHA may terminate some or all contracts with the owner.

If the landlord has been overpaid as a result of fraud, misrepresentation, or violation of the Contract, LGHA may terminate the Contract and arrange for restitution to LGHA and/or the family, as appropriate.

K. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

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

L. CONTRACT EXECUTION PROCESS

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

For new owners, the documents are signed at a Signature Briefing attended by the owner, family, and a representative of the LGHA. The briefing covers the responsibilities and roles of the three parties.

LGHA makes every effort to execute the HAP contract before the commencement of the lease term. No payments will be made until the HAP contract is executed.

Only the LGHA Executive Director is authorized to execute a contract on behalf of the LGHA.

Each owner must provide the following information to LGHA:

- Current address of his/her residence (not a Post Office box);
- Business and home telephone number;
- Employer Identification Number or Social Security Number;
- Copy of Driver's License or other photo identification;
- Proof of ownership of the property, Grant Deed and Tax Bill or water and sewer bill;
- Copy of the Management Agreement, if property is managed by a management agent;
- Copy of the current insurance policy.

M. CHANGE IN OWNERSHIP

A change in ownership requires execution of a new contract.

LGHA will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title and the Employee Identification Number or Social Security number of the new owner.

LGHA must receive a written request by the old owner in order to change the HAP payee and/or the address to which payment is to be sent.

CHAPTER 10:
HOUSING QUALITY STANDARDS AND INSPECTIONS
[24 CFR 982.401]

A. INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and HAP contract. LGHA will inspect each unit under contract at least annually. LGHA will also perform a quality control inspection of at least five percent of all units under contract annually to maintain LGHA's required standards and to ensure consistency.

HQS standards may be enhanced by LGHA, provided that by doing so, LGHA does not overly restrict the number of units available for lease under the program. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and LGHA requirements. This Chapter describes LGHA's procedures for performing HQS and other types of inspections and standards for the timeliness of repairs. It also explains the responsibilities of the owner and family and the consequences of non-compliance with HQS requirements for both families and owners.

B. GUIDELINES/TYPES OF INSPECTIONS

LGHA has adopted local requirements of acceptability in addition to those mandated by the HUD Regulations. All units must meet the minimum standards set forth in the La Grange Housing Codes. In cases of inconsistency between the Code and these HQS, the stricter of the two shall prevail.

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards.

All utilities must be in service at the initial inspection. If the utilities are not in service at the time of inspection, the Inspector will notify the tenant or owner (whoever is responsible for the utilities according to the RLA) to have the utilities turned on. The Inspector must return to certify that the utilities are on.

The stove must be present when the unit is inspected.

There are five types of inspections the LGHA will perform:

- Initial/Move-in
- Annual

- Special/Complaint
- Move-Out/Vacate
- Quality Control

Initial/Move-In Inspections

The Initial/Move-In Inspection is conducted to:

- Determine if the unit and property meet HQS, as defined in this Plan.
- Document the current condition of the unit to assist in future evaluations to determine whether the condition of the unit exceeds normal wear and tear.
- Document the information to be used for determination of rent-reasonableness.

LGHA will conduct the initial inspection within a reasonable time after receiving a RLA from the family. Every effort will be made to conduct the inspection within 15 days of receiving the RLA.

If the unit fails the initial HQS inspection, the family and owner will be advised to notify LGHA once repairs are completed. The owner will be given up to 30 days to correct the deficiencies identified depending on the amount and complexity of work to be done.

The owner will be allowed up to two re-inspections for repair work to be completed.

If the time period given by the Inspector to correct the repairs has elapsed, or the maximum number of failed re-inspections has occurred, the family must select another unit.

Annual Inspections

The LGHA conducts HQS inspections at least annually, generally 90 days prior to the anniversary date of the contract but always at least 60 days prior to the anniversary of the previous inspection. Special inspections may be scheduled between anniversary dates.

HQS deficiencies which cause a unit to fail must be corrected by the landlord, unless the tenant is responsible for the deficiency.

The family must allow the LGHA to inspect the unit at reasonable times with reasonable notice. Reasonable times to conduct an inspection are on business days only between the hours of 9:00 a.m. and 4:00 p.m. Exceptions may apply. LGHA will notify the family in writing at least seven days prior to the inspection.

The family is notified of the date and time of the inspection appointment by mail. If the family is unable to be present, they must reschedule the appointment so that the inspection is completed within ten days.

If the family does not contact LGHA to reschedule the inspection, or the family misses two inspection appointments, LGHA will consider the family to have violated a Family Obligation and its assistance will be terminated in accordance with the termination procedures in the Plan.

When the inspection has been completed, the owner and the family will be informed in writing of any items which failed to meet HQS standards and must be repaired or replaced and of the date on which LGHA will reinspect to certify completion of the required work. The owner must notify the LGHA when the repairs have been completed.

Reinspection

The family is mailed a notice of the reinspection appointment. If the family is not at home for the reinspection appointment, a card will be left at the unit, and the tenant is responsible to call for another appointment.

The family is also notified that it is a Family Obligation to allow LGHA to inspect the unit. If the family was responsible for a breach of HQS identified in Chapter 16 of this Plan, it will be advised of its responsibility to correct the deficiency.

If the Inspector is unable to gain access to the unit for the re-inspection, HAP payments are abated as of the first day of the month following the re-inspection. HAP payments cannot begin again until the inspector is able to enter the unit and determine that the unit meets HQS standards. If the inspector has been unable to gain access at the time of the second attempt to conduct a re-inspection, the owner will receive a Notice of Contract Termination (see Chapter 15).

If the family is responsible for the HQS failure and has failed to make the required correction, the family will receive a Notice of Termination of Assistance (see Chapter 16).

Time Standards for Repair

Emergency items which endanger the family's health or safety must be corrected within 24 hours of notification.

For non-emergency items, repairs must be made within 30 days.

Rent Increases

LGHA will conduct an inspection using HQS and other standards approved in this Administrative Plan at least annually prior to the date of the last inspection. Rent increase requests will not be approved if the unit is in a failed condition.

Special/Complaint

If at any time, a family, owner, agency, or third party requests a special inspection, LGHA will conduct an inspection. LGHA will inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

Move-Out/Vacate

A move-out inspection will be performed at the landlord's request if a claim is to be submitted for a contract effective before October 2, 1995.

Quality Control

Quality Control inspections will be performed by the Executive Director or his/her designee on at least five percent of the units inspected by each inspector. The purpose of Quality Control inspections is to ascertain that the inspector is conducting accurate and complete inspections and to ensure that there is consistency in application of the HQS.

C. EMERGENCY REPAIR ITEMS

Emergency repair items must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the Housing Inspector. Items considered to be of an emergency nature include but are not limited to the following.

- Lack of security for the unit.
- Waterlogged ceiling in imminent danger of falling.
- Major plumbing leaks or flooding.
- Natural gas leak or fumes.
- Electrical problem which could result in shock or fire.
- No heat between October 15 and April 15.
- Utilities not in service.
- No running hot water.
- Broken glass where someone could be injured.
- Obstacle that prevents tenant's entrance or exit.
- Lack of functioning toilet.

In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to effect the repair, proper authorities will be notified by LGHA.

If the emergency repair item(s) are not corrected in the time period required by LGHA, and the owner is responsible, the HAP payment will be abated and the HAP contract may be terminated.

If the emergency repair item(s) are not corrected in the time period required by the LGHA, and it is an HQS breach which is a family obligation, LGHA will terminate the assistance to the family and the owner's payment will not be abated for the month following breach of HQS.

D. DETERMINATION OF RESPONSIBILITY

The family is responsible for breaches of HQS caused by:

- Tenant-paid utilities not in service;
- Failure to provide or maintain family-supplied appliances; and
- Damages to the unit or premises caused by a household member or guest beyond normal wear and tear, as defined in Chapter 18.

The owner is responsible for all other HQS violations.

The owner is responsible for eliminating vermin infestation, even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. LGHA may terminate the family's assistance on that basis.

The inspector will make the determination of owner or family responsibility during the inspection. The owner or tenant may appeal this determination through an informal hearing within fourteen (14) days of the inspection.

If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

E. CONSEQUENCES IF OWNER IS RESPONSIBLE -NON-EMERGENCY ITEMS

When it has been determined that a unit in the program fails to meet HQS, and the owner is responsible for completing the necessary repair(s), LGHA will conduct a reinspection to insure repairs are completed within the time period specified by LGHA. If repairs are not completed within the time period specified, the assistance payment to the owner will be abated.

Abatement

A Notice of Abatement will be sent to the owner, and the abatement will be effective on the first day of the month following the date of the failed reinspection.

The LGHA will inspect abated units within seven days of the owner's notification to LGHA that the work has been completed.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection.

The family will be notified of the re-inspection date.

No retroactive payments will be made to the owner for the period of time while the rent was abated and the unit did not comply with HQS.

Termination of Contract

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the reinspection, the owner will be sent a HAP Contract Proposed Termination Notice with the Notice of Abatement. The abatement will remain in effect until repairs are completed or the contract is terminated.

If repairs are completed, the owner or the tenant must notify LGHA and request an inspection before the effective termination date. If the unit is in compliance with HQS, the termination will be rescinded by LGHA if the tenant chooses to remain in the unit. Only two HQS inspections will be conducted after the termination notice is issued.

Extension

LGHA may grant an extension in lieu of termination of assistance in the following cases:

- Owner has a good history of HQS compliance.
- There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services.
- The repairs are expensive (such as exterior painting or roof repair) and the owner needs time to obtain the funds.
- The repairs must be delayed due to climate conditions.

The extension will be made at the discretion of LGHA for a period of time not to exceed 30 days. At the end of the extension, if the work is not completed, LGHA will terminate the contract and the tenant will be issued a voucher. LGHA may, on a case by case basis, issue a longer extension.

F. CONSEQUENCES IF FAMILY IS RESPONSIBLE

If non-emergency violations of HQS are determined to be the responsibility of the family, LGHA will require the family to make any repair(s) or corrections within 30 days. If the repair(s) or correction(s) are not made in this time period, LGHA will terminate assistance to the family. Extensions are approved on a case by case basis, by the Executive Director or his or her designee. The owner's rent will not be abated for items which are the family's responsibility.

If the tenant is responsible and corrections are not made, the HAP Contract will terminate when assistance is terminated.

CHAPTER 11:
OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS
[24 CFR 982.501, 982.503, 982.504]

A. INTRODUCTION

LGHA is responsible for ensuring that the rents charged by owners are reasonable based upon objective comparables in the rental market. LGHA will not approve the lease or execute a payments contract until it has determined that the unit meets the minimum HQS and that the rent is reasonable. LGHA will determine rent reasonableness at initial lease-up, before any increases in rent to owner and at other times as described in this section. LGHA will provide the owner with information concerning rent adjustments.

This chapter explains LGHA's procedures for determination of rent-reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

B. OWNER PAYMENT IN THE CERTIFICATE PROGRAM

The payment to the landlord, called the Housing Assistance Payment, is the Contract Rent approved by LGHA less the Tenant Rent determined by the LGHA.

C. OWNER PAYMENT IN THE VOUCHER PROGRAM

The payment to the landlord, called the Housing Assistance Payment, is the lower of the:

1) Payment Standard minus the Total Tenant Payment, or

2) Gross rent minus the Total Tenant Payment.

However, for Voucher contracts effective prior to October 1, 1999, the second option (based on gross rent) will not be applicable until the second regular reexamination of family income and composition after October 1, 1999.

The Voucher size issued to the family is based on LGHA's Subsidy Standards. The payment standard for the family is based on the lesser of the Payment Standard for the Voucher size issued or the Payment Standard for the unit selected.

The Housing Assistance Payment may never exceed the rent charged by the owner.

D. MAKING PAYMENTS TO OWNERS

Once the HAP Contract is executed, LGHA begins processing payments to the landlord. The effective date and the amount of LGHA payment is communicated in writing via the executed HAP Contract. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made automatically to the HAP Register for the following month. Checks are disbursed by LGHA to the owner each month.

Checks may be picked up by an owner at LGHA in emergency situations only.

Checks will only be disbursed on the first of the month. Exceptions may be made with the approval of the Executive Director in cases of hardship.

Checks are due to owners on the first of the month. Any payment after the first payment under a contract will be considered late if it has not been postmarked by the 10th of the month. Checks that are not received will not be replaced until a stop payment has been put on the check and at least 30 days have elapsed.

E. RENT REASONABLENESS DETERMINATIONS

LGHA will not approve a lease until LGHA determines that the initial rent to owner is a reasonable rent. LGHA will re-determine rent reasonableness whenever an owner requests a regular or special contract rent adjustment for the Certificate program or any increase in the rent for a Voucher unit. LGHA must also re-determine rent reasonableness if there is a five percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.

LGHA must also re-determine rent reasonableness if directed by HUD and based on a need identified by LGHA's auditing system. LGHA may elect to re-determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or re-determined by LGHA.

LGHA will determine and document on a case-by-case basis that the approved rent:

- Is reasonable in comparison to rent for other comparable, unassisted units in the market, and

- Does not exceed rents currently charged by the same owner for an equivalent assisted or unassisted unit in the same building or complex.

The data for other unassisted units will be gathered from newspapers, realtors, professional associations, inquiries of owners, market surveys, and other available sources.

The market areas for rent reasonableness are indicated by zip code and census tract within LGHA's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items will be used for rent reasonableness documentation:

- Size (number of bedrooms/square footage)
- Location
- Quality
- Amenities (bathrooms, dishwasher, air conditioning, etc.)
- Housing Services
- Age of unit
- Unit Type
- Utilities

- Maintenance

At least two comparables of unassisted units will be used for each rent determination. All comparables must be based on the rent that the unit would command if leased in the current market. Leased in the current market means that the unit has been leased within the last 360 days.

F. VOUCHER PROGRAM PAYMENT STANDARDS

The Payment Standard is used to calculate the housing assistance payment for a family. The Payment Standard is set by LGHA between 90% and 110% of the FMR/exception rent. LGHA reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, LGHA will ensure that the Payment Standard is within the range of 90% to 110% of the new FMR.

Adjustments to Payment Standards

Payment Standards may be adjusted to increase Housing Assistance Payments in order to keep families rents affordable. The LGHA will not raise the Payment Standards so high that the number of families that can be assisted under available funding is substantially reduced. Nor will the LGHA raise Standards if the need is solely to make "high end" units available to Voucher holders.

The LGHA will review the Payment Standard annually to determine whether an adjustment should be made for some or all unit sizes. The Payment Standard will be reviewed according to HUD's requirements and this policy and if an increase is warranted, the payment standard will be adjusted within 90% to 110% of the current Fair Market Rent. In a volatile market, it is LGHA's discretion as to whether to make the change immediately or to wait until the time of the annual review.

LGHA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standard:

Assisted Families' Rent Burdens: LGHA will review reports showing the percent of income used for rent by Voucher families to determine the extent to which the rent burden is more than 45% of income.

Availability of Suitable Vacant Units Below the Payment Standard: LGHA will review its rent reasonableness and vacancy rate data to determine whether there is an ample supply of vacant units below the Payment Standard in areas without minority- and/or poverty-concentration.

Quality of Units Selected: LGHA will review the quality of units selected by participant families before determining any change to the Payment Standard to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.

LGHA Decision Point: LGHA will review the quality and size of units where the Rents to Owner are above the Payment Standard by more than 25%. If more than 50% of families have selected above-average units or have selected larger units than the Voucher size, LGHA may elect not to increase the Payment Standard or continue the analysis.

If the analysis continues, LGHA will divide those rents between contracts within the first year and after the first year. If the Rents to Owner are more than 25% above the average, in any bedroom size, the LGHA will continue the analysis. If not, the LGHA may elect not to increase the Payment Standard for certain bedroom sizes.

Time to Locate Housing: LGHA may consider the average time period for families to lease up under the Voucher program. If the average for Voucher holders exceeds 90 days, the Payment Standard may be adjusted.

Rent Reasonableness Database/Average Contract Rents: LGHA will compare the Payment Standards to average rents in its rent reasonableness data and to the average Contract Rents by unit size. The Payment Standards should be on par with these amounts.

Lowering of the Payment Standard: Statistical analysis may reveal the Payment Standard should be lowered, in which case, the Payment Standard should not be less than 90% of the current FMR. If the FMR is lowered, the Payment Standard may not exceed the FMR except in those cases where families are held harmless until they move to a different dwelling unit or have a change in family composition which would affect their Voucher size.

Financial Feasibility: Before increasing the Payment Standard, the LGHA may review the budget and the project reserve, to determine the impact projected subsidy increases would have on funding available for the program and number of families served. For this purpose, the LGHA will compare the number of families who could be served under a higher Payment Standard with the number assisted under current Payment Standards.

File Documentation: A file will be retained by the LGHA for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

G. EXCEPTION PAYMENT STANDARDS

LGHA may request HUD approval to establish a Payment Standard that is higher or lower for a designated area of the city. LGHA will submit a request for a lower payment standard if it determines that a lower payment standard is justifiable based on market data from that area and establishing a lower standard would enable LGHA to provide housing assistance to more families.

LGHA will request a higher (exception) payment standard for all units, or all units of a given size, within a designated area of the city if it determines that a higher Payment Standard is needed to help families obtain housing outside areas of high poverty.

H. PAYMENT STANDARDS FOR A FAMILY

Regular Reexamination

If the payment standard decreases during the HAP Contract term, the Payment Standard for the family is the higher of (1) the Payment Standard at the beginning of the lease minus any amount by which the initial rent to owner has decreased, or (2) the Payment Standard at the current or most recent annual

exam. If a change in family size or composition occurs affecting the Voucher size, the ability to use the initial Payment Standard is lost.

Interim Examination

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

Moves

If the family moves into a different unit prior to its next recertification and LGHA has had a change in the payment standard, the new payment standard will be used. The applicable payment standard will be that which is the lower of either the Voucher size issued or the unit size selected at the time of the move.

I. RENT ADJUSTMENTS

Regular Certificate Program

Until all Certificate contracts have been merged into the Voucher program, LGHA will notify owners of their right to request a rent adjustment 120 days in advance of the anniversary date. The approval or disapproval decision regarding the adjustment will be based on HUD-required calculations and a rent reasonableness determination. The adjustment may be an increase or a decrease. The maximum increase will be based on the Annual Adjustment Factor (AAF) in effect 60 days before the contract anniversary date multiplied by the pre-adjusted rent to owner. A decrease may occur either as the result of an AAF less than 1.0, or the HA's rent reasonableness determination.

Owners must request the rent increase in writing. Any increase will be effective the later of (1) the anniversary date of the Contract, or (2) at least 60 days after the owner's request is received. To be honored, requests must be received at least 60 days prior to the next anniversary date.

The change in rent does not affect the automatic renewal of the lease and does not require a new lease or contract or even an executed amendment. A notice of rent change will be sent to the owner and the family.

Special Adjustments

An owner with a unit under contract in the regular Certificate program may request a special adjustment based on substantial and general increases in real property taxes, special government assessments, or costs of utilities. The rent requested must be found to be reasonable and must be approved by HUD.

Disapproval of Requests for Adjustment

If LGHA rejects the owner's request for rent adjustment on a unit in the Certificate program as exceeding the Annual Adjustment Factor and the owner rejects LGHA's determination, the owner may offer the tenant a new lease with a 60-day notice to the tenant. LGHA will issue a new Voucher to the family. If the tenant accepts the offer of a new lease, an RLA must be submitted and the requested rent subjected to rent reasonableness. If the tenant refuses or the owner does not offer a new lease, the

owner may institute court action to terminate tenancy for a business or economic reason in accordance with the lease. The tenant may use the Voucher to search for a new unit.

After the tenant has begun searching for a new housing unit and/or after court action has been initiated, the owner may decide to accept the current lease. If the owner and tenant agree, the lease can continue and the tenant may continue receiving assistance under the Certificate program until the assistance is converted to the Housing Choice Voucher Program.

Voucher Rent Adjustments

Owners may not request rent adjustments in the Voucher program to be effective prior to the expiration of the first year of the lease. Rent adjustments therefore are effective only after a 60-day notice to the family and a copy to LGHA. LGHA will advise the family as to whether the rent is reasonable and shall approve or disapprove the rent increase.

CHAPTER 12:
RECERTIFICATIONS
[24 CFR 982.516]

A. INTRODUCTION

In accordance with HUD requirements, LGHA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition, but the LGHA decides what other changes must be reported and the procedures for reporting them. This Chapter defines the LGHA's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families and the standards for timely reporting.

B. ANNUAL ACTIVITIES

There are three activities the LGHA must conduct on an annual basis. These activities will be coordinated whenever possible:

- Recertification of Income and Family Composition
- HQS Inspection, as described in Chapter 11.
- For Certificates only, Contract Rent Adjustments, as described in Chapter 12.

C. ANNUAL RECERTIFICATION

Families are required to be recertified at least annually.

When families move to another dwelling unit the anniversary date for the recertification will be changed to the new lease-up date.

Income limits are not used as a test for continued eligibility at recertification, unless the family is moving under portability and changing their form of assistance.

Reexamination Notice to the Family

LGHA will maintain a reexamination tracking system, and the household will be notified by mail of the date and time for their interview at least 60 days in advance of the anniversary date.

If requested as an accommodation by a person with a disability, LGHA, to the extent feasible, will provide notice in an accessible format. LGHA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

The written notification will state which family members are required to attend the interview. The family may call to request another appointment date up to 24 hours prior to the interview.

If the family does not appear for the interview, and has not rescheduled or made prior arrangements with LGHA, LGHA will schedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, LGHA will terminate assistance to the family and offer them an informal hearing. Exceptions to this policy may be made by the Executive Director or his/her designee if the family is able to document an emergency situation that prevented them from canceling or attending the appointment.

Completion of Annual Recertification

LGHA will complete recertifications for families before the anniversary date. This includes notifying the family of any changes in rent at least 30 days before the scheduled date of the change in family rent.

For persons with disabilities who are unable to come to LGHA's office, LGHA will grant an accommodation by conducting the interview at the person's home or by mail**,** upon verification that the accommodation requested meets the need presented by the disability.

The head of household is required to attend the recertification interview. If the head of household is unable to attend, the appointment will be rescheduled, or the spouse or co-head may recertify for the family. The Section 8 Manager interviews the family and records the answers on the recertification forms.

LGHA will instruct the family to bring the following to the interview:

- Documentation of income for all family members
- Documentation of all assets
- Documentation of any deductions/allowances
- Rent receipts
- Copies of gas and electric bills
- Security deposit receipts

LGHA will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than 120 days old.

Tenant Rent Increases

If tenant rent increases, a 30-day notice is mailed to the family prior to the anniversary date.

If less than thirty days are remaining before the anniversary date, the tenant rent increase will be effective on the first of the month following the 30-day notice.

If there has been a misrepresentation or a material omission by the family, or if the family caused a delay in the reexamination processing, the rent increase will be effective on the anniversary date regardless of

whether the family has been given 30 days notice or the anniversary date has already passed and the increase must be imposed retroactively.

Tenant Rent Decrease

If tenant rent decreases, it will be effective on the anniversary date.

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

D. REPORTING INTERIM CHANGES

The LGHA requires that families report interim changes to the LGHA within 30 days of when the change occurs. Any information, document or signature needed from the family, which is needed to verify the change, must be provided within 30 days of the change.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Changes in Income and Assets

LGHA will conduct interim reexaminations when families have a decrease in income.

Participants may report a decrease in income and other changes, which would reduce the amount of tenant rent, such as an increase in allowances or deductions. The LGHA must calculate the change if a decrease in income is reported.

If LGHA makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted to correct the error, but the family will not be charged retroactively.

Changes in Family Composition

HUD requires program participants to report all changes in household composition to the LGHA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. All changes in family composition must be reported within 30 days of the occurrence. The family must obtain LGHA's and the owner's written approval prior to all other additions to the household.

LGHA will approve additions to the household in the following cases:

- Addition by marriage/or marital-type relation, if issued a zero bedroom sized subsidy;
- Addition of a minor who is a member of the nuclear family who had been living elsewhere;
- One additional bedroom for a LGHA-approved live-in attendant;

- Addition due to birth, adoption or court-awarded custody.

If any new family member is added, family income must include any income of the new family member. LGHA will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size.

If a change requires a larger size unit due to overcrowding, LGHA will issue a Voucher for the family to search for a new unit.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after the new member moves into the unit.

LGHA may deny a family's request to add additional family members who are:

- Persons who have been evicted from public housing.
- Persons who have previously violated a family obligation listed in 24CFR982.51 of the HUD regulations.
- Persons who have been part of a family whose assistance has been terminated under the Certificate or Voucher program.
- Persons who commit drug-related criminal activity or violent criminal activity.
- Persons who have been convicted of manufacturing methamphetamine on the premises of a Section 8 assisted or public housing unit.
- Persons who do not meet LGHA's definition of family.
- Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- Persons who currently owe rent or other amounts to LGHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.
- Persons who have engaged in or threatened abusive or violent behavior toward LGHA personnel.

LGHA may also deny a family's request to add additional family members, if the addition will cause the family to be under housed and require a larger unit size.

Families are required to notify LGHA if any family member leaves the assisted household. When the family notifies LGHA, it must furnish the following information:

- The date the family member moved out;
- Documentation of the new address of the family member; or

- Court documents verifying divorce, separation or new custody arrangements.

Notification Procedures When Changes Reported Affect Tenant Rent

LGHA will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:
Changes Reported in a Timely Manner

- *Increases in the Tenant Rent* are effective on the first of the month following at least a 30-day notice.

- *Decreases in the Tenant Rent* are effective the first of the month following that in which the change occurred. No rent reductions will be processed, however, until all the facts have been verified, even if a retroactive adjustment results**.**

Changes Not Reported in a Timely Manner

If the family does not report the change in a timely manner, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

- *Increase in Tenant Rent* will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to sign a Repayment Agreement or make a lump sum payment.

- *Decrease in Tenant Rent* will be effective on the first of the month following completion of processing by LGHA and not retroactively.

Changes Not Processed by LGHA in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by LGHA in a timely manner.

- *Increases in Tenant Rent* will be effective after the required 30-day notice prior to the first of the month after completion of processing by the LGHA.

- *Decreases in Tenant Rent.* The overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

Other Interim Reporting Issues

An interim reexamination does not affect the date of the annual recertification

Any changes reported by participants other than those listed in this section will be noted in the file by the staff person but will not be processed between regularly-scheduled annual recertifications.

In instances where fraud is suspected, an interim recertification of the family may be required.

Form HUD-50058 will be completed and transmitted as required by HUD to record changes.

The Notice of Rent Change is mailed to the owner and the tenant. Signatures are not required by LGHA. If the family disagrees with the rent adjustment they may request an informal hearing.

CHAPTER 13:
MOVES WITH CONTINUED ASSISTANCE/PORTABILITY
[24 CFR 982.314]

A. INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the LGHA's jurisdiction, or to a unit outside of the LGHA's jurisdiction under portability procedures. The regulations also allow the LGHA the discretion to develop policies which define any limitations or restrictions on moves. This Chapter defines the procedures for moves, both within and outside of the LGHA's jurisdiction, and the policies for restriction and limitations on moves.

B. ALLOWABLE MOVES

A family may move to a new unit if:

- The assisted lease for the old unit has terminated because the LGHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.

- The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgement or other process allowing the owner to evict the family (unless assistance to the family will be terminated).

- The family has given proper notice of lease termination (if the family has a right to terminate the lease on notice to owner).

C. RESTRICTIONS ON MOVES

Families will not be permitted to move within Texas or outside LGHA's jurisdiction under portability procedures during the initial year of assisted occupancy.

Families will not be permitted to move more than once in a 12-month period (unless required to do so by LGHA to meet HQS or other program standards).

LGHA will deny permission to move if there is insufficient funding for continued assistance.

LGHA may deny permission to move if:

- The family has violated a Family Obligation.
- The family owes LGHA money.
- The family has moved or been issued a Voucher within the last 12 months.

The Executive Director may make exceptions to these restrictions, on a case by case basis, to minimize hardship to the family.

D. PROCEDURE FOR MOVES

Issuance of Voucher

Upon request from the family, LGHA will schedule the family for a move interview. If the family has not been recertified within the last 120 days, LGHA will conduct the recertification prior to the interview and will issue the Voucher at the recertification interview.

If the family does not locate a new unit, it may remain in the current unit so long as the owner permits.

The annual recertification date will be changed to coincide with the new lease-up date.

Notice Requirements

Briefing sessions emphasize the family's responsibility to give the owner and LGHA proper written notice of any intent to move.

The family must give the owner the required number of days written notice of intent to vacate (or fewer if so specified in the lease) and must give a copy of the vacate notice to LGHA simultaneously.

For units under a Certificate HAP contract effective before October 2, 1995, if the family vacates the unit without proper notice in writing to the owner, the family will be responsible for any vacancy loss paid by LGHA.

Time of Contract Change

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move except that there will be no overlapping assistance.

In any other move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy the unit, unless proper notice was given to end a lease mid-month. Assistance will start on the new unit on the effective date of the lease and contract.

E. PORTABILITY

Portability applies to families moving into or out of LGHA's jurisdiction. Under portability, families are eligible to receive assistance to lease a unit outside of LGHA's jurisdiction. The unit may be located:

- In the same state as the LGHA.
- In the same metropolitan statistical area (MSA) as the LGHA, but in a different state.
- In a MSA adjacent to the MSA of the LGHA, but in a different state.
- In the jurisdiction of a PHA anywhere within the United States that administers a tenant based program.

F. OUTGOING PORTABILITY

When a family requests to move outside of the LGHA's jurisdiction, the request must specify the area to which the family wants to move.

If there is more than one PHA in the area in which the family has selected a unit, LGHA will choose the receiving PHA.

If the family is moving to a unit located in an area where there is no PHA, LGHA will be responsible for the administration of the family's assistance. In such a situation, LGHA may choose a management company, another PHA, or a private contractor to administer the assistance.

Restrictions on Portability

Families will not be permitted to exercise portability under the following circumstances:

- During the initial 12 month period after admission to the program, if neither the head, spouse or co-head had a domicile (legal residence) in LGHA's jurisdiction at the date of their initial application for assistance.
- If the family is in violation of a family obligation.
- If the family owes money to LGHA.

Outgoing Portability Procedures

LGHA will provide pre-portability counseling for those families who express an interest in portability. If the family is utilizing portability for their initial lease-up, the LGHA will determine if the family is within the very low-income limit of the receiving PHA.

LGHA will notify the receiving PHA that the family wishes to relocate into its jurisdiction.

LGHA will advise the family on how to contact and request assistance from the receiving PHA and will notify the receiving PHA that the family will be moving into its jurisdiction.

LGHA will provide the following documents and information to the receiving PHA:

- Copy of the family's Voucher, with issue and expiration dates, formally acknowledging the family's ability to move under portability.
- Most recent HUD 50058 form and verifications.
- Declarations and verifications of U.S. citizenship/eligible immigrant status.

- Names of LGHA staff designated for inquiries on eligibility and billing.
- Administrative fee schedule for billing purposes.

The receiving PHA must notify LGHA whether:

- It will absorb the family into its program.
- Family leases up or fails to submit a RLA by the required date.
- Assistance to the portable family is terminated.
- Family requests to move to an area outside the receiving PHA's jurisdiction.

Payment to the Receiving PHA

LGHA will requisition funds from HUD based on the anticipated lease-ups of portable Vouchers in other jurisdictions. Payments for families in other jurisdictions will be made to other PHAs when billed or in accordance with other HUD approved procedures for payment.

When billed, LGHA will reimburse the receiving PHA for 100% of the Housing Assistance Payment, 100% of the Special Claims paid on HAP contracts effective prior to October 2, 1995, and 80% of the Administrative Fee (at the initial PHA's rate), and any other HUD-approved fees.

Claims

LGHA will be responsible for collecting amounts owed by the family for claims paid and for monitoring the repayment. LGHA will notify the receiving PHA if the family is in arrears or if the family has refused to sign a repayment agreement, and the receiving PHA will be asked to terminate assistance to the family as allowed by this Administrative Plan.

Receiving PHAs will be required to submit hearing determinations to LGHA within 30 days.

G. INCOMING PORTABILITY

Absorption or Administration

LGHA will accept a family with a valid Voucher from another jurisdiction and administer or absorb the Voucher based on the availability of funding. If administering, the family will be issued a "Portability" Voucher by LGHA with the same start date. LGHA may grant extensions in accordance with this Administrative Plan.

When LGHA does not absorb the incoming Voucher, it will administer the initial PHA's Voucher and LGHA's policies will prevail.

For initial lease-up, the family must be within LGHA's Very-Low Income limits.

LGHA will issue a " Portability Voucher" according to its own Subsidy Standards. If the family has a change in family composition that would change the Voucher size, LGHA will change to the proper size based on its own Subsidy Standards.

LGHA will decide whether to extend the "Portability Voucher" and for what period of time. If the family decides not to lease-up in LGHA's jurisdiction, however, the family must request an extension from the initial PHA.

Income and TTP of Incoming Portables

As receiving PHA, LGHA will conduct a recertification interview but only verify the information provided if the documents are missing or are over 120 days old, whichever is applicable, or there has been a change in the family's circumstances.

If the family's income exceeds the income limit of the LGHA, the family will not be denied assistance unless the family is an applicant (and over the very-low income limit).

If the family's income is such that a $0 subsidy amount is determined prior to lease-up in the LGHA's jurisdiction, the LGHA will refuse to enter into a contract on behalf of the family at $0 assistance.

Requests for Lease Approval

A briefing will be mandatory for all portability families.

When the family submits an RLA, it will be processed using the LGHA's policies. If the family does not submit an RLA or does not execute a lease, the initial PHA will be notified within 60 days by the LGHA.

If the family leases up successfully, LGHA will notify the initial PHA within 60 days, and the billing process will commence.

If the LGHA denies assistance to the family, the LGHA will notify the initial PHA within 60 days and the family will be offered a review or hearing.

LGHA will notify the family of its responsibility to contact the initial PHA if the family wishes to move outside the LGHA's jurisdiction under continued portability.

Terminations

LGHA will notify the initial PHA in writing of any termination of assistance within 60 days of the termination. If an informal hearing is required and requested by the family, the hearing will be conducted by LGHA, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the initial PHA.

The initial PHA will be responsible for collecting amounts owed by the family for claims paid and for monitoring repayment. If the initial PHA notifies the LGHA that the family is in arrears or the family has refused to sign a repayment agreement, LGHA will terminate assistance to the family.

Required Documents

As receiving PHA, LGHA will require the following documents from the initial PHA:

- Copy of the family's Voucher, with issue and expiration dates, formally acknowledging the family's ability to move under portability.
- Most recent HUD 50058 form and verifications.
- Declarations and verifications of U.S. citizenship/eligible immigrant status.
- Names of LGHA staff designated for inquiries on eligibility and billing.
- Administrative Fee Schedule for billing purposes.

Billing Procedures

As receiving PHA (in cases in which LGHA does not absorb a family), LGHA will bill the initial PHA monthly for Housing Assistance Payments. The billing cycle for other amounts, including Administrative Fees and Special Claims will be at least quarterly unless requested otherwise by the initial PHA.

LGHA will bill 100% of the Housing Assistance Payment, 100% of Special Claim and 80% of the Administrative Fee (at the initial PHA's rate) and any other HUD-approved fees, for each "Portability" Voucher leased as of the first day of the month.

LGHA will notify the initial PHA of changes in subsidy amounts and will expect the initial PHA to notify LGHA of changes in the administrative fee amount to be billed.

CHAPTER 14
CONTRACT TERMINATIONS

A. INTRODUCTION

The Housing Assistance Payments (HAP) Contract is the contract between the owner and the LGHA, which defines the responsibilities of both parties. This Chapter describes the circumstances under which the contract can be terminated by the LGHA and the owner, and the policies and procedures for such terminations.

B. CONTRACT TERMINATION

The term of the HAP Contract is the same as the term of the lease. The Contract between the owner and the LGHA may be terminated by the LGHA, or by the owner or tenant terminating the lease.

No future subsidy payments on behalf of the family will be made by the LGHA to the owner after the month in which the Contract is terminated. The owner must reimburse the LGHA for any subsidies paid by the LGHA 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. The owner will have no right to claim compensation from the LGHA for vacancy loss under the provisions of Certificate contracts effective on or after October 2, 1995.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease another unit. The contract for a new unit may begin during the month in which the family moved from the old unit.

C. TERMINATION BY THE FAMILY: MOVES

The lease stipulates that the family cannot move from the unit until after the first year of the lease. The notice period to the landlord is determined by the lease, but may not exceed 60 days.

D. TERMINATION BY THE OWNER: EVICTIONS

If the owner wishes to terminate the lease, the owner is required to evict, using the notice procedures in the HUD regulations and Texas law. The owner must provide LGHA with a copy of the eviction notice.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under Texas law to commence an eviction action.

During the term of the lease the owner may only evict for the following reasons:

- Serious or repeated violation of the terms and conditions of the lease.
- Violation of Federal, State or local law related to occupancy of the unit or use of the premises.
- Criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises.
- Any drug-related criminal activity on or near the premises.
- Tenant history of disturbance of neighbors, destruction of property, or behavior resulting in damage to the premises.
- Other good cause, after the first year of the lease, including business or economic reasons for regaining possession of the unit, owner's desire to repossess the unit for personal use, or tenant's refusal to accept an offer of a new lease.

LGHA requires that the owner specify the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for LGHA's termination of assistance.

Housing assistance payments are paid to the owner under the terms of the HAP Contract. If the owner has begun eviction and the family continues to reside in the unit, the LGHA must continue to make housing assistance payments to the owner until the owner has obtained a court judgement or other process allowing the owner to evict the tenant.

The LGHA must continue making housing assistance payments to the owner in accordance with the Contract as long as the tenant continues to occupy the unit and the Contract is not violated. By endorsing the monthly check from the LGHA, the owner certifies that the tenant is still in the unit and she/he is in compliance with the contract. If action is finalized in court, the owner must provide LGHA with the documentation, including notice of the lock-out date.

If the eviction is not due to a serious or repeated violation of the lease, and if the LGHA has no other grounds for termination of assistance, the LGHA will issue a new Voucher so that the family can move with continued assistance.

E. TERMINATION OF THE CONTRACT BY LGHA

The term of the HAP contract terminates when the lease terminates, when the LGHA terminates program assistance for the family, or when the owner has breached the HAP contract. (see Chapter 9, Section J "Owner Disapproval").

LGHA may also terminate the contract if:

- LGHA terminates assistance to the family.

- Family is required to move from a unit, which is under-occupied (Certificate Program) or overcrowded (Certificate and Voucher Programs).

- Funding is no longer available under the ACC.

The contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

LGHA will provide the owner and family with at least 30 days written notice of termination of the contract.

F. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS

Families who were participants on June 19, 1995 but are ineligible for continued assistance due to the ineligible immigration status of all members of the family or because a "mixed" family chooses not to accept pro-ration of assistance are eligible for temporary deferral of termination of assistance, if necessary, to permit the family additional time for transition to affordable housing.

Deferrals may be granted for intervals not to exceed six months, up to an aggregate maximum of:

- Three years for deferrals granted prior to 11/29/96, or
- 18 months for deferrals granted after 11/29/96.

The family will be notified in writing at least 60 days in advance of the expiration of the deferral period that termination of assistance will not be deferred because:

- Granting another deferral will result in an aggregate deferral period of longer than the statutory maximum (three years for deferrals granted before 11/29/96; 18 months for deferrals granted after 11/29/96), or

- A determination has been made that other affordable housing is available.

G. TERMINATION DUE TO OWNER DISAPPROVAL

If the LGHA terminates the contract due to owner disapproval (See Chapter 10, "Request for Lease Approval and Contract Execution"), LGHA will provide the owner and family with at least 30 days written notice of termination of the contract.

CHAPTER 15:
TERMINATION OF ASSISTANCE

A. INTRODUCTION

LGHA may terminate assistance for a family because of the family's action or failure to act. LGHA will provide families with a written description of the Family Obligations under the program, the grounds under which LGHA can terminate assistance, and LGHA's informal hearing procedures. This chapter describes when the LGHA is required to terminate assistance and LGHA's policies regarding the grounds for termination of assistance under an outstanding HAP contract.

If termination is based upon behavior resulting from a disability, the LGHA will delay the determination in order to determine if there is an accommodation that would mitigate the behavior resulting from the disability.

B. GROUNDS FOR TERMINATING ASSISTANCE

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

- Refusing to enter into a HAP contract or approve a lease.
- Terminating HAP payments under an outstanding HAP contract.
- Refusing to process or provide assistance under portability procedures.

Mandatory Termination of Assistance

LGHA will terminate the assistance of participants:

- If any member of the family fails to sign and submit to LGHA required consent forms for obtaining information.
- If no member of the family is a U.S. citizen or eligible immigrant (See Chapter 15).
- If the family is under contract, and 180 days have elapsed since the LGHA's last housing assistance payment was made.
- Any member of the family has been convicted of manufacturing or producing methamphetamine on the premises of the assisted dwelling.

Grounds for Termination of Assistance

- LGHA will terminate assistance to participants in cases where it determines that there is reasonable cause to believe that the person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other

residents. This includes cases where LGHA determines that there is a *pattern* of illegal use of a controlled substance, or *pattern* of alcohol abuse.

- LGHA will consider the use of a controlled substance or alcohol to be a *pattern* if there has been more than one incident during the previous 12 months.

- LGHA may waive this policy if the person demonstrates to its satisfaction that the person is no longer engaging in the illegal use of a controlled substance or abuse of alcohol, and:

  * Has successfully completed a supervised drug or alcohol rehabilitation program;

  * Has otherwise been rehabilitated successfully; or

  * Is participating in a supervised drug or alcohol rehabilitation program.

LGHA *may* at any time terminate program assistance for a participant, for any of the following reasons:

- The family violates any family obligation under the program as listed in 24 CFR 982.551.

- The family has not reimbursed LGHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family.

- The family breaches an agreement with LGHA to pay amounts owed to a LGHA, or amounts paid to an owner by LGHA.

- The family has engaged in or threatened abusive or violent behavior toward LGHA personnel.

  "Abusive or violent behavior towards LGHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

  "Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

  Actual physical abuse or violence will always be cause for termination.

- LGHA has reason to believe a member of the household is using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

- LGHA has a reason to believe a member of the household has participated in violent criminal activity.

- Other criminal activity which may threaten the health or safety of other residents, the owner, property management staff or persons performing responsibilities on behalf of the LGHA or the peaceful enjoyment of the premises by other residents.

- LGHA determines that a member of the household is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees or a high misdemeanor in Texas.

- LGHA determines that a member of the household is violating a condition of probation or parole imposed under Federal or State law.

LGHA may also deny the request of a participating family to add a household member if that person is found to be ineligible for assistance after a review against the above criteria.

C. FAMILY OBLIGATIONS

- The family must supply any information that the LGHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status, as provided by 24 CFR part 812.

- The family must supply any information requested by the LGHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

- The family must disclose and verify Social Security Numbers, as provided by 24 CFR part 750, and must sign and submit consent forms for obtaining information in accordance with 24 CFR part 760 and 24 CFR part 813.

- All information supplied by the family must be true and complete.

- The family is responsible for an HQS breach caused by the family as described in 982.404(b).

- The family must allow the LGHA to inspect the unit at reasonable times and after reasonable notice.

- The family may not commit any serious or repeated violation of the lease.

- The family must notify the owner and, at the same time, notify the LGHA before the family moves out of the unit or terminates the lease on notice to the owner.

- The family must promptly give the LGHA a copy of any owner eviction notice.

- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

- The composition of the assisted family residing in the unit must be approved by the LGHA. The family must promptly inform the LGHA of the birth, adoption or court-awarded custody of a child. The family must request LGHA approval to add any other family member as an occupant of the unit.

- The family must promptly notify the LGHA if any family member no longer resides in the unit.
- If LGHA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or LGHA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
- Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.
- The family must not sublease or let the unit.
- The family must not assign the lease or transfer the unit.
- The family must supply any information or certification requested by the LGHA to verify that the family is living in the unit, or relating to family absence from the unit, including any LGHA-requested information or certification on the purposes of family absences. The family must cooperate with LGHA for this purpose. The family must promptly notify LGHA of absence from the unit.
- The family must not own or have any interest in the unit.
- The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the program.
- The members of the family may not engage in drug-related criminal activity or violent criminal activity.
- An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

Housing Authority Discretion

In deciding whether to terminate assistance because of action or failure to act by members of the family, LGHA 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, and the length of time since the violation occurred. It may also review the family's more recent record of compliance and consider the effects of termination of assistance on other family members who were not involved in the action or failure to act.

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

Enforcing Family Obligations

Explanations and Terms

Promptly: The term "Promptly" when used with the Family Obligations always means "within 30 days." Termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach: The Inspector or Inspections Supervisor will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by the Inspector or Inspections Supervisor.

Lease Violations: The following criteria will be used to decide if a serious or repeated violation of the lease will cause a termination of assistance.

- If the owner terminates tenancy through court action for serious or repeated violation of the lease.
- If the owner notifies the family of termination of assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the LGHA determines that the cause is a serious or repeated violation of the lease based on available evidence.
- If there are police reports, neighborhood complaints or other third party information, and LGHA has verified the information.

Notification of Eviction: If the family requests assistance to move and they did not notify the LGHA of an eviction within 30 days of receiving the Notice of Lease Termination, the move will be denied.

Limitation on Profit-Making Activity in Unit: LGHA may prohibit use of a dwelling unit for profit-making activity if it determines that the use of the unit as a business is not incidental to its use as a dwelling unit, or the business activity results in the inability of the family to use any of the critical living areas, such as a bedroom, or if LGHA determines the business is not legal.

Interest in Unit: The owner may not reside in the assisted unit regardless of whether the owner is a member of the assisted family, unless the family owns the mobile home and rents the pad under the Voucher Program.

Drug-related or Violent Criminal Activity

Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance *on or off the* premises.

Drug-related criminal activity does not include the prior use or possession of a controlled substance if the family member had an addiction to the substance and has recovered or is recovering from the addiction and does not currently use or possess the substance.

Violent criminal activity includes any criminal activity engaged in by any family member that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property.

Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

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

LGHA may pursue fact-finding efforts as needed to obtain credible evidence.

Notice of Termination of Assistance

In any case where the LGHA decides to terminate assistance to the family, the LGHA must give the family written notice which states:

- Reason(s) for the proposed termination.
- Effective date of the proposed termination.
- Family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.
- Date by which a request for an informal hearing must be received by LGHA.

LGHA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the termination of assistance. The notice to the owner will not include any details regarding the reason for termination of assistance.

D. PROCEDURES FOR NON-CITIZENS

Termination due to Ineligible Immigrant Status

Participant families in which all members are neither U.S. citizens nor eligible immigrants must have their assistance terminated. They must be given an opportunity for a hearing.

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

Temporary Deferral of Termination of Assistance

Ineligible families who were participants as of June 19, 1995, may request a temporary deferral of termination of assistance in order to allow time to locate affordable housing and thereby preserve the family.

False or Incomplete Information

When the LGHA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by a participant, an investigation will be conducted and the individual given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the LGHA may give him/her an opportunity to provide a new declaration as an eligible immigrant or to elect not to contend their status. The LGHA will then verify eligible status and terminate or prorate as applicable.

The LGHA will terminate assistance based on the submission of false information or misrepresentations.

Procedure for Termination

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with LGHA either after the INS appeal or in lieu of the INS appeal.

After LGHA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable) or, for participants who qualify, for Temporary Deferral of Termination of Assistance.

E. ZERO ASSISTANCE TENANTS

HAP Contracts Executed Prior to 10/2/95

Any participant, whose Total Tenant Payment equals the gross rent for the leased unit and whose HAP contact was effective prior to 10/2/95, will be notified of the right to remain on the program at $0 assistance for 12 months. LGHA will perform all of the functions normally required, such as reexaminations and inspections during those 12 months. If the family vacates during the allowable 12 months after the last HAP payment, LGHA will be liable for unpaid rent and damages based on program rules. If the family is still in the unit after 12 months, the contract will be terminated.

HAP Contracts Executed On or After 10/2/95

For contracts effective on or after 10/2/95, the family may remain in the unit at $0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the contract will be terminated.

If, under either contract, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment before the contract terminates, LGHA will resume assistance payments for the family. Under either contract a family may move to another unit before the contract is terminated and receive assistance if the rent for the new unit is high enough to necessitate a housing assistance payment.

F. OPTION NOT TO TERMINATE FOR MISREPRESENTATION

If the family has misrepresented any facts that caused LGHA to overpay assistance, LGHA may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement or reimburses the LGHA in full.

G. MISREPRESENTATION IN COLLUSION WITH OWNER

If the family willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, the LGHA may terminate assistance. In making this determination, the LGHA will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

H. MISSED APPOINTMENTS AND DEADLINES

It is a Family Obligation to supply information, documentation, and certification as needed for the LGHA to fulfill its responsibilities. The LGHA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the LGHA to inspect the unit, and appointments are made for this purpose.

A participant who fails to keep an appointment or to supply information required by a deadline without notifying LGHA may be sent a Notice of Termination of Assistance for failure to provide required information, or for failure to allow LGHA to inspect the unit.

The family will be given information about the requirement to keep appointments, and the number of times appointments will be rescheduled as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- Verification Procedures.
- Certificate/Voucher Issuance and Briefings.
- Housing Quality Standards and Inspections.
- Recertifications.
- Appeals.

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- Medical emergency.
- Incarceration.

- Family emergency.

Procedure When Appointments Are Missed or Information Not Provided

For most purposes in this Plan, the family will be given two opportunities before being issued a notice of termination for breach of a family obligation.

After issuance of a termination notice, if the family offers to correct the breach within the time allowed to request a hearing, the notice may be rescinded if the family offers to cure the breach and the family does not have a history of non-compliance.

CHAPTER 16
CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS
(For HAP Contracts Effective Before October 2, 1995)

A. INTRODUCTION

This Chapter describes LGHA's policies, procedures and standards for servicing contracts that were effective before October 2, 1995. Certificate and Voucher contracts in this category have provisions regarding LGHA's liability to owners when families move out. Vouchers and Certificates have provisions for damages. In addition, Certificates have a provision for vacancy loss.

B. OWNER CLAIMS

Under HAP Contracts effective prior to October 2, 1995, owners may make "special claims" for damages, unpaid rent, and vacancy loss (Certificate Program only) after the tenant has vacated the unit.

Owner claims for payment for unpaid rent, damages, or vacancy loss will be reviewed for accuracy and completeness and compared with records in the file. The LGHA establishes standards by which to evaluate claims, but the burden of proof rests with the owner.

If vacancy loss is claimed, the LGHA 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.

The LGHA will pay properly filed claims to the owner as a function of the contract, but the tenant is ultimately responsible to reimburse the LGHA for claims paid to the owner.

C. UNPAID RENT

Unpaid rent only applies to the tenant's portion of rent while the tenant is in residence under the assisted lease. It does not include the tenant's obligation for rent beyond the termination date of the HAP Contract.

Separate agreements are not considered a tenant obligation under the lease, and the LGHA will not reimburse the owner for any claims under these agreements.

D. VACANCY LOSS IN THE CERTIFICATE PROGRAM [24 CFR 887.105]

Vacancy Loss is applicable to the Certificate Program <u>only</u>. Vacancy loss is paid if the move was in violation of the notice requirements in the lease, or the result of an eviction.

In order to claim vacancy loss, the unit must be available for lease and the landlord must:

- Notify LGHA within 48 hours upon learning of the vacancy, or prospective vacancy.
- Allow LGHA to conduct a move-out inspection before any repairs are made.

- Pursue all possible activities to fill the vacancy, including, but not limited to:
  - Contacting applicants on the owner's waiting list, if any.
  - Seeking eligible applicants by listing the unit with the LGHA.
  - Advertising the availability of the unit.
  - Not rejecting potentially eligible applicants except for good cause.

In the event that a unit becomes vacant because of death, the LGHA will permit the owner to keep the HAP for the month in which the tenant died.

If the tenant moves after the date given on their notice of intent to vacate, the landlord may claim vacancy loss by providing acceptable documentation that there was a bona fide prospective tenant to whom the unit could have been rented.

LGHA will not assess the family for any monies paid to the owner for vacancy loss if the LGHA was responsible for the late move-out.

To ensure valid claim processing, the LGHA will conduct a thorough move-in inspection noting "conditions" as well as HQS deficiencies, take pictures of questionable items, and send a report of all items to the owner and tenant.

The owner must be present during the move-out inspection and only damages claimed by the owner are reimbursable.

All claims for damages must be supported by the actual bills for materials and labor and a copy of the canceled checks or other receipts documenting payment. Estimates are not acceptable.

Bills from individuals providing labor must include their name, Social Security Number, address and phone number. The landlord may not bill himself/herself for labor since that is not considered by LGHA to be an "actual cost." However, the actual cost of the owner's employees' labor, such as the resident manager, to make repairs may be included.

Persons making repairs or replacements must be licensed to do business in the LGHA's jurisdiction.

Repair costs must be determined reasonable by LGHA. Reimbursement for replacement of items such as carpets, drapes, or appliances, is based on depreciation schedules in general use by LGHA. LGHA may require verification of purchase date, quality, and price of replaced items in order to calculate depreciation.

Damages which were caused during tenancy, were repaired and billed, but remain unpaid at move-out, can be considered "other items due under the lease" and included in the claim.

Eligible items to be included on the damage claim must have been a tenant responsibility under the lease or Texas State law.

Claims for unpaid utility bills cannot be approved as part of a claim.

Claims for normal wear and tear, previously existing conditions, routine turnover preparation, cleaning and cyclical interior painting are not paid.

LGHA will inspect the unit to verify that repairs were made.

E. MOVE-OUT AND CLOSE-OUT INSPECTIONS

Move-out inspections are performed after the tenant has vacated the unit. These inspections are performed to assess the condition of the unit, not to evaluate the HQS. Vacate inspections will be conducted by LGHA inspectors. LGHA's initial inspection of the unit will include a "conditions" report, which will be compared to the conditions found during the move-out inspection.

The owner must notify the LGHA of the move-out and request an inspection within 48 hours of learning of the move-out in order to submit a claim for damages.

If the contract was terminated due to owner breach, or the owner was in violation of the contract at the time that it was terminated, there will be no entitlement to claims and therefore no inspection.

The owner and tenant will be notified of the date and time of the inspection.

A damage claim will not be approved unless the move-out inspection is requested and completed prior to any work being done.

F. PROCESSING CLAIMS

Any amount owed by the tenant to the owner for unpaid rent or damages will first be deducted from the maximum-allowable security deposit, which the owner could have collected under the program rules. If the maximum-allowable security deposit is insufficient to reimburse the owner for the unpaid tenant rent or other amounts which the family owes under the lease, the owner may request reimbursement from LGHA up to the limits for each program.

If the owner claims vacancy loss, the security deposit that s/he collected or could have collected may be deducted from the vacancy loss claim.

LGHA reviews claims for unpaid rent, damages, or vacancy loss and makes a preliminary determination of the amount payable. The family is informed that a claim is pending through a notice sent to the last-known address. The notification will state the preliminary amount and the type of claim and describe the procedure for contesting the claim.

LGHA will offer the family 30 days to contest the claim. If the family disputes the claim, LGHA will schedule an informal meeting with the owner and tenant in order to resolve the differences.

If the owner fails to attend the meeting, the LGHA will consider this prima facie evidence of the validity of the tenant's position.

If the tenant fails to attend the meeting, LGHA will proceed with its original determination.

Meetings will not be rescheduled if neither party attends.

At the informal meeting, the amount and type of claim will be discussed with the family. If the family agrees with the amount and type of claim, the family will be offered a Repayment Agreement. If the family does not agree to sign a Payment Agreement, the LGHA will process the account for collection.

If the family demonstrates that the claim, or parts of it, is invalid, the LGHA will adjust the amount. The LGHA may offer the tenant an opportunity for an Informal Hearing regarding the claim if disputes cannot be resolved.

After a determination has been made, the LGHA will notify the family in writing of the decision. If it has been determined that the family owes money, LGHA will pursue collection to repay either in a lump sum or through a payment agreement. The notice will warn the family that its assistance may be terminated and they may be denied future participation in the program if they do not reimburse the LGHA as required.

Other Requirements for Claims Processing

All notices to tenants during the processing of a claim must include proof of mailing or of personal delivery.

Costs of filing an eviction action to remove the tenant or any other legal fees may not be reimbursed. No claims will be paid for a unit which is vacant as the result of the landlord voluntarily moving a family to another unit owned by the same landlord.

All unpaid rent, damage, and vacancy loss claim forms must be fully complete when they are submitted, and they must be submitted within 90 days of the date the owner learned of the move-out.

CHAPTER 17
OWNER OR FAMILY DEBTS TO LGHA

A. INTRODUCTION

This Chapter describes LGHA's policies for the recovery of monies that have been overpaid for families and to owners. It describes the methods that will be used for collection of monies and the guidelines for different types of debts. It is the LGHA's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support LGHA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

When families or owners owe money to the LGHA, the LGHA will make every effort to collect it. The LGHA will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments;
- Civil suits;
- Repayment agreements;
- Collection agencies;
- Credit bureaus;
- Income Tax set-off programs; and
- Salary garnishment.

B. REPAYMENT AGREEMENT FOR FAMILIES

A repayment agreement as used in this Plan is a document entered into between LGHA and a person who owes a debt to LGHA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of repayment, any special provision of the agreement, and the remedies available to LGHA upon default of the agreement. All payment agreements are made at the sole discretion of the LGHA.

The minimum amount of monthly payment on any payment agreement is $10 (ten dollars) or 10% of the debt, whichever is less. However, the terms of the payment agreements must be such that the debt will be fully paid within 24 months.

There are some circumstances in which LGHA will not enter into a payment agreement, such as:

- If the family already has a payment agreement in place.

- If LGHA determines that the family committed program fraud.

Late Payments

A payment will be considered to be in arrears if the payment has not been received by the close of business on the 15th day of the month. If the due date falls on a weekend or holiday, payment will be due at the close of the next business day.

If the family's repayment agreement is in arrears, the LGHA may:

- Require the family to pay the balance in full.
- Pursue civil collection of the balance due.
- Terminate the housing assistance.
- Grant an extension of 30 days.

If the family requests a move to another unit and has a repayment agreement in place, the family will not be permitted to move.

C. GUIDELINES FOR REPAYMENT AGREEMENTS

Repayment agreements will be executed between LGHA and the head of household, a co-head or spouse only.

Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the Executive Director.

No move will be approved until the debt is paid in full, unless the move is the result of the following causes and the repayment agreement is current:

- Family size exceeds the HQS maximum occupancy standards;
- HAP contract is terminated due to owner non-compliance or opt-out;
- Natural disaster.

If the family has a repayment agreement in place and incurs an additional debt to the LGHA, LGHA will not enter into more than one repayment agreement with the family. Any new debts must be paid in full.

D. DEBTS DUE TO FRAUD/NON-REPORTING OF INFORMATION

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

> "Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements."

Family Error/Late Reporting

Families who owe money to LGHA due to program fraud or the family's failure to report increases in income will be required to repay in accordance with the guidelines in the repayment section of this chapter.

Program Fraud

If a family owes an amount that equals or exceeds $10,000 as a result of program fraud, the case will be referred to the HUD Inspector General. Where appropriate, the LGHA will refer the case for criminal prosecution.

E. OWNER DEBTS TO LGHA

If LGHA determines that the owner has retained Housing Assistance or Claim Payments that the Owner is not entitled to, the LGHA may reclaim the amounts from future Housing Assistance or Claim Payments owed the owner for any units under contract.

If future Housing Assistance or Claim Payments are insufficient to reclaim the amounts owed, the LGHA will:

- Require the owner to pay the amount in full within 60 days or enter into a Repayment Agreement for the amount owed.
- Pursue collections through the local court system.
- Restrict the owner from future participation.

F. WRITING OFF DEBTS

Debts will be written-off if:

The debtor's whereabouts are unknown and the debt is more than two years old.

A determination is made that the debtor is judgment proof.

The debtor is deceased and has no estate.

The debtor is confined to an institution indefinitely or for more than five years.

The amount is less than $50 and the debtor cannot be located.

SECTION 8 ADMINISTRATIVE PLAN

LA GRANGE (TX) HOUSING AUTHORITY
250 NW CIRCLE
LA GRANGE, TX 78945

Adopted: September 26, 2000

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CHAPTER 1:
STATEMENT OF POLICIES AND OBJECTIVES

A. INTRODUCTION

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

As a result of the Quality Housing and Work Responsibility Act of 1998 (QHWRA), the Certificate Program is to be phased out before the middle of year 2001. This plan includes the policies of the La Grange Housing Authority (LGHA) for the Certificate Program while it is merging with the Housing Choice Voucher Program.

Administration of LGHA's Section 8 Rental Assistance Program and the functions and responsibilities of LGHA staff shall be in compliance with LGHA's Personnel Policy, the Department of Housing and Urban Development's (HUD) Section 8 regulations, and all applicable Federal, State and local fair housing laws.

B. PROGRAM OBJECTIVES

LGHA Strategic Goals 2000

LGHA's Strategic Goals, specifically for the Section 8 Rental Assistance Program (Certificates and Vouchers), is to maximize the benefits of the Rental Assistance Program for participants and Smithville neighborhoods by providing eligible and responsible families and senior citizens with Section 8 rental assistance to secure decent, safe and standard privately owned housing to the full extent of available resources. In addition, LGHA aims to ensure that rental assistance not only improves the housing choices available to program participants, but also positively contributes to, or at least does not detract from, the stability of the neighborhoods into which Section 8 recipients move and in which owners participate.

The following program objectives support this strategic goal:

- *Achieve Program Mandates*. Substantially improve the housing opportunities and circumstances (both physical and economic) for eligible and responsible lower income families and senior citizens through effectively providing rental housing assistance within the programmatic and financial parameters of LGHA's Rental Assistance Programs and LGHA's Administrative Plan.

- *Self-Sufficiency Initiative Preferences*. Within the parameters of the 1998 QHWRA, ensure that housing assistance preferences and related support is given to families who are working toward self-sufficiency through employment, training and/or education initiatives.

- *Good Neighbor Initiative*. Ensure that the housing assistance provided not only improves the housing conditions of lower income families and senior citizens but also positively contributes to, or at least does not detract from, the stability of the neighborhoods into which Section 8 recipients move and in which owners participate.

- *Program Integrity*. Minimize, detect and remedy violations of Section 8 Program requirements, leases, and Housing Assistance Payments (HAP) contracts to ensure that only eligible and responsible applicants, participants and owners receive Section 8 Program benefits.

C. PURPOSE OF THE ADMINISTRATIVE PLAN

The purpose of the Administrative Plan is to establish policies and guidelines for administering the Section 8 Rental Assistance Program in a manner consistent with Federal regulations and program objectives. The Plan covers admission to the Housing Choice Voucher Program and continued participation in the Certificate and Voucher Programs. This Administrative Plan is set forth to define LGHA's local policies for operating the housing programs in the context of Federal laws and regulations and LGHA's five (5) year Strategic and Annual Plans. All issues related to the Section 8 Rental Assistance Program not addressed in this document are governed by Federal regulations, HUD memoranda, Notices and guidelines, or other applicable law.

LGHA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence. The original Plan and any changes must be approved by LGHA's Board of Commissioners and a copy is to be provided to HUD.

D. FAIR HOUSING AND EQUAL OPPORTUNITY POLICY

LGHA complies fully with all Federal, State, and local anti-discrimination laws and administers its programs in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in providing housing assistance and employment opportunities. (See LGHA's Personnel Policy for more detail related to employment opportunities).

LGHA shall not deny any family or individual the opportunity to apply for or receive assistance under the Section 8 Rental Assistance Program on the basis of race, color, sex, religion, creed, national or ethnic origin, age, family or marital status, disability or sexual orientation.

To further its commitment to fully comply with applicable Civil Rights laws, LGHA will provide Federal, State and local information to Certificate and Voucher holders regarding "discrimination" and any recourse available to them if they are victims of discrimination. Such information shall be made available during the family briefing session. As part of its briefing, LGHA provides families with the HUD Fair Housing Information and Discrimination Complaint Form and directs the family to report suspected discrimination to HUD.

Except as otherwise provided in 24 CFR 8.21 (c(1), 8.24(a), 8.25, and 8.31, no individual with a disability shall be denied program benefits or excluded from program participation or otherwise

subjected to discrimination because LGHA's facilities are inaccessible to or unusable by persons with disabilities.

Posters and housing information will be displayed in locations throughout LGHA's office in such a manner as to be easily readable from a wheelchair.

LGHA's office is accessible to persons with disabilities or handicaps.

E. ACCOMMODATIONS POLICY

This accommodations policy is applicable to all situations described in this Administrative Plan when a family initiates contact with LGHA, when LGHA initiates contact with a family, including when a family applies for housing assistance, and when LGHA schedules or reschedules appointments of any kind.

Persons with Disabilities

LGHA's policies and practices are designed, to the extent feasible, to provide all persons with disabilities with reasonable accommodations in order that they may have full access to and utilize the Section 8 Program and related services. The availability of specific accommodations will be made known through notices on LGHA forms and letters to all families, and all requests will be verified so that the LGHA can properly accommodate the need presented by the disability.

Federal Americans with Disabilities Act of 1990

With respect to an individual, the term "disability" means:

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

Those regarded as having such an impairment may include those with conditions such as obesity or cosmetic disfigurement, and individuals perceived to be at high risk of incurring a work-related injury.

Individuals with contagious diseases who do not pose a direct threat to others are covered by the Act. Persons with AIDS and those who test positive for the HIV virus are considered to have a disability.

Undue Hardship

Requests for reasonable accommodation will be granted, provided that the accommodation will not create an "undue financial and administrative burden" for LGHA. In determining whether an accommodation would create an undue hardship, the following factors will be taken into consideration:

- Nature and cost of the accommodation needed;

- Overall financial resources of the facility or facilities involved in the provision of the reasonable accommodation; and

- Number of families likely to need such accommodation, the effect on expenses and resources, or the likely impact on the operation of the program as a result of the accommodation.

Requests for accommodation must be supported with verification from a reliable and knowledgeable professional that the accommodation is required. LGHA will refer families who have members with disabilities to agencies in the community that offer services to persons with disabilities.

F. TRANSLATION OF DOCUMENTS

In determining whether it is feasible to provide translation of documents written in English into another language, LGHA will consider the following factors:

- Number of applicants and participants in the jurisdiction who do not speak English;

- Estimated cost to LGHA per client of translation of English written documents into another language; and

- Availability of bilingual staff to provide translation for non-English speaking families.

If translation services are required for other languages, the applicant or participant may request a friend or family member to accompany him or her to the meeting or the LGHA will refer applicants and participants to agencies who assist ethnic groups.

G. FAMILY OUTREACH

LGHA reserves the right to open or close the waiting list based on the supply of applicants and availability of subsidy. The waiting list will be closed when there are not enough Section 8 subsidies to assist all the applicants in a reasonable period of time, such as two years. When LGHA determines that additional applicants are needed, it will issue a public notice and open the waiting list.

To reach people from diverse backgrounds, LGHA will advertise through a wide variety of sources including local newspapers, minority media, minority civic clubs, and service agencies. LGHA will communicate the status of housing availability to other service providers in the community, such as agencies serving individuals with special needs, and advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance. LGHA will continuously monitor and evaluate outreach activities to ensure that it reaches the widest possible audience.

H. OWNER OUTREACH

The LGHA's Owner Outreach Program includes the following efforts to encourage owners to participate in the program and to ensure greater mobility and housing choice to very low-income households.

- The LGHA maintains a list of interested landlords and a list of available units, both of which are updated frequently. These lists are made available to applicants and participants.

- To the extent feasible, LGHA will conduct a pre-inspection of a unit prior to listing it to ensure compliance with Housing Quality Standards (HQS).

- The LGHA holds owner briefings to review the Section 8 Program and distributes an Owner's Manual and periodic newsletters.

- The LGHA contacts real estate agents and property managers to market the program and encourage their participation.

- LGHA makes a concerted effort to contact and encourage property owners with units specially designed or adapted for persons with disabilities to participate in the program. Information is also provided to owners regarding the availability of these improvements.

- LGHA encourages program participation by owners of units located outside areas of poverty or minority concentration. LGHA periodically evaluates the geographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choice and better housing opportunities to families. Voucher holders are informed of the full range of areas where they may lease units inside LGHA's jurisdiction and are given a map that identifies areas of low-poverty and low-minority concentration.

I. OWNER RESPONSIBILITIES

An Owner is responsible for:

- Screening tenants.
- Complying with the HAP contract.
- Maintaining the unit in compliance with HQS.
- Enforcing lease requirements.

For a further description of owner responsibilities refer to 24 CFR parts 882, 982, and 983.

J. FAMILY RESPONSIBILITIES

Applicant responsibilities

While on the waiting list an applicant must notify LGHA of any changes in address and preference status.

Upon selection, an applicant must provide LGHA with complete and accurate information necessary to determine program eligibility.

Upon determination of eligibility, an applicant must conduct and complete a housing search within the time allowed by LGHA.

For a further description of applicant responsibilities refer to 24 CFR parts 882, 982, and 983.

Participant Responsibilities

For a further description of family responsibilities refer to 24 CFR parts 882, 982, and 983. Families participating in a Family self-sufficiency program should refer to 24 CFR part 984.

Family Obligations

For the complete text of family obligations see the Housing Choice Voucher, the tenancy addendum, and the lease signed by the tenant and owner. Violation of Family Obligations may be cause for program termination as discussed in Chapter 16.

K. PRIVACY RIGHTS

All applicant or participant household members 18 years of age or older must sign Form HUD-9886, Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD will release family information.

All information relating to a participant or applicant family is confidential. LGHA's policy regarding release of information is in accordance with Federal, State, and local laws, which may restrict the release of family information. LGHA staff will not discuss family information contained in its files unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action. LGHA has adopted a Confidentiality Policy with regards to information on drug and criminal activity (attached).

In accordance with HUD requirements, the LGHA will furnish prospective owners with the family's current address as shown in LGHA records and, if known to the LGHA, the name and address of the landlord at the family's current and prior address. A statement of the LGHA's policy on release of information to prospective landlords will be included in the briefing packet provided to the family

L. JURISDICTION

The Jurisdiction of the LGHA is the city of La Grange, Texas.

M. MONITORING PROGRAM PERFORMANCE

LGHA's policies, procedures, and tracking systems are designed to respond to the goals, objectives, and performance measures of HUD's Section 8 Management Assessment Program (SEMAP). To comply with HUD and other pertinent regulations, LGHA will maintain records, reports and other documentation for a period of time that is in accordance with HUD requirements and in a manner that will allow an auditor, housing professional, or other interested party to assess LGHA's operational procedures objectively and with accuracy.

Specifically, records and reports will be maintained for the purpose of complying with the following SEMAP performance measures as defined by HUD:

- *Indicator 1.* The Public Housing Agency (PHA) has written policies in its administrative plan for selecting applicants from the waiting list, and the PHA follows these policies when selecting applicants for admission from the waiting list.

- *Indicator 2.* The PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units.

- *Indicator 3.* At admission and reexamination, the PHA verifies and correctly determines adjusted annual income for each assisted family and, where the family is responsible for utilities under the lease, the PHA uses the appropriate utility allowances in determining gross rent.

- *Indicator 4.* The PHA maintains an up-to-date utility allowance schedule.

- *Indicator 5.* A PHA supervisor or other qualified person reinspects a sample of units during the PHA fiscal year, numbering at least 5% of the number of units under contract during the last completed PHA fiscal year, for quality control of HQS inspections.

- *Indicator 6.* Following each failed HQS unit inspection, any cited life-threatening HQS deficiencies are corrected within 24 hours and all other cited HQS deficiencies are corrected within 30 calendar days from the inspection or any PHA-approved extension.

- *Indicator 7.* The PHA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration.

- *Indicator 8.* Initial gross rents for certificate units, other than over-FMR tenancies, do not exceed the FMR and voucher payment standards do not exceed the current applicable FMR or HUD approved exception rent limit and are not less than 80% of the current FMR/exception rent limit, unless otherwise approved by HUD.

- *Indicator 9.* The PHA completes a reexamination for each participating family at least every twelve months.

- *Indicator 10.* The PHA correctly calculates tenant rent in the Certificate Program and the family's share of the rent to owner in the Voucher program.

- *Indicator 11.* Newly leased units pass HQS inspection on or before the beginning date of the assisted lease and HAP contract.

- *Indicator 12.* The PHA inspects each unit under contract at least annually.

- *Indicator 13.* The PHA executes HAP contracts on behalf of eligible families for the number of units under budget for at least one year.

- *Indicator 14.* The PHA has enrolled families in the FSS program as required and has made progress in supporting FSS as measured by the percentage of current FSS participants with escrow account balances.

In order to ensure quality control, supervisory staff or contract firms annually complete the following:

- Audit of two percent (2%) of recent annual reexamination files.
- Reinspect five percent (5%) of units under contract during the last completed fiscal year to ensure quality control of HQS inspections

N. MERGER OF CERTIFICATES AND VOUCHERS

In compliance with the Final Rule published October 21, 1999 for the Merger of Section 8 Certificate and Voucher Programs, LGHA will no longer issue Section 8 Certificates. Any current Certificate holders searching for units will be leased under the Housing Choice Voucher Program upon selecting a unit.

Current Certificate Program Participants

All participants currently leased under the Certificate program will be converted to the Housing Choice Voucher program at the earliest of:

- The participant's second annual recertification following the October 1, 1999 conversion;
- Upon any move to a new unit;
- At the next regular reexamination that results in a change in family unit size;
- Upon the execution of any new lease or HAP contract for the participant's current unit.

Pre-Merger Voucher Program Participants

Current participants in the pre-merger Voucher program will continue under the current HAP contracts until the next time that a new HAP contract is required under program rules. The method of calculating subsidy under the Housing Choice Voucher Program will eliminate the shopping incentive. This method will not become effective for pre-merger voucher participants until the effective date of the second regular reexamination of family income and composition unless the family moves to a new unit or requires a new HAP contract due to a change in family unit size.

CHAPTER 2:
ELIGIBILITY FOR ADMISSIONS

A. INTRODUCTION

This chapter defines both HUD's and LGHA's criteria for admission and denial of admission to the program. LGHA strives for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply. Staff will review all information provided by the family carefully and without regard to factors other than those defined in this chapter. Families will be provided the opportunity to explain their circumstances, furnish additional information, if needed, and to receive an explanation of the basis for any decision made by LGHA pertaining to their eligibility.

Generally, only very-low income and extremely low income families are eligible for assistance through the Housing Choice Voucher program. The Quality Housing and Work Responsibility Act of 1998 established new income targeting requirements. At least 75% of all new program admissions in each fiscal year must be families with income levels at or below 30% of the area median income. The remaining 25% of new admissions may be families with income levels at or below 50% of the area median income. LGHA has a procedure for tracking new admissions so it can demonstrate that it meets the income targeting requirements.

In some circumstances, a low-income family that has been continuously assisted is eligible for assistance (24 CFR 982.201). A family is considered to be continuously assisted if the family is already receiving assistance under any housing program covered under the 1937 Housing Act when the family is admitted to the Housing Choice Voucher program. Housing programs covered under the 1937 Housing Act include:

- The public or Indian housing program.
- Any program assisted under Section 8 of the 1937 Act, including assistance under a Section 8 tenant-based or project-based program.
- The Section 23 leased housing program.
- The Section 23 housing assistance payments program.

Brief interruptions in assistance caused by transitioning from one form of assistance under one 1937 Act program to another will not be considered to break the continuity of assistance where the reason for the transition was through no fault of the family, such as the expiration of a HAP contract for a project-based development or termination of a HAP contract for owner breach. LGHA has elected to allow a 30 day break in assistance; therefore, if an applicant for the Housing Choice Voucher program has income below the low income limit, and is not currently receiving assistance but did receive assistance during the previous 30 days, LGHA will consider that family to be continuously assisted.

Low-income families are also eligible if they qualify as:

- A non-purchasing household in the following homeownership programs: HOPE 1, HOPE 2, or other HUD-assisted multifamily homeownership programs;

- Displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract; (Under this category a family may have income below the moderate income limit (95% of median) and qualify for assistance);

- Displaced as a result of the expiration of a project based Section 8 contract.

B. ELIGIBILITY FACTORS

To be eligible for participation, an applicant must meet HUD's criteria, as well as any permissible additional criteria established by the LGHA. HUD eligibility criteria are:

1) Applicant must be a "family."

2) Household's annual income must be within the appropriate Income Limits.

3) All household members ages six and older must furnish their Social Security Numbers, or certify that they do not have one.

4) Each member of the applicant household must certify to citizenship/eligible immigrant status.

5) Persons evicted from public housing, Section 23 or any Section 8 program for drug-related or criminal activity are ineligible for a minimum of three years from the date of eviction. See Chapter 15 "Denial or Termination of Assistance".

The family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors. Evidence of eligible immigration status will not be verified until the family is selected from the waiting list for final eligibility processing.

C. ELIGIBILITY FACTOR 1: FAMILY COMPOSITION

The applicant must qualify as a Family. A Family may be a group of persons or a single person. When application is made, the applicant determines who is "family." Discrimination on the basis of familial status is prohibited, and a group of persons may not be denied solely because members are not related by blood, marriage, or operation of law.

Definitions

A group of persons may be:

- Two or more persons who intend to share residency, whose income and resources are available to meet the family's needs, and who have a history as a family unit or show evidence of a stable family relationship.

- Two or more elderly, near-elderly or disabled persons living together, or one or more elderly, near-elderly or disabled persons living with one or more live-in aides.

- A pregnant woman and her unborn child(ren).

A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.

A single person may be:

- An elderly person.
- A near-elderly person.
- A displaced person.
- A person with a disability.
- The remaining member of a tenant family.
- Any "other single" person.

Head of Household

The Head of Household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.

Spouse o*f* Head

The Spouse of Head is defined as the marriage partner who, in order to dissolve the relationship, would have to be divorced. The term "Spouse" does not apply to boyfriends, girlfriends, significant others, or co-head of household.

Co-Head

An individual in the household who is equally responsible for the lease with the Head of Household. A family may have a spouse or co-head but not both. A co-head never qualifies as a dependent.

Live-in Aide

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

- Is determined by LGHA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with a disability. A near elderly person may be defined as someone at least 50 years of age;

- Is not obligated for the support of the person(s); and

- Would not be living in the unit except to provide care for the person(s).

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

- Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits;

- Live-in aide is not subject to Non-Citizen Rule requirements; and
- Live-in aide will not be considered as a remaining member of the applicant or participant family.

A live-in aide may only reside in the unit with the prior written approval of the LGHA and owner. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker or case worker. The verification must specifically state that a live-in aide is essential for the daily care of the family member who is elderly, near-elderly or disabled.

Relatives are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above.

The live-in aide's family members may also reside in the unit with the LGHA and owner's prior written approval. The presence of the live-in aide's family members must not overcrowd the unit.

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

- Commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- Commits drug-related criminal activity or violent criminal activity;
- Currently owes rent or other amounts to the LGHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act; or
- Does not qualify under the eligibility criteria indicated in Chapter 16 of this Plan.

Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two (or more) otherwise eligible families and the new families both claim the same placement on the waiting list, LGHA will make the decision as to which household should receive a subsidy taking into consideration the following factors:

- Which family unit retains the children or disabled or elderly member(s);
- Which family unit meets the highest priority local preferences;
- Any court or legal determination;
- Role of domestic violence in the split; and
- Recommendations of social service agencies or qualified professionals, such as children's protective services.

Multiple Families in the Same Applicant Household

When a family, which consists of two or more families living together (such as a mother and father and a daughter with her own husband or children) applies for assistance, LGHA will treat the family as a single-family unit.

Transfer of Applicant Status

In the case where a family applies for a Voucher and the Head of Household, Spouse or Co-Head of Household voluntarily withdraws from the application with prior LGHA approval, the remaining applicants and otherwise eligible family will be entitled to placement on the waiting list based on the original date of application.

D. ELIGIBILITY FACTOR 2: INCOME LIMITATIONS

In order to be eligible for assistance, an applicant must be either a:

- Very low income family, as defined by the very low-income limits published by HUD in the *Federal Register* for the La Grange MSA; or

- Low income family in any of the following categories:

  - Continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act Program within 60 days of Voucher issuance. Programs include Public Housing, all Section 8 Programs, and all Section 23 programs.

  - Physically displaced by rental rehabilitation activity under 24 CFR Part 511.

  - Non-purchasing family residing in a HOPE 1 or HOPE 2 project.

  - Non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173.

  - Displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.

  - Residing in a HUD-owned multifamily rental housing project when the project is sold, foreclosed or demolished by HUD (Certificate Program only).

To determine if the family is income eligible, the LGHA compares the annual income of the family to the applicable income limit for the family's size. Families whose annual income exceeds the income limit will be denied admission, notified of the denial and offered an informal review.

For initial lease-up, portability families (see Chapter 14) must be within the very low-income limit for the jurisdiction in which they want to live.

E. ELIGIBILITY FACTOR 3: SOCIAL SECURITY NUMBERS

Families are required to provide verification of Social Security Numbers for all family members age six or older prior to admission, if they have been issued a number by the Social Security Administration. This requirement also applies to persons joining the family after admission to the program. Family members who have not been issued a Social Security Number must certify to this fact. Guardians or another adult family member must certify for children under the age of 18. Failure to furnish verification of social security numbers or certify that no number has been issued is grounds for denial or termination of assistance.

F. ELIGIBILITY FACTOR 4: CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS

In order to receive assistance, a family member must be a U.S. Citizen or have legal immigrant status. Individuals who are neither may elect not to declare their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD. Individuals claiming eligible immigration status must present appropriate immigration documents, which must be verified through the Immigration and Naturalization Service (INS).

The citizenship and eligible immigration status of each member of the family is considered individually before the family's eligibility is determined. Families including ineligible members may be classified as mixed families or as ineligible families.

Mixed Families. A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called “mixed families.” Mixed families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

Ineligible Families. Applicant families that include no eligible members will be ineligible for assistance. Such families will be denied admission and offered an opportunity for an informal hearing.

Non-citizen students are not eligible for assistance. A non-citizen student is a person admitted to this country temporarily solely for the purpose of pursuing a course of study who has a residence in another country that the person has no intention of abandoning.

Appeals. Individuals whose eligible immigration status cannot be verified through INS may appeal to INS. An applicant who is denied Section 8 eligibility due to ineligible immigration status is entitled to an informal hearing exactly like those provided for participants.

G. ELIGIBILITY FACTOR 5: EVICTED FOR DRUG-RELATED CRIMINAL ACTIVITY/CONVICTED OF CERTAIN CRIMES

Drug-related activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance. Drug-related criminal activity means *on or off* the premises, not just *on or near* the premises.

Persons evicted from public housing, Indian housing, Section 23, or any Section 8 program because of drug-related criminal activity are ineligible for a three-year period beginning on the date of such eviction.

The LGHA will waive this requirement if:

- The person demonstrates successful completion of a rehabilitation program approved by the LGHA, or

- The circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person is incarcerated.

- Persons convicted of manufacturing or producing methamphetamine ("speed") on the premises of an assisted housing project are permanently ineligible for assistance.

- Persons who are convicted sex offenders are permanently ineligible for assistance.

H. SUITABILITY OF FAMILY

LGHA may take into consideration any of the grounds for denial of admission identified in Chapter 16 of this Administrative Plan but may not otherwise screen for factors which relate to the suitability of the applicant family as participants. It is the responsibility of the owner to screen the applicant as to their suitability for tenancy.

LGHA will advise families how to file a Fair Housing complaint if they believe that the owner has discriminated against them. LGHA may also report the owner to HUD's Office of Fair Housing/Equal Opportunity or the local fair housing organization.

I. CHANGES IN ELIGIBILITY PRIOR TO ISSUANCE

Changes that occur during the period between placement on the waiting list and issuance of a Voucher may affect the family's eligibility or Total Tenant Payment. If applicants are found to be ineligible, they will be notified in writing of their ineligible status and their right to an informal review.

J. NOTIFICATION TO INELIGIBLE FAMILIES

Applicants who are determined to be ineligible will be notified in writing of the reason for denial of assistance. This notification will include the opportunity to request, within 14 days of notification, an informal review (or an informal hearing if they were denied due to noncitizen status) pursuant to the following. See Chapter 10 for information about reviews and hearings.

Informal Reviews Required	Informal Reviews Not Required
Decisions Concerning: Listing on PHA's Waiting List Certificate or Voucher Issuance **PARTICIPATION IN PROGRAM** Any Type of Preference	Decisions Concerning: Unit Size under PHA's Subsidy Standards Rejection of Units that fail HQS or are not in accordance with Family Size Disapproval of Owner's Lease Refusal to Extend Certificate or Voucher General Policy Issues or Class Grievances Discretionary Administrative Determinations by PHA

CHAPTER 3:
APPLYING FOR ADMISSION

A. INTRODUCTION

The policy of LGHA is to ensure that all families who express an interest in the Section 8 Program are given an equal opportunity to apply and are treated in a fair and consistent manner. Chapter 3 describes the policies and procedures for opening and closing the waiting list, completing an application for assistance, placement and denial of placement on the waiting list, maintaining the waiting list, and limitations on who may apply.

All families wishing to apply for housing assistance shall complete an application for housing. Applications will be accepted at the following two locations: 250 NW Circle, and 500 Koenig Lane, both of which are located in La Grange, TX 78945. Applications may be made in person at this location during specified dates and business hours posted in LGHA's office.

Individuals who have a physical impairment which would prevent them from completing an application in person may call the Authority to make special arrangements to complete the housing application. A Telecommunication Device for the Deaf (TDD) is available for hearing impaired persons. If the applicant is visually impaired, all notices will be in a format understandable by the applicant.

B. OPENING AND CLOSING THE WAITING LIST

As needed, LGHA will open the waiting list by advertising through public notice in local newspapers, minority media, minority civic clubs and service agencies. LGHA will communicate the status of housing availability to other service providers in the community, such as agencies serving individuals with special needs, and advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance. LGHA will continuously monitor and evaluate outreach activities to ensure that information reaches the widest possible audience for which applications are being accepted. The notice will contain:

- Dates, times and locations where families may apply.
- Programs for which applications will be taken.
- Brief description of the program(s).
- Limitations, if any, on who may apply.
- LGHA address, telephone number and business hours.

The notices will provide potential applicants with information regarding how to submit an application, information on eligibility requirements, and the availability of local preferences. Upon request from a person with a disability (determined on a case-by-case basis), additional time may be given as an accommodation for submission of an application after the closing deadline.

When the waiting list is open, all interested families and persons are given the opportunity to apply.

If the Section 8 waiting list is open when a person applies for public housing, LGHA must offer to place the family on both lists. If the public housing waiting list is open at the time an applicant applies for Section 8, LGHA must offer to place the family on the public housing waiting list.
The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 24 months. In evaluating whether to close its Section 8 waiting list, LGHA will consider the expected number of Vouchers to be issued per year, the number of current applicants and the anticipated waiting time.

When the period for accepting applications is over, LGHA will add the new applicants to the list by order of date and time of application.

C. APPLICATION

LGHA will use an application form. The information is to be filled out by the applicant whenever possible. To provide specific accommodation for persons with disabilities, LGHA staff may assist the applicant in completing the application over the telephone. It may also be mailed. The purpose of the application is to permit LGHA to preliminarily place the applicant on the waiting list. The application will contain, but is not limited to questions designed to obtain the following information:

- Names of adult members and age of all members;
- Sex and relationship of all members;
- Street address and phone numbers;
- Mailing address (if P.O. Box or other permanent address);
- Amount(s) and source(s) of income received by household members;
- Information regarding disabilities to determine qualifications for allowances and deductions;
- Information related to qualification for preferences;
- Social Security Numbers;
- Race/ethnicity; and
- Request for specific accommodation needed to fully utilize program and services.

LGHA will inform all applicants about available preferences and give each applicant an opportunity to document preference eligibility.

Duplicate applications will not be accepted.

Applications will not require an interview. The information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

D. APPLICANT STATUS WHILE ON THE WAITING LIST

The family will be notified in writing. This written notification of preliminary eligibility will be mailed to the applicant by first class mail. The LGHA will confirm receipt of application by postcard.

If the family is determined to be ineligible based on the information provided in the application, LGHA will notify the family in writing, state the reason(s), and inform the family of its right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation.

E. MAINTAINING AND PURGING THE WAITING LIST

Applicants are required to inform LGHA of changes in circumstances while on the waiting list. These may include changes in address, family composition, or preference status. Applicants are required to notify the LGHA in writing when their circumstances change.

Applicants are also required to respond to requests from LGHA to update information on their applications and to determine their continued interest in and need for assistance. Failure to provide information or to respond to two LGHA mailings that request updated information will result in the applicant being removed from the waiting list

F. WAITING LIST SELECTION

When funding is available, applicants will be selected from the waiting list according to date and time of application, and income targeting requirements regardless of family size.

When there is insufficient funding available for the family at the top of the list, LGHA will not admit any other applicant until funding is available for the first applicant.

LGHA will maintain information that permits proper selection from the waiting list. The waiting list contains, but is not limited to the following information for each applicant listed:

- Applicant Name
- Family Unit Size (number of bedrooms family qualifies for under LGHA subsidy standards)
- Date and time of application
- Income Information
- Racial or ethnic designation of the head of household

The application will be a permanent file. All applicants in the pool will be maintained by date and time of application.

G. INCOME TARGETING

A minimum of 75% of the families admitted to LGHA's Section 8 program during each fiscal year must be extremely low-income families. An extremely low-income family is one whose annual income does not exceed 30% of the area median income.

LGHA will monitor admissions to the Section 8 program at the end of each quarter throughout the fiscal year. If, at the end of any quarter, extremely low-income families make up less than 75% of admissions for the fiscal year to date, LGHA will give priority to extremely low-income families in each of the established preference categories until extremely low-income admissions again make up 75%.

H. ELIGIBILITY DETERMINATION

Applicant Interview and Completion of Full Application

All preferences claimed on the application or as a result of any updates to the pre-application will be verified after the applicant is selected from the waiting list, and prior to completing the full application. The qualification for preference must exist at the time the preference is claimed and at the time of verification because claim of a preferences determines selection from the waiting list.

When an applicant is selected from the waiting list, LGHA schedules an interview to complete or update the application, discuss the family's circumstances in greater detail, clarify information that has been provided by the family, and ensure that the information is complete. The interview, which must be attended by the head of household and spouse or co-head, is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process. During the interview, applicants will be required to update the household's application by writing in and initialing any changes to the family's circumstances and by certifying that all information is complete and accurate.

The head of household, spouse, co-head and all members over the age of 17 are required to complete an authorization for the LGHA to conduct a background check.

The LGHA also conducts a cross-check with the Public Housing Program to determine previous evictions or outstanding rent monies owed.

If the applicant fails to attend the interview, the applicant must reschedule the interview within seven days. If the applicant does not reschedule or misses two scheduled interviews, LGHA will remove the applicant from the waiting list.

Reasonable accommodations will be made for persons with a disability or elderly persons.

All adult members must sign Form HUD-9886, Authorization for the Release of Information, the declarations and consents related to citizenship or immigration status and any other documents required by the LGHA. Applicants will be required to sign specific verification forms for information that is not covered by Form HUD-9886. Failure to do so will be cause for denial of assistance.

If LGHA determines at or after the interview that additional information or document(s) are needed, the LGHA will request the document(s) or information in writing. The family will be given 14 days to supply the information. If the information is not supplied in this time period, the LGHA will remove the applicant from the waiting list.

Verification

Information provided by the applicant will be verified, using the verification procedures in Chapter 8. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than 60 days old at the time a Voucher is issued. See Chapter 7, Verification Procedures.

Final Determination and Notification of Eligibility

After the verification process is completed, the LGHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the LGHA, and the current eligibility criteria in effect. The LGHA will notify the family in writing as to their eligibility for the Section 8 Program. If the family is determined to be eligible, the LGHA will schedule a briefing. During the briefing, the applicant is issued a Voucher and the informational packet is provided and reviewed. If the applicant is determined to be ineligible, the applicant has the opportunity to request an informal review within 14 days of the notification.

I. REMOVAL FROM THE WAITING LIST

Applicants shall be removed from the waiting list for the following reasons:

- Failure to respond to two LGHA written communications regarding failure to comply with application update, applicant interview, and applicant briefing requirements. If a letter is returned by the Post Office without a forwarding address, or unclaimed, the applicant will be removed without further notice, and the envelope will be maintained in the file. If a letter is returned with a forwarding address, it will be re-mailed to the address indicated.

- Refusal to accept an offer of a Voucher.

- If determined ineligible at the time of subsidy issuance.

It is the sole discretion of LGHA to review, on a case-by-case basis, whether an applicant will be required to re-apply for Section 8 assistance or is entitled to reinstatement with their original date of application.

CHAPTER 4:
DENIAL OF ASSISTANCE

A. INTRODUCTION

This chapter describes when LGHA may deny assistance. If denial is based upon behavior resulting from a disability, the LGHA will delay the denial in order to determine if there is an accommodation that would mitigate the behavior resulting from the disability.

B. GROUNDS FOR DENYING ASSISTANCE

Denial of assistance for an applicant may include any or all of the following:

- Denial for placement on the LGHA waiting list.
- Denying issuance of a voucher.
- Refusing to enter into a HAP contract or approve a lease.
- Refusing to process or provide assistance under portability procedures.

Mandatory Denial of Assistance

LGHA will deny assistance to applicants if:

- The family's annual income exceeds the very low-income limits.
- 30% of the family's monthly adjusted income equals the Payment Standard for the family's unit size and the family is unable to use assistance.
- Any member of the family fails to sign and submit to HUD or LGHA required consent forms for obtaining information.
- No member of the family is a U.S. citizen or eligible immigrant (See Chapter 15).
- Any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.

LGHA will deny assistance to an applicant for any of the following reasons:

- Any household member has been evicted from federally assisted housing for drug-related criminal activity during the past three years.

- The family has violated any family obligation under the program as listed in 24 CFR 982.551.

- The family currently owes rent or other amounts to LGHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

- The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family.

- The family breaches an agreement with LGHA to pay amounts owed to LGHA or amounts paid to an owner by LGHA.

- The family has engaged in or threatened abusive or violent behavior toward LGHA personnel.

  – "Abusive or violent behavior towards LGHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for denial.

  – "Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

  – Actual physical abuse or violence will always be cause for denial of assistance.

- LGHA will deny participation in the program to applicants in cases where it determines that there is reasonable cause to believe that the person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. This includes cases where LGHA determines that there is a *pattern* of illegal use of a controlled substance, or *pattern* of alcohol abuse.

  – LGHA will consider the use of a controlled substance or alcohol to be a *pattern* if there has been more than one incident during the previous 12 months.

  – LGHA may waive this policy if the person demonstrates to its satisfaction that s/he is no longer engaging in the illegal use of a controlled substance or abuse of alcohol, and:

    * Has successfully completed a supervised drug or alcohol rehabilitation program;

    * Has otherwise been rehabilitated successfully; or

    * Is participating in a supervised drug or alcohol rehabilitation program.

- Any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine ("speed") on the premises of federally assisted housing.

Housing Authority Discretion

In deciding whether to deny assistance because of action or failure to act by members of the family, LGHA 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, and the length of time since the violation occurred. It may also review the family's more recent record of compliance and consider the effects of denial of assistance on other family members who were not involved in the action or failure to act.

Rehabilitation or a change in circumstances may be considered prior to denying assistance to applicants who were evicted from federally assisted housing for drug related activity or have abused alcohol or used illegal drugs.

For applicants evicted for drug related activity, the LGHA may consider whether the member who was evicted has successfully completed a supervised drug rehabilitation program approved by LGHA, or the circumstances leading to an eviction no longer exist (for example, the criminal household member has died or is imprisoned).

For applicants who have abused alcohol or used illegal drugs, the PHA may consider whether the member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully.

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

Burden of Proof

For denial due to drug-related, violent and other criminal activity LGHA may require the household to submit sufficient evidence that the members of the household have not engaged in drug-related criminal activity during a reasonable period, before admission to the program. The LGHA has sole discretion in determining what evidence is "sufficient" and what period of time prior to admission is "reasonable."

In determining whether to deny assistance due to the abuse of alcohol or illegal use of a drug by a household member, the LGHA may require the applicant to submit evidence of current participation in, or successful completion of a supervised drug or alcohol rehabilitation program.

Access to Criminal Records

- HUD authorizes PHAs administering tenant-based Section 8 programs to obtain criminal conviction records and requires LGHA to conduct criminal history background checks to determine whether an applicant is subject to a lifetime state's sex offender registration requirement.

- LGHA may request criminal conviction records for an adult member of a household that is applying for admission to the Section 8 tenant-based program.

- The criminal conviction records received by LGHA may not be used for lease enforcement or eviction of residents receiving Section 8 tenant-based assistance.

- An adult is a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

Explanations and Terms

Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance *on or off the* premises.

Drug-related criminal activity does not include the prior use or possession of a controlled substance if the family member had an addiction to the substance and has recovered or is recovering from the addiction and does not currently use or possess the substance.

Violent criminal activity includes any criminal activity engaged in by any family member that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property.

Denial of assistance is always optional except where this Plan or the regulations state otherwise.

Confidentiality of Criminal Records

LGHA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

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

LGHA may pursue fact-finding efforts as needed to obtain credible evidence.

C. PROCEDURES FOR NON-CITIZENS

Ineligibility due to Ineligible Immigrant Status

Applicant families in which no members are U.S. citizens or eligible immigrants are ineligible for assistance. They must be given an opportunity for a hearing.

False or Incomplete Information

When the LGHA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant, an investigation will be conducted and the individual given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the LGHA may give him/her an opportunity to provide a new declaration as an eligible immigrant or to elect not to contend their status. The LGHA will then verify eligible status and deny or prorate as applicable.

The LGHA will deny assistance based on the submission of false information or misrepresentations.

Procedure for Denial

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with LGHA either after the INS appeal or in lieu of the INS appeal.

After LGHA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).
Applicants determined to be ineligible due to citizenship status will be informed in writing of their right to request an informal hearing.

D. MISSED APPOINTMENTS AND DEADLINES

An applicant who fails to keep an appointment or to supply information required by a deadline without notifying LGHA may be sent a Notice of Denial of Assistance for failure to provide required information.

The family will be given information about the number of times appointments will be rescheduled as specified in this Plan.

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- Medical emergency.
- Incarceration.
- Family emergency.

Procedure When Appointments Are Missed or Information Not Provided

For most purposes in this Plan, the family will be given two opportunities before being issued a Notice of Denial of Assistance.

CHAPTER 5:
SUBSIDY STANDARDS
[24 CFR 982.54(d)(9)]

A. INTRODUCTION

HUD guidelines require that LGHA establish subsidy standards for the determination of Certificate and Voucher bedroom size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used must be within the minimum unit size requirements of HUD's Housing Quality Standards (HQS). This chapter explains the subsidy standards used to determine the voucher size for various-sized families when they are selected from the waiting list, as well as LGHA's procedures when a family's size changes, or a family selects an apartment size that is different from the family's Voucher. Subsidy standards described in this chapter apply equally to the Section 8 Certificate Program until it is fully phased out.

B. DETERMINING CERTIFICATE OR VOUCHER SIZE

LGHA does not determine who shares a bedroom or sleeping room, but there must be at least one person per bedroom on the Voucher. LGHA's subsidy standards for determining Voucher size shall be applied in a manner consistent with Fair Housing guidelines.

For subsidy standards, an adult is a person 18 years or older.

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements. The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

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

- Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal relationship and very young children).
- Foster children will be included in determining unit size only if they will be in the unit for more than six months.
- Space may be provided for a child who is away at school or a spouse who is away in the military.
- Single person families shall be allocated an efficiency unit or one bedroom Voucher.
- A family that consists of a pregnant woman (with no other persons) will be treated as a two- person family. [24 CFR 982.402(5)]
- Related adults and children of the same sex should share a bedroom.
- Very young children may share a bedroom with a parent.

- A live-in attendant will generally be provided a separate bedroom

GUIDELINES FOR DETERMINING CERTIFICATE OR VOUCHER SIZE

Certificate/Voucher Size	Persons in Household (Minimum #)	Persons in Household (Maximum #)
Efficiency	1	1
1 Bedroom	1	2
2 Bedroom	2	4
3 Bedroom	3	6
4 Bedroom	4	8
5 Bedroom	5	10
6 Bedroom	8	12

C. EXCEPTIONS TO SUBSIDY STANDARDS

LGHA shall grant exceptions from the subsidy standards if the family requests and LGHA determines that the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

LGHA will grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a verified medical or health reason.

A family may request a larger sized Voucher than indicated by LGHA's subsidy standards. Such request must be made in writing within 14 days of LGHA's determination of bedroom size. The request must explain the need or justification for a larger number of bedrooms. Documentation verifying the need or justification will be required as appropriate. Requests based on health related reasons must be verified by a doctor or medical professional.

If LGHA errs in the bedroom size designation, the family will be issued a Voucher of the appropriate size.

Changes in Household Composition

The Voucher size is determined prior to the briefing by comparing the family composition to LGHA subsidy standards. If an applicant requires a change in the Voucher size, the above referenced guidelines will apply.

The family obligations require the family to inform LGHA of the birth, adoption or court-awarded custody of a child, except when the family has custody of a minor, and to request LGHA approval to add any other family member as an occupant of the unit. The family must document custody to be allowed to add minors to the household. The family must request prior approval of additional household members in writing. LGHA may deny requests to add household members who would cause the family to be under housed and require a larger unit size.

If the family does not obtain prior written approval from LGHA, any person the family has permitted to move in will be considered an unauthorized household member.

Likewise, if a family member leaves the household, the family must report this change to LGHA and the owner, in writing, within 30 days of the change and certify as to whether the person is temporarily or permanently absent (See Chapter 7 for definitions).

In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody.

LGHA will conduct an interim recertification for changes that affect the Total Tenant Payment in accordance with the interim recertification policy and will require verification that the family member reported to have left the household has a new address.

Under-Housed and Over-Housed Families

If a unit does not meet HQS space standards due to an increase in family size (unit has become too small), LGHA will issue a new Voucher and assist the family in locating a suitable unit.

If a Certificate family is occupying a unit which has more bedrooms than allocated under LGHA's subsidy standards, and the gross rent exceeds the FMR/exception rent for the family size under LGHA's subsidy standards, LGHA will issue the family a Voucher and assist the family in finding a suitable unit. The family will be given a minimum of 60 days to locate a suitable unit. After the term of the family's Voucher has expired, LGHA may terminate the family's assistance if the family has rejected a suitable unit without good reason or failed to document best efforts to locate a unit.

LGHA may grant an exception to this policy, on a case-by-case basis. Exceptions might include:

- If a family with a disabled member is under-occupied in an accessible apartment.
- If a family requires the additional bedroom because of a health problem which has been verified by the LGHA.

D. UNIT SIZE SELECTED

The family may select a different size unit than that listed on the Voucher within the following criteria:

- Subsidy Limitation: LGHA will apply the Payment Standard for the smaller of (1) the bedroom size shown on the Voucher or (2) the size of the actual unit selected by the family.

- Utility Allowance: The utility allowance used to calculate the gross rent is based on the actual bedroom size of the unit the family selects, regardless of the size authorized on the family's Voucher.

- Housing Quality Standards (HQS): Generally, HQS allow two persons per bedroom or sleeping room and permit maximum occupancy levels as shown in the table on page 5-2. HQS allow living space (other than kitchen and bathroom) to be utilized as a sleeping room,

provided it meets minimum footage, lighting, and other requirements. The sleeping room will not be counted as a bedroom for purposes of determining Voucher subsidy standards.

CHAPTER 6:
FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION
[24 CFR Part 5, Subparts E and F; 982.153, 982.317, 982.551]

A. INTRODUCTION

LGHA will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and reexamination is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the regulations.

This chapter defines the allowable expenses and deductions to be subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with Federal Regulations and further instructions set forth in HUD Notices, Memoranda and Addenda. The formula for the calculation of TTP is specific and not subject to interpretation. LGHA's policies in this Chapter address those areas that allow LGHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

B. INCOME

Definitions

Income includes all amounts which are received on behalf of the family. For the purposes of calculating TTP, HUD defines what is to be included and what is to be excluded as income in the Federal Regulations. In accordance with this definition, all income that is not specifically excluded in the regulations is counted.

Annual Income is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Annual income is the amount of income prior to any HUD allowable expenses or deductions and does not include income that has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.

Averaging Income

When Annual Income cannot be anticipated for a full twelve months, LGHA may:

1. Average known sources of income to compute an annual income, or

2. Annualize current income.

The method used depends on the regularity, source and type of income.

If there are bonuses or overtime pay which the employer cannot anticipate for the next 12 months, bonuses and overtime received the previous year will be used unless the employer certifies that these payments are expected to be different in the coming year.
If, by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so as to reduce the number of interim adjustments.

C. INCOME OF TEMPORARILY AND PERMANENTLY ABSENT FAMILY MEMBERS

Temporarily Versus Permanently Absent

LGHA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

Temporarily absent is defined as away from the unit for less than 30 days.

Income of persons permanently absent will not be counted. Any member of the household will be considered permanently absent if s/he is away from the apartment for two consecutive months or sixty days except as otherwise noted in this Chapter.

It is the responsibility of the head or co-head of household or spouse to report changes in family composition. The LGHA will evaluate absences from the unit using the above policy guidelines.

The family will be required to notify the LGHA in writing within thirty (30) days when an adult family member moves out. The notice must contain a certification by the family as to whether the adult is temporarily or permanently absent.

If the family member will be permanently absent from the unit, the family must provide verification of the person's new address.

A time extension will be granted as an accommodation upon request by a person with a disability or handicap or health related reasons.

If an adult child goes into the military and leaves the household, they will be considered permanently absent.

If a member of the household is subject to a court order that restricts him/her from the home for more than two months, the person will be considered permanently absent.

Absence of Entire Family

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

Families are required to notify both LGHA and the owner before they move out of a unit and to provide information about any family absence from the unit. Families must notify LGHA and the owner if they are going to be absent from the apartment for more than 30 consecutive days.

HUD regulations require LGHA to terminate assistance if the entire family is absent from the apartment for a period of more than 180 consecutive calendar days. "Absence" means that no family member on the lease is residing in the apartment.

In order to determine if the family is absent from the apartment, LGHA may: write letters to the family at the unit; telephone the family at the unit; interview neighbors and verify if utilities are in service.

A person with a disability or a verified health reason may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD allowed 180 consecutive calendar days limit.

If requested by the family, LGHA may reinstate the family as an accommodation if the following applies:

- The absence, which resulted in termination of assistance, was due to a person's disability, age or health reason;
- LGHA can verify that the person was unable to notify the Authority in accordance with the family's responsibilities; and
- Funding is available.

Absence Due to Medical Reasons

If any family member leaves the household to enter a facility such as a hospital, nursing home, or rehabilitation center, LGHA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 30 consecutive days, the family member will be considered temporarily absent.

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

Absence Due to Incarceration

If the sole member is incarcerated for more than 60 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for two consecutive months or 60 days.

Absence of Children Due to Placement in Foster Care

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

If the time period is to be greater than six months from the date of removal of the child/ren, the Voucher size will be reduced. If all children are removed from the home permanently, the Voucher size will be reduced in accordance with the LGHA's subsidy standards.

Absence of Adult

If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period of time, LGHA will treat the adult as a visitor until a determination of custody is made.

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

When custody is determined, the income of the caretaker will be counted as family income for purposes of determining TTP.

Absence Due to Full-Time Student Status

A full-time student (other than head or co-head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent.

If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for a determination of Voucher size.

Minors and college students, who were part of the family but who now live away from home during the school year and are no longer on the lease, may visit for up to 180 days per year without being considered a member of the household. If the family decides that the member is temporarily absent, any income earned by the full-time student up to $480 a year will be counted as family income.

Visitors

Any adult not included on the Form HUD-50058, may be considered to be living in the unit as an unauthorized household member.

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

Absence of evidence of any other address will be considered verification that the visitor is a member of the household. Statements from neighbors and/or the landlord will also be considered in making the determination. Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

In a joint custody arrangement, if the minor is in the household less than 180 days per year, the minor will be considered to be an eligible visitor and not a family member.

D. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the LGHA will calculate income as follows and will use the income figure which would result in a lower payment by the family:

- Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member; or

- Include the income and deductions of the member if his/her income goes to a family member.

E. REGULAR CONTRIBUTIONS AND GIFTS

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every month or more frequently will be considered a “regular” contribution or gift, unless the amount is less than $300 per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts (see Chapter 8, “Verification Procedures,” for further definition).

If the family’s expenses exceed its known income, the LGHA will question the family about contributions and gifts.

F. ALIMONY AND CHILD SUPPORT

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, the LGHA must use the amount awarded by the court unless the family can verify that they are not receiving the full amount. LGHA will accept as verification that the family is receiving an amount less than the award if:

- LGHA receives verification from the agency responsible for enforcement or collection.

- The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

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

G. ASSETS AND INCOME FROM ASSETS

When net family assets are $5,000 or less, the actual income earned from assets is added to annual income. When net family assets exceed $5,000, the amount added to annual income as income from assets will be the greater of:

- Actual income from assets; or

- The amount that results from multiplying net family assets by the passbook rate established by the HUD Field Office for La Grange.

The value of family assets is the cash value of the asset to the family. The cash value is determined by subtracting from the current market value any expense that would be incurred to turn the asset into cash.

Lump-Sum Receipts

Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments (unemployment or welfare assistance) are counted as income. Lump-sum payments from Social Security or SSI are excluded from income, but may be considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

When LGHA is unable to verify income due to delays in processing a change to unemployment or welfare benefits, LGHA will calculate an interim rent decrease based on income sources without the unemployment or welfare payments. When the family's benefit payment has been approved, a second interim will be conducted to add the benefit income. The total income calculated in the second interim will include the family's regular periodic welfare or unemployment payment plus all of the lump-sum payment the family received as a result of the processing delay.

The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

Contributions to Retirement Funds

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

- While an individual is employed, LGHA will count as an asset only the amount the family can withdraw without retiring or terminating employment.

- After retirement or termination of employment, LGHA will count any amount the employee elects to receive as a lump-sum.

Assets Disposed of for Less Than Fair Market Value

LGHA must count assets disposed of for less than fair market value during the two years preceding certification or recertification. LGHA will count the difference between the market value and the actual payment received in calculating total assets.

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

The LGHA's minimum threshold for counting assets disposed of for less than fair market value is $10,000. If the total value of assets disposed of within a one-year period is less than $10,000, they will not be considered an asset.

H. ADJUSTED INCOME

Adjusted Income is defined as Annual Income minus any HUD allowable deductions.

HUD has five allowable deductions from Annual Income:

- *Dependent allowance*: $480 each for family members who are minors (other than the head or spouse or co-head) and for family members who are 18 years or older and full-time students or disabled.

- *Reasonable Child Care Expenses:* Deducted for the care of children under 13 when child care is necessary to allow an adult member to work, attend school, or actively seek employment.

- *Elderly/disabled allowance*: $400 per family for families whose head or spouse is 62 or over or disabled.

- *Allowable medical expenses*: Unreimbursed medical expenses which exceed three percent of Annual Income may be deducted for all family members of an eligible elderly/disabled family.

- *Allowable Disability Assistance Expenses:* Unreimbursed expenses exceeding three present of Annual Income which are for attendant care or auxiliary apparatus for persons with disabilities, may be deducted when the expenditure enables the individual or an adult family member to work. If a family has both Disability Assistance and Medical Expenses, the three percent of Annual Income is applied only once and always to the Disability Assistance expense first.

Child Care Expenses

Reasonable child care expenses for children under 13 years of age may be deducted from annual income if they enable an adult to work, attend school full time, or actively seek employment.

In the case of a child attending private school, only after-hours care can be counted as child care expenses.

Child care expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the child care. Examples of those adult members who would be considered unable to care for the child include:

- The abuser in a documented child abuse situation, or
- A person with disabilities or handicaps, or an older person unable to take care of a small child, as verified by reliable, knowledgeable professional, such as a doctor, social worker or case worker.

The maximum child care expense allowed is based on the following guidelines:

- Child care to work: Child care expenses allowed must be less than the amount earned by the person enabled to work. The person enabled to work will be the adult member of the household who earns the least amount of income from working.
- Child care for school: The number of hours claimed for child care may not exceed the number of hours the family member is attending school (including one hour travel time to and from school).

Medical Expenses

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, LGHA will refer to IRS Publication 502 as a guide.

Non-prescription medicines, supplies, apparatus must be doctor-recommended (written verification required) in order to be considered a medical expense. The family is required to furnish legible receipts.

I. "MINIMUM RENT" AND MINIMUM FAMILY CONTRIBUTION

Families are required to pay a minimum TTP (rent and utilities) of $50 a month.

LGHA may grant an exception to the minimum rent requirement when a family documents that the minimum rent would create a hardship because:

- Family has lost eligibility or is awaiting an eligibility determination for a Federal or local assistance program;
- Family would be evicted as a result of imposing the minimum rent requirement;

- Family's income has decreased because of changed circumstances including the loss of employment; or

- There has been a death in the family.

If a family requests a minimum rent hardship exception, LGHA will suspend the minimum rent charge and adjust the HAP payment effective the beginning of the month following the family's hardship request.

LGHA may request documentation of the hardship and will determine promptly whether a hardship exists and whether it is temporary or long term.

If LGHA determines that no hardship exists, the minimum rent will be imposed retroactively to the time of suspension.

If the hardship is determined to be temporary, the minimum rent will not be imposed for a period of 90 days from the date of the family's request but, at the end of that period, the minimum rent will be imposed retroactively to the time of suspension. A reasonable repayment agreement to cover minimum rent charges accumulated during the suspension will be offered.

If LGHA determines the hardship to be of long-term duration, the family will receive an exemption until the hardship no longer exists.

J. REDUCTION IN BENEFITS

If the family's benefits, such as social security, SSI or TANF, are reduced due to family error, omission, or misrepresentations, LGHA will use the gross amount of the benefit. If the family's benefits are reduced through no fault of the family, LGHA will use the net amount of the benefit.

If a family's TANF benefits are reduced or eliminated due to the family's failure to participate in an economic self-sufficiency program, to comply with a work requirement, or as a result of fraud, LGHA will not reduce rent to reflect the lost benefit.

LGHA will obtain written verification that the benefit reduction was caused by non-compliance or by fraud before denying a family's request for recertification of income and rent reduction. The prohibition against reducing rent will not apply when TANF benefits are lost because the lifetime limit on receipt of benefits has expired or in a situation where the family has complied with welfare requirements but cannot obtain employment. Any family denied a rent reduction after a loss of welfare benefits will be informed of its right to an informal hearing.

K. PRO-RATION OF ASSISTANCE FOR "MIXED" FAMILIES

Pro-ration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

"Mixed" families that were participants on June 19, 1995, and that do not qualify for continued assistance must be offered prorated assistance. (See Chapter 13, "Recertifications") Applicant mixed families are entitled to prorated assistance. Families that become mixed after June 19, 1995 by addition of an ineligible member are entitled to prorated assistance.

Pro-rated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Total Tenant Payment is the gross rent minus the prorated assistance.

L. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

LGHA will maintain an up-to-date utility allowance schedule. The Utility Allowance is intended to help defray the cost of utilities not included in the rent and is subtracted from the Total Tenant Payment to establish the family's rent to the landlord. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on the individual family's actual energy consumption.

LGHA will review and revise the utility allowance schedule annually. Revised utility allowances will be applied in a participant family's rent calculation at its next reexamination.

The approved utility allowance schedule is given to families at each briefing. The utility allowance is based on the actual unit size selected.

Where the utility allowance exceeds the family's Total Tenant Payment, LGHA will provide a utility reimbursement payment for the family each month. The check will be made out directly to the tenant.

CHAPTER 7:
VERIFICATION PROCEDURES
[24 CFR Part 5, Subparts B, D, E and F; 982.108]

A. INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment be verified by LGHA. Applicants and program participants must furnish proof of their statements whenever required by the LGHA, and the information they provide must be true and complete. LGHA's verification requirements are designed to maintain program integrity. This Chapter explains LGHA procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and family composition. LGHA will ensure that proper authorization from the family is always obtained before making verification inquiries.

B. METHODS OF VERIFICATION AND TIME LIMITS

LGHA will verify information through the four methods of verification acceptable to HUD in the following order:

1. Third-Party Written
2. Third-Party Oral
3. Review of Documents
4. Certification/Self-Declaration

LGHA will allow two weeks for return of third-party verifications and one week to obtain other types of verifications before going to the next method.

For applicants, verifications may not be more than 60 days old at the time of Voucher issuance. For participants, they are valid for 120 days from date of receipt.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first class mail. The family will be required to sign an authorization for the information source to release the specified information.

Verifications received electronically (faxed) directly from the source are considered third party written verification.

LGHA will not accept verifications that are hand-delivered by the family, except for computerized printouts from the following agencies:

- Social Security Administration
- Veterans Administration
- Welfare Assistance

- Unemployment Compensation Board
- City or County Courts

Third-Party Oral Verification

Oral third-party verification will be used when written, third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to complete a "Certification of Document Viewed or Person Contacted" form. On the form, staff must note with whom they spoke, the date and time of the conversation, and the facts provided. LGHA staff will compare the information provided to any documents provided by the Family. If verification is provided by telephone, LGHA staff must originate the call.

Review of Documents

In the event that third-party verification is unavailable or the information has not been verified by the third party within two weeks, LGHA will note the file accordingly and utilize documents provided by the family as the primary source of verification, only if the documents provide complete information.

All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed but cannot be photocopied, staff viewing the documents(s) will complete a "Certification of Document Viewed or Person Contacted" form.

The LGHA will accept the following documents from the family, provided there is no evidence of tampering and that the document contains sufficient information.

- Printed wage stubs;
- Computer print-outs from the employer;
- Signed letter (provided that the information is confirmed by phone); and
- Other documents noted in this Chapter as acceptable verification.

The LGHA will accept electronic (faxed) documents. LGHA will not accept photocopies.

If third-party verification is received after documents have been accepted as provisional verification and there is a discrepancy, LGHA will utilize the third-party verification.

LGHA will not delay the processing of an application beyond 30 days because a third-party information provider does not return the verification in a timely manner.

Self-Certification/Self Declaration

When verification cannot be made by a third-party verification or review of documents, families will be required to submit a self-certification. Self-certification means a notarized statement and must be witnessed.

C. RELEASE OF INFORMATION

The family will be required to sign specific authorization forms when information is needed that is not covered by the Form HUD-9886, Authorization for Release of Information. Each member requested to consent to the release of information will be required to review and sign appropriate forms. Copies will be provided upon request.

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

D. COMPUTER MATCHING

Where allowed, computer matching may be used to verify the accuracy of income reporting.

E. ITEMS REQUIRING VERIFICATION

- All income not specifically excluded by the regulations.
- Zero-income status of household.
- Full-time student status including high school students who are 18 or over.
- Current assets, including assets disposed of for less than fair market value in the preceding two years.
- Child care expense when child care allows an adult family member to be employed, to seek employment, or to further his/her education.
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled.
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus that allow an adult family member to be employed.
- U.S. citizenship or eligible immigrant status.
- Social Security numbers for all family members six years of age or older who have been issued a number.
- Qualification of preferences.
- Familial/marital status when needed for head or spouse definition.
- Disability status for determination of preferences, allowances or deductions.
- Pregnancy of a woman who applies to live alone as a family.

- Documentation for need of live-in aide.
- Insurance/ownership/tax form ID of property owner.
- Any other information required to ensure program compliance.

F. VERIFICATION OF INCOME

Employment Income

Acceptable methods for verifying employment income include, in this order:

- Employment verification form completed by the employer or completed by LGHA staff via telephone conversation with employer when staff initiates the call.
- Check stubs or earning statements indicating the employee's gross pay, frequency of pay or year to date earnings.
- W-2 forms plus income tax return forms.
- Income tax returns signed by the family for verification of self-employment income or income from tips and other gratuities.

Employers must specify the following on the verification forms:

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

When doubt regarding income exists, applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income. Referrals to the IRS for confirmation will be made on a case-by-case basis.

Social Security, Pensions, Supplementary Security Income(SSI) and Disability Income

Acceptable methods of verification include, in this order:

- Computer report electronically obtained through the Tenant Eligibility Verification System (TEVS) or a hard copy.
- Benefit verification form completed by agency providing the benefits.
- Award or benefit notification letters provided by the providing agency.
- Bank statements for direct deposits.

Unemployment Compensation

- Verification form completed by the unemployment compensation agency.
- Computer printouts from unemployment office stating payment dates and amounts.

Welfare Payments or General Assistance

- LGHA verification form with computer printout completed by payment provider.
- Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.
- Computer-generated Notice of Action.

Alimony or Child Support Payments

- Copy of separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- Notarized letter from person paying the support.
- Copy of latest check and/or payment stub from a court trustee. LGHA must record the date, amount, and number of the check.
- Family's self-certification of amount received and the likelihood of support payments being received in the future, or self-certification that support payments are not being received.
- If payments are irregular, copy of separation or settlement agreement or divorce decree stating the amount and type of support and payment schedules *and* one of the following:
    - Statement from agency responsible for enforcing payments demonstrating that the family has filed for enforcement;
    - Welfare notice of action showing amounts received by the welfare agency for child support; or

- Written statement from an attorney certifying that a collection or enforcement action has been filed.

Net Income from a Business

- IRS Form 1040, including:
  - Schedule C (Small Business);
  - Schedule E (Rental Property Income); and/or
  - Schedule F (Farm Income).

- Documents such as manifests, appointment books, cash books, bank statements, and receipts. These documents will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.

- Credit report or loan application.

Child Care Business

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

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

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

Recurring Gifts

- Self-certification containing the following information:

  - Name of gift-provider;
  - Value of gift;
  - Regularity (dates) of gift; and
  - Purpose of gifts.

Zero Income Status

Families claiming to have no income will be required to file for assistance and execute verification forms to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household.

LGHA will request written verification from the agency that the family is not eligible for assistance, i.e., unemployment, TANF, SSI, etc.

LGHA will request information from IRS.

LGHA may check records of other departments in the jurisdiction that have information about income sources of customers.

Full-Time Student Status

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

G. ACCEPTABLE METHODS FOR VERIFICATION OF INCOME FROM ASSETS

Checking and Savings Account Interest Income and Dividends

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

Interest Income from Mortgages or Similar Arrangements will be verified by:

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

Net Rental Income from Property Owned by Family

- IRS Form 1040 with Schedule E (Rental Income).
- Copies of latest rent receipts, leases, or other documentation of rent amounts.
- Documentation of allowable operating expenses of the property: tax statements, insurance invoice, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
- Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

H. ACCEPTABLE METHODS OF Verification of Assets

LGHA will require the necessary information to determine the current cash value of the asset, i.e. the net amount the family would receive if the asset were converted to cash.

Family Assets

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

Assets Disposed of for Less than Fair Market Value

LGHA will obtain the family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for less than fair market value, the verification or certification must show:

- All assets disposed of for less than fair market value;
- Date assets were disposed of;
- Amount the family received; and
- Market value of the assets at the time of disposition.

Third party verification will be obtained whenever possible.

I. ACCEPTABLE METHODS OF VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

Child Care Expenses

- Written verification from the person who receives the payments. If the child care provider is an individual, a statement of the amount the individual is charging the family for the service. Verifications must specify the name of the child care provider, address, telephone number, Social Security number, names of children cared for, number of hours cared for, rate of pay, and typical yearly amount paid, including school and vacation periods.

- Family certification as to whether any of the child care payments have been or will be paid or reimbursed by outside sources.

Medical Expenses

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

- Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.

- Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

- Written confirmation from the Social Security Administration indicating the amount of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

Attendant Care

- Reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

- Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or paycheck stubs from the agency providing the services.

- Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

- Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

- Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. LGHA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.

LGHA will use mileage at the **IRS** rate, or cab, bus fare, or other public transportation directly related to medical treatment.

Assistance to Persons with Disabilities

- Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independent to enable another family member to be employed.

- Family certification as to whether it receives reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care

- Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

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

Auxiliary Apparatus

- Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.

- In the case where the person with disabilities or handicaps is employed, statement from the employer that the auxiliary apparatus is necessary for employment.

J. ACCEPTABLE METHODS OF VERIFICATION OF NON-FINANCIAL FACTORS

Legal Identity of Adults

- Current, valid Driver's License (Photo Only)
- U.S. military discharge (DD 214)
- U.S. passport
- Department of Motor Vehicles Identification Card (Photo only)
- Certificate of Birth, naturalization papers
- Church-issued baptismal certificate
- Voter's registration
- Company/agency identification card
- Hospital records
- Census data

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

Legal Identify of Minors

- Certificate of Birth
- Adoption papers
- Custody agreement
- School records

Marital Status

- For divorce, certified copy of the divorce decree, signed by a Court Officer.

- For separation, a copy of court-ordered maintenance or other records.

- For marriage, copy of marriage certificate.

Familial Relationships

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification as follows:

- To verify relationship, official identification showing names or birth certificates.

- To verify guardianship:

    - Court-ordered assignment;
    - Affidavit of parent;
    - Verification from social services agency; or
    - School records.

Examples of a stable family relationship include joint bank accounts or other shared financial transactions, leases or other evidence of prior cohabitation, and credit reports showing relationship.

Permanent Absence of Adult Household Member

- Legal papers documenting a spouse instituted a divorce action.

- Legal papers documenting a spouse instituted a legal separation.

- Order of protection/restraining order obtained by one family member against another.

- Proof of another home address, such as utility bills, canceled rent check, drivers license, or lease or rental agreement, if available.

- Statements from other agencies such as social services or written statement from the landlord or manager that the adult family member is no longer living at that location.

- If the adult family member is incarcerated, a document from the Court or prison stating how long the member will be incarcerated.

Change of Family Composition

The LGHA may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspection, landlords, neighbors, school or Department of Motor Vehicles records, and other sources.

Disability

- Receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 (7).

- Verification by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker, using the HUD language as the verification format.

Citizenship/Eligible Immigrant Status

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare his/her status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the LGHA hearing is pending.

- Citizens or Nationals of the United States: Signed declaration under penalty of perjury. LGHA will not require citizens to provide documentation of citizenship.

- Eligible Immigrants who were Participants and 62 or over on June 19, 1995: Signed declaration of eligible immigration status and proof of age.

- Noncitizens with eligible immigration status: Signed declaration of status and verification consent form and submission of original immigration documents to LGHA, which are to be copied and returned to the family. LGHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, LGHA must request within ten days that the INS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Noncitizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in. Once verification has been completed for any covered program, it need not be repeated except, in the case of port-in families, if the initial PHA does not supply the documents, the LGHA must conduct the determination.

Extension must be given for persons who declare their eligible immigration status but need time to obtain the required documents. The length of the extension shall be based on individual circumstance. The LGHA will generally allow up to 60 days to provide the document or a receipt issued by the INS for issuance of replacement documents.

Only the following documents are acceptable documents of eligible immigration, unless changes are published in the *Federal Register*.

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS for a replacement of any of the above documents that shows that the individual's entitlement has been verified.

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept by LGHA for five years.

Social Security Numbers

Social Security numbers must be provided as a condition of eligibility for all family members age six and older if they have been issued a number. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration. If a family member cannot produce a Social Security Card, only the documents listed below showing his or her Social Security number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

- Driver's license (photo only)

- Identification card issued by a Federal, State, or local agency

- Identification card issued by medical insurance company or provider, including Medicare and Medicaid.

- IRS Form 1099.
- Benefit award letter from government agency.
- Retirement benefit letter.
- Verification of benefits or Social Security Number from Social Security Administration.

New family members age six or older will be required to produce their Social Security card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the LGHA.

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

In the case of an individual at least 62 years of age, the LGHA may grant an extension for an additional 30 days to a total of 60 days. If, at the end of this time, the elderly individual has not provided documentation, the family's assistance will be terminated.

If the family member states he or she has not been issued a number, the family member will be required to sign a certification to that effect.

Medical Need for Larger Unit

- Written certification that a larger unit is necessary must be through a written certification from a reliable, knowledgeable professional.

CHAPTER 8:
BRIEFING AND VOUCHER ISSUANCE
[24 CFR 982.301, 982.302]

A. INTRODUCTION

LGHA's objectives are to assure that families selected to participate in the Section 8 Program are successful in leasing a suitable apartment, and that they have sufficient knowledge to derive maximum benefit from the program and to comply with program requirements. When families are determined eligible, LGHA will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, LGHA procedures, and how to lease a unit. The family will also receive a briefing packet, which provides more detailed information about the program, including the benefits of moving outside areas of concentration. This Chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition, income, etc. will be handled.

B. ISSUANCE OF VOUCHERS

When funding is available, LGHA will issue Vouchers to eligible applicants. Voucher issuance must be within the dollar limitations set by the Annual Contributions Contract (ACC) budget.

The number of Vouchers issued must ensure that LGHA maintains maximum lease-up. LGHA performs a monthly calculation to determine whether applications can be processed, the number of Vouchers that can be issued, and to what extent LGHA can over-issue.

The LGHA may over-issue Vouchers only to the extent necessary to meet leasing goals. All Vouchers that are over-issued must be honored. If LGHA finds it is over-leased, it must adjust future issuance in order not to exceed the ACC budget limitations over the fiscal year.

C. BRIEFING TYPES AND REQUIRED ATTENDANCE

Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefing will be conducted in group and/or individual meetings. Families who attend a group briefing but need individual assistance will be met individually by LGHA staff.

The purpose of the briefing is to explain the documents in the Voucher Briefing Packet so that the family is fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The LGHA will not issue a Voucher to a family unless the household representative (head of household, co-head or spouse) has attended a briefing and signed the Voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend two scheduled briefings without prior notification and approval of LGHA, may be denied admission based on failure to supply information needed for certification. The LGHA will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

Briefing Packet

The documents and information provided in the briefing packets will comply with all HUD requirements. LGHA also includes other information and/or materials not required by HUD.

The family is provided with the following information and materials:

- Term of the Voucher and LGHA policy for requesting extensions to the term of the Voucher or suspensions of the Voucher.
- Description of the method used to calculate the Housing Assistance Payment and information on Payment Standards and Utility Allowances.
- Explanation of how the maximum allowable rent is determined, including procedures for determining rent reasonableness.
- Guidance and materials to assist the family in selecting a unit, such as proximity to employment, public transportation, schools, shopping, and the accessibility of services. Guidance will also be provided to assist the family to evaluate the prospective unit, such as the condition, whether the rent is reasonable, average utility expense, energy, and security.
- Explanation of the portability option.
- Sample of the HUD tenancy addendum.
- Request for Lease Approval form and a description of the procedure for requesting approval for a unit.
- LGHA policy on providing information about families to prospective owners.
- Subsidy Standards, including when and how exceptions are made and how unit size listed on Voucher relates to the unit size selected.
- HUD brochure, “A Good Place to Live” on how to select an apartment that complies with HQS.
- HUD brochure on lead-based paint and information about where blood level testing is available.

- Information on Federal, State, and local equal opportunity laws, including the pamphlet "Fair Housing: It's Your Right". LGHA will also include information on reporting suspected discrimination and the phone numbers of the Local Fair Housing Agency and the HUD enforcement office.

- A list of landlords or other parties willing to lease to assisted families or help in the housing search. In addition, a list of available housing units in all neighborhoods submitted by owners as available upon request at LGHA's front desk

- If the family includes a person with disabilities, notice that the LGHA will provide assistance in locating accessible units and a list of available accessible units known to the LGHA.

- Family Obligations under the program.

- Grounds for termination of assistance because of family action or failure to act.

Other Information to be Provided at the Briefing

The person conducting the briefing will also describe how the program works and the relationship between the family and the owner, the family and the LGHA, and the LGHA and the owner.

The briefing interview presentation emphasizes:

- Family and owner responsibilities.
- Where a family may lease a unit inside and outside its jurisdiction.
- How portability works for families eligible to exercise portability.
- Advantages to moving to areas with low concentrations of poor families if the family currently is living in a high poverty census tract in the LGHA jurisdiction.
- Choosing an apartment carefully.
- Family Self-Sufficiency Program.

If the family includes a person with disabilities, LGHA will ensure compliance with 24 CFR 8.6 to ensure effective communication.

A written notice will be given to the family explaining that they have a right to select any unit that qualifies for the program and the choice of LGHA-owned housing must be made freely.

Owner Briefing

Briefings are held for owners at least once per year. All new owners receive a personal invitation and current owners are notified by mail. Prospective owners are also welcome. The purpose of the briefing is to assure successful owner participation in the program.

D. TERM OF VOUCHER

During the briefing session, each household will be issued a Voucher, which represents a contractual agreement between the LGHA and the family and specifies the rights and responsibilities of each party. It does not constitute admission to the program, which occurs when the lease and contract become effective.

Expirations

The Voucher is valid for a period of 60 calendar days from the date of issuance. The family must submit a Request for Lease Approval within the 60 day period unless an extension has been granted by LGHA.

If the Voucher expires and is not extended by the LGHA, or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, it may remain as a participant in the unit if there is an assisted lease/contract in effect.

Suspensions

When a Request for Lease Approval (RLA) is received, the term of the Voucher will be suspended until a lease and contract have been executed for the unit or LGHA determines that leasing the unit is not feasible. If the unit cannot be leased, LGHA will change the expiration date on the voucher and provide the family the same number of search days which remained in the term on the date the RLA was submitted.

Extensions

A family may request an extension of the Voucher time period. All requests for extensions must be received prior to the expiration date of the Voucher. Extensions are permissible at the discretion of the LGHA up to a maximum of 60 days, primarily for these reasons:

- Extenuating circumstances, such as hospitalization or family emergency, which has affected the family's ability to find a unit within the 60 day period. Verification is required.

- LGHA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the LGHA, throughout the initial 60 day period. A completed search record is required.

- Family was prevented from finding an apartment due to the need to locate an accessible unit to accommodate a disabled family member or to the family's need for a unit with four or more bedrooms. A completed search record is required as part of the verification.

Upon receiving satisfactory documentation of one of the above, LGHA will provide extensions of 30 days.

E. ASSISTANCE TO VOUCHER HOLDERS DURING SEARCH

Families who require additional assistance during their search may call the LGHA to request assistance. Voucher holders will be notified at the briefing that the LGHA periodically updates the listing of available units and how the updated list may be obtained. The LGHA will assist families with negotiations with owners and provide other assistance related to the families' search for housing, including assistance in locating units outside of areas of concentration.

F. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS

When a family assisted under the Section 8 Program becomes divided into two otherwise eligible families due to divorce, legal separation or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, LGHA shall consider the following factors to determine which of the families will continue to be assisted:

- Which of the two new family units has custody of dependent children.
- Which family member was the head of household at issuance (listed on the initial application).
- Composition of the new family units, including which unit contains elderly or disabled members.
- Whether domestic violence was involved in the breakup.
- Which family members remain in the unit.
- Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties. If documentation is not provided, LGHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

Where the breakup of the family also results in a reduction in the number of bedrooms required for a family in the Certificate program, the family will be issued a Voucher to search for a unit of appropriate size. LGHA will assist the family by providing information on available units of appropriate size. At the end of the Voucher term, if the family has rejected an opportunity to select another appropriate unit, the family's assistance under the Certificate program will be terminated. The family will have the option of remaining in place with Voucher funding.

G. RETENTION OF CERTIFICATE/VOUCHER FOR REMAINING MEMBER OF TENANT FAMILY

To be considered the remaining member of the tenant family, the person must have been previously approved by LGHA to be living in the unit. A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

In order for a minor child to continue to receive assistance as a remaining family member, the court must have awarded emancipated minor status to the minor, or LGHA must have verified that the appropriate agency has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.

A reduction in family size may require a reduction in the Certificate or Voucher size.

CHAPTER 9:
REQUEST FOR LEASE APPROVAL AND CONTRACT EXECUTION

A. INTRODUCTION

After families are issued a Voucher, they may search for a unit anywhere within the jurisdiction of LGHA, or outside of LGHA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments (HAP) contract with LGHA. This Chapter defines the types of eligible housing and LGHA policy regarding initial inspections, lease requirements, owner disapproval, and the processing of Requests For Lease Approval (RLA).

B. REQUEST FOR LEASE APPROVAL [24 CFR 982.305 (B)]

The RLA and a copy of the proposed Lease must be submitted by the family during the term of the Voucher.

The RLA must be signed by both the owner and Voucher-holder.

LGHA will not permit the family to submit more than one RLA at a time.

Approval of RLA

LGHA will review the RLA to determine whether or not it will be approved. The request will be approved if:

- Total Tenant Payment is within 40% of the family's adjusted monthly income.
- Unit is an eligible type of housing.
- Unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan).
- Rent is reasonable (See Section G).
- Security deposit amount is approvable (Pursuant to State law).
- Proposed lease complies with HUD and LGHA requirements as well as State and local law (See Section D).
- Owner is approvable, and there are no conflicts of interest (See Section J).

Disapproval of RLA

If LGHA determines that the request cannot be approved for any reason, the landlord and the family will be notified in writing. LGHA will instruct the family of the steps that are necessary to approve the Request.
The family will be given five calendar days to submit an approvable RLA from the date of disapproval.

If, for any reason, an RLA is not approved, LGHA will furnish another RLA form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.

C. ELIGIBLE TYPES OF HOUSING

LGHA will approve any of the following types of housing in the Voucher program:

- All structure types can be utilized.
- Manufactured homes where the tenant leases the mobile home and/or the pad.
- Independent group residences.
- Congregate facilities (only the shelter rent is assisted).
- Single-Room Occupancy.
- Units owned (but not subsidized) by the LGHA (following HUD-prescribed requirements).

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad.

A family may lease and have an interest in a cooperative housing development.

Unless its lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. LGHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

The LGHA may not permit a Voucher holder to lease a unit which is receiving Project-Based Section 8 assistance or any duplicative rental subsidies.

The LGHA will not approve:

- Unit occupied by the owner or by any person with an interest in the unit, other than manufactured homes described above.
- Nursing homes or other institutions that provide care.
- School dormitories and institutional housing.
- Any other types of housing prohibited by HUD.

D. LEASE REVIEW

The LGHA will review the lease, particularly noting the approvability of optional charges and compliance with regulations and Texas law. Responsibility for utilities, appliances and optional services must correspond to those provided on the RLA.

Owners may either submit their own lease or permit LGHA to furnish the lease. In cases where the owner's lease is used, the HUD tenancy addendum must be attached and executed.

LGHA encourages owners to use a sample lease provided by the LGHA, which includes the HUD-mandated language. House Rules of the owner may be attached to the lease as an addendum, provided they must be approved by LGHA to ensure they do not violate any fair housing HUD Provisions.

E. SEPARATE AGREEMENTS

Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.

Owners and families may execute separate agreements for appliances (other than HQS requirements such as utilities, range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the LGHA.

Any appliances, services or other items routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item. LGHA is not liable for unpaid charges for items covered by separate agreements, and nonpayment of these agreements cannot be cause for eviction.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.

All agreements for special items or services must be attached to the lease approved by the LGHA. If agreements are entered into a later date, they must be approved by the LGHA and attached to the lease.

LGHA will approve agreements for modifications to the unit for persons with disabilities. The modifications are usually within the dwelling and are critical to the use of the dwelling. If the owner makes modifications to the unit, the costs should be recovered through the rent collected, not by having the tenant pay for the modifications. An exception would be considered if the modifications are such that they most likely would be removed if the tenant moved out.

F. INITIAL INSPECTIONS

See Chapter 11: Housing Quality Standards and Inspections.

G. RENT LIMITATIONS

LGHA will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

In addition, even when the rent is determined to be reasonable within local rental market conditions, the family may not enter into a lease for the unit if the total tenant payment for the unit will be greater than 40% of the family's adjusted monthly income.

If the proposed Gross Rent is not reasonable or the TTP will exceed 40% of the family's adjusted monthly income, at the family's request, LGHA will negotiate with the owner to reduce the rent to a reasonable rent.

If the rent can be approved by taking the above steps, LGHA will continue processing the Request for Lease Approval and Lease. If the revised rent involves a change in the provision of utilities, a new Request for Lease Approval must be submitted by the owner.

If the owner does not agree on the Contract Rent after LGHA has tried and failed to negotiate a revised rent, LGHA will inform the family and owner that the lease is disapproved.

H. SECURITY DEPOSIT REQUIREMENTS

Leases Effective on or after October 2, 1995

Security deposits charged by owners may not exceed those charged to unassisted tenants nor the maximum prescribed by Texas law.

Leases Effective Prior to October 2, 1995

The amount of security deposit an owner could have collected under contracts effective prior to October 2, 1995 is:

- Under the Certificate Program, an amount not to exceed Total Tenant Payment at move-in or $50.00, whichever was greater.

- For the Voucher Program, an amount not to exceed one month's rent at move-in.

I. INFORMATION TO OWNERS

The LGHA is required to provide prospective owners with the address of the applicant and the names and addresses of the current and previous landlords, if known. LGHA will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

LGHA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, eviction history, damage to units, and other factors related to the family's suitability as a tenant.

Upon written request from a prospective landlord, LGHA will provide any of the following information regarding a family's tenancy history during the past three years based on *documentation in its possession* relating to*:*

- Eviction history.
- Damage to rental units.
- Other aspects of tenancy history; including complaints from neighbors or landlords.

The information will be provided orally and/or in writing. Only supervisory staff may provide this information. LGHA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

J. OWNER DISAPPROVAL

For purposes of this section, "owner" includes a principal or other interested party.

LGHA may disapprove the owner for any of the following reasons:

- Owner has a history or practice of failing to terminate the tenancy of residents occupying units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

  - Threatens the right to peaceful enjoyment;

  - Threatens the health or safety of other residents, or employees of the PHA or of owner employees or other persons engaged in management of the housing;

  - Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity or the premises; or,

  - Is engaged in drug-related criminal activity or violent criminal activity.

- Owner has violated obligations under the Housing Assistance Payments contract, including but not limited to:

  - Having a history or practice of non-compliance with the HQS for units leased under the Section 8 programs;

  - Having a history or practice of renting units that fail to meet local housing codes; or

  - Committing fraud, bribery or any other corrupt act in connection with the Section 8 program or any other federal housing program.

- Engaging in any drug-related criminal activity or any violent criminal activity.

- Not paying Texas real estate taxes, fines or assessments, water and sewerage bills.

- Owner has a conflict of interest as described in HUD regulation 24 CFR 982.161(a) and would therefore be unable to enter into a contract with LGHA; or owner is employed by LGHA as a member of the Section 8 Program staff or is a LGHA Commissioner.

- When HUD has informed LGHA that disapproval is required because:

  - Owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24;

  - Federal government has instituted an administrative or judicial action against the owner for violating the Fair Housing Act or other federal equal opportunity requirements and such action is pending;

  - Court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

Before imposing any penalty against an owner, LGHA will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

If an owner commits fraud or abuse or is guilty of frequent or serious contract violations, LGHA may restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. LGHA may terminate some or all contracts with the owner.

If the landlord has been overpaid as a result of fraud, misrepresentation, or violation of the Contract, LGHA may terminate the Contract and arrange for restitution to LGHA and/or the family, as appropriate.

K. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

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

L. CONTRACT EXECUTION PROCESS

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

For new owners, the documents are signed at a Signature Briefing attended by the owner, family, and a representative of the LGHA. The briefing covers the responsibilities and roles of the three parties.

LGHA makes every effort to execute the HAP contract before the commencement of the lease term. No payments will be made until the HAP contract is executed.

Only the LGHA Executive Director is authorized to execute a contract on behalf of the LGHA.

Each owner must provide the following information to LGHA:

- Current address of his/her residence (not a Post Office box);
- Business and home telephone number;
- Employer Identification Number or Social Security Number;
- Copy of Driver's License or other photo identification;
- Proof of ownership of the property, Grant Deed and Tax Bill or water and sewer bill;
- Copy of the Management Agreement, if property is managed by a management agent;
- Copy of the current insurance policy.

M. CHANGE IN OWNERSHIP

A change in ownership requires execution of a new contract.

LGHA will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title and the Employee Identification Number or Social Security number of the new owner.

LGHA must receive a written request by the old owner in order to change the HAP payee and/or the address to which payment is to be sent.

CHAPTER 10:
HOUSING QUALITY STANDARDS AND INSPECTIONS
[24 CFR 982.401]

A. INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and HAP contract. LGHA will inspect each unit under contract at least annually. LGHA will also perform a quality control inspection of at least five percent of all units under contract annually to maintain LGHA's required standards and to ensure consistency.

HQS standards may be enhanced by LGHA, provided that by doing so, LGHA does not overly restrict the number of units available for lease under the program. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and LGHA requirements. This Chapter describes LGHA's procedures for performing HQS and other types of inspections and standards for the timeliness of repairs. It also explains the responsibilities of the owner and family and the consequences of non-compliance with HQS requirements for both families and owners.

B. GUIDELINES/TYPES OF INSPECTIONS

LGHA has adopted local requirements of acceptability in addition to those mandated by the HUD Regulations. All units must meet the minimum standards set forth in the La Grange Housing Codes. In cases of inconsistency between the Code and these HQS, the stricter of the two shall prevail.

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards.

All utilities must be in service at the initial inspection. If the utilities are not in service at the time of inspection, the Inspector will notify the tenant or owner (whoever is responsible for the utilities according to the RLA) to have the utilities turned on. The Inspector must return to certify that the utilities are on.

The stove must be present when the unit is inspected.

There are five types of inspections the LGHA will perform:

- Initial/Move-in
- Annual

- Special/Complaint
- Move-Out/Vacate
- Quality Control

Initial/Move-In Inspections

The Initial/Move-In Inspection is conducted to:

- Determine if the unit and property meet HQS, as defined in this Plan.
- Document the current condition of the unit to assist in future evaluations to determine whether the condition of the unit exceeds normal wear and tear.
- Document the information to be used for determination of rent-reasonableness.

LGHA will conduct the initial inspection within a reasonable time after receiving a RLA from the family. Every effort will be made to conduct the inspection within 15 days of receiving the RLA.

If the unit fails the initial HQS inspection, the family and owner will be advised to notify LGHA once repairs are completed. The owner will be given up to 30 days to correct the deficiencies identified depending on the amount and complexity of work to be done.

The owner will be allowed up to two re-inspections for repair work to be completed.

If the time period given by the Inspector to correct the repairs has elapsed, or the maximum number of failed re-inspections has occurred, the family must select another unit.

Annual Inspections

The LGHA conducts HQS inspections at least annually, generally 90 days prior to the anniversary date of the contract but always at least 60 days prior to the anniversary of the previous inspection. Special inspections may be scheduled between anniversary dates.

HQS deficiencies which cause a unit to fail must be corrected by the landlord, unless the tenant is responsible for the deficiency.

The family must allow the LGHA to inspect the unit at reasonable times with reasonable notice. Reasonable times to conduct an inspection are on business days only between the hours of 9:00 a.m. and 4:00 p.m. Exceptions may apply. LGHA will notify the family in writing at least seven days prior to the inspection.

The family is notified of the date and time of the inspection appointment by mail. If the family is unable to be present, they must reschedule the appointment so that the inspection is completed within ten days.

If the family does not contact LGHA to reschedule the inspection, or the family misses two inspection appointments, LGHA will consider the family to have violated a Family Obligation and its assistance will be terminated in accordance with the termination procedures in the Plan.

When the inspection has been completed, the owner and the family will be informed in writing of any items which failed to meet HQS standards and must be repaired or replaced and of the date on which LGHA will reinspect to certify completion of the required work. The owner must notify the LGHA when the repairs have been completed.

Reinspection

The family is mailed a notice of the reinspection appointment. If the family is not at home for the reinspection appointment, a card will be left at the unit, and the tenant is responsible to call for another appointment.

The family is also notified that it is a Family Obligation to allow LGHA to inspect the unit. If the family was responsible for a breach of HQS identified in Chapter 16 of this Plan, it will be advised of its responsibility to correct the deficiency.

If the Inspector is unable to gain access to the unit for the re-inspection, HAP payments are abated as of the first day of the month following the re-inspection. HAP payments cannot begin again until the inspector is able to enter the unit and determine that the unit meets HQS standards. If the inspector has been unable to gain access at the time of the second attempt to conduct a re-inspection, the owner will receive a Notice of Contract Termination (see Chapter 15).

If the family is responsible for the HQS failure and has failed to make the required correction, the family will receive a Notice of Termination of Assistance (see Chapter 16).

Time Standards for Repair

Emergency items which endanger the family's health or safety must be corrected within 24 hours of notification.

For non-emergency items, repairs must be made within 30 days.

Rent Increases

LGHA will conduct an inspection using HQS and other standards approved in this Administrative Plan at least annually prior to the date of the last inspection. Rent increase requests will not be approved if the unit is in a failed condition.

Special/Complaint

If at any time, a family, owner, agency, or third party requests a special inspection, LGHA will conduct an inspection. LGHA will inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

Move-Out/Vacate

A move-out inspection will be performed at the landlord's request if a claim is to be submitted for a contract effective before October 2, 1995.

Quality Control

Quality Control inspections will be performed by the Executive Director or his/her designee on at least five percent of the units inspected by each inspector. The purpose of Quality Control inspections is to ascertain that the inspector is conducting accurate and complete inspections and to ensure that there is consistency in application of the HQS.

C. EMERGENCY REPAIR ITEMS

Emergency repair items must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the Housing Inspector. Items considered to be of an emergency nature include but are not limited to the following.

- Lack of security for the unit.
- Waterlogged ceiling in imminent danger of falling.
- Major plumbing leaks or flooding.
- Natural gas leak or fumes.
- Electrical problem which could result in shock or fire.
- No heat between October 15 and April 15.
- Utilities not in service.
- No running hot water.
- Broken glass where someone could be injured.
- Obstacle that prevents tenant's entrance or exit.
- Lack of functioning toilet.

In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to effect the repair, proper authorities will be notified by LGHA.

If the emergency repair item(s) are not corrected in the time period required by LGHA, and the owner is responsible, the HAP payment will be abated and the HAP contract may be terminated.

If the emergency repair item(s) are not corrected in the time period required by the LGHA, and it is an HQS breach which is a family obligation, LGHA will terminate the assistance to the family and the owner's payment will not be abated for the month following breach of HQS.

D. DETERMINATION OF RESPONSIBILITY

The family is responsible for breaches of HQS caused by:

- Tenant-paid utilities not in service;
- Failure to provide or maintain family-supplied appliances; and
- Damages to the unit or premises caused by a household member or guest beyond normal wear and tear, as defined in Chapter 18.

The owner is responsible for all other HQS violations.

The owner is responsible for eliminating vermin infestation, even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. LGHA may terminate the family's assistance on that basis.

The inspector will make the determination of owner or family responsibility during the inspection. The owner or tenant may appeal this determination through an informal hearing within fourteen (14) days of the inspection.

If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

E. CONSEQUENCES IF OWNER IS RESPONSIBLE -NON-EMERGENCY ITEMS

When it has been determined that a unit in the program fails to meet HQS, and the owner is responsible for completing the necessary repair(s), LGHA will conduct a reinspection to insure repairs are completed within the time period specified by LGHA. If repairs are not completed within the time period specified, the assistance payment to the owner will be abated.

Abatement

A Notice of Abatement will be sent to the owner, and the abatement will be effective on the first day of the month following the date of the failed reinspection.

The LGHA will inspect abated units within seven days of the owner's notification to LGHA that the work has been completed.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection.

The family will be notified of the re-inspection date.

No retroactive payments will be made to the owner for the period of time while the rent was abated and the unit did not comply with HQS.

Termination of Contract

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the reinspection, the owner will be sent a HAP Contract Proposed Termination Notice with the Notice of Abatement. The abatement will remain in effect until repairs are completed or the contract is terminated.

If repairs are completed, the owner or the tenant must notify LGHA and request an inspection before the effective termination date. If the unit is in compliance with HQS, the termination will be rescinded by LGHA if the tenant chooses to remain in the unit. Only two HQS inspections will be conducted after the termination notice is issued.

Extension

LGHA may grant an extension in lieu of termination of assistance in the following cases:

- Owner has a good history of HQS compliance.
- There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services.
- The repairs are expensive (such as exterior painting or roof repair) and the owner needs time to obtain the funds.
- The repairs must be delayed due to climate conditions.

The extension will be made at the discretion of LGHA for a period of time not to exceed 30 days. At the end of the extension, if the work is not completed, LGHA will terminate the contract and the tenant will be issued a voucher. LGHA may, on a case by case basis, issue a longer extension.

F. CONSEQUENCES IF FAMILY IS RESPONSIBLE

If non-emergency violations of HQS are determined to be the responsibility of the family, LGHA will require the family to make any repair(s) or corrections within 30 days. If the repair(s) or correction(s) are not made in this time period, LGHA will terminate assistance to the family. Extensions are approved on a case by case basis, by the Executive Director or his or her designee. The owner's rent will not be abated for items which are the family's responsibility.

If the tenant is responsible and corrections are not made, the HAP Contract will terminate when assistance is terminated.

CHAPTER 11:
OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS
[24 CFR 982.501, 982.503, 982.504]

A. INTRODUCTION

LGHA is responsible for ensuring that the rents charged by owners are reasonable based upon objective comparables in the rental market. LGHA will not approve the lease or execute a payments contract until it has determined that the unit meets the minimum HQS and that the rent is reasonable. LGHA will determine rent reasonableness at initial lease-up, before any increases in rent to owner and at other times as described in this section. LGHA will provide the owner with information concerning rent adjustments.

This chapter explains LGHA's procedures for determination of rent-reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

B. OWNER PAYMENT IN THE CERTIFICATE PROGRAM

The payment to the landlord, called the Housing Assistance Payment, is the Contract Rent approved by LGHA less the Tenant Rent determined by the LGHA.

C. OWNER PAYMENT IN THE VOUCHER PROGRAM

The payment to the landlord, called the Housing Assistance Payment, is the lower of the:

1) Payment Standard minus the Total Tenant Payment, or

2) Gross rent minus the Total Tenant Payment.

However, for Voucher contracts effective prior to October 1, 1999, the second option (based on gross rent) will not be applicable until the second regular reexamination of family income and composition after October 1, 1999.

The Voucher size issued to the family is based on LGHA's Subsidy Standards. The payment standard for the family is based on the lesser of the Payment Standard for the Voucher size issued or the Payment Standard for the unit selected.

The Housing Assistance Payment may never exceed the rent charged by the owner.

D. MAKING PAYMENTS TO OWNERS

Once the HAP Contract is executed, LGHA begins processing payments to the landlord. The effective date and the amount of LGHA payment is communicated in writing via the executed HAP Contract. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made automatically to the HAP Register for the following month. Checks are disbursed by LGHA to the owner each month.

Checks may be picked up by an owner at LGHA in emergency situations only.

Checks will only be disbursed on the first of the month. Exceptions may be made with the approval of the Executive Director in cases of hardship.

Checks are due to owners on the first of the month. Any payment after the first payment under a contract will be considered late if it has not been postmarked by the 10th of the month. Checks that are not received will not be replaced until a stop payment has been put on the check and at least 30 days have elapsed.

E. RENT REASONABLENESS DETERMINATIONS

LGHA will not approve a lease until LGHA determines that the initial rent to owner is a reasonable rent. LGHA will re-determine rent reasonableness whenever an owner requests a regular or special contract rent adjustment for the Certificate program or any increase in the rent for a Voucher unit. LGHA must also re-determine rent reasonableness if there is a five percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.

LGHA must also re-determine rent reasonableness if directed by HUD and based on a need identified by LGHA's auditing system. LGHA may elect to re-determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or re-determined by LGHA.

LGHA will determine and document on a case-by-case basis that the approved rent:

- Is reasonable in comparison to rent for other comparable, unassisted units in the market, and

- Does not exceed rents currently charged by the same owner for an equivalent assisted or unassisted unit in the same building or complex.

The data for other unassisted units will be gathered from newspapers, realtors, professional associations, inquiries of owners, market surveys, and other available sources.

The market areas for rent reasonableness are indicated by zip code and census tract within LGHA's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items will be used for rent reasonableness documentation:

- Size (number of bedrooms/square footage)
- Location
- Quality
- Amenities (bathrooms, dishwasher, air conditioning, etc.)
- Housing Services
- Age of unit
- Unit Type
- Utilities

- Maintenance

At least two comparables of unassisted units will be used for each rent determination. All comparables must be based on the rent that the unit would command if leased in the current market. Leased in the current market means that the unit has been leased within the last 360 days.

F. VOUCHER PROGRAM PAYMENT STANDARDS

The Payment Standard is used to calculate the housing assistance payment for a family. The Payment Standard is set by LGHA between 90% and 110% of the FMR/exception rent. LGHA reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, LGHA will ensure that the Payment Standard is within the range of 90% to 110% of the new FMR.

Adjustments to Payment Standards

Payment Standards may be adjusted to increase Housing Assistance Payments in order to keep families rents affordable. The LGHA will not raise the Payment Standards so high that the number of families that can be assisted under available funding is substantially reduced. Nor will the LGHA raise Standards if the need is solely to make "high end" units available to Voucher holders.

The LGHA will review the Payment Standard annually to determine whether an adjustment should be made for some or all unit sizes. The Payment Standard will be reviewed according to HUD's requirements and this policy and if an increase is warranted, the payment standard will be adjusted within 90% to 110% of the current Fair Market Rent. In a volatile market, it is LGHA's discretion as to whether to make the change immediately or to wait until the time of the annual review.

LGHA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standard:

Assisted Families' Rent Burdens: LGHA will review reports showing the percent of income used for rent by Voucher families to determine the extent to which the rent burden is more than 45% of income.

Availability of Suitable Vacant Units Below the Payment Standard: LGHA will review its rent reasonableness and vacancy rate data to determine whether there is an ample supply of vacant units below the Payment Standard in areas without minority- and/or poverty-concentration.

Quality of Units Selected: LGHA will review the quality of units selected by participant families before determining any change to the Payment Standard to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.

LGHA Decision Point: LGHA will review the quality and size of units where the Rents to Owner are above the Payment Standard by more than 25%. If more than 50% of families have selected above-average units or have selected larger units than the Voucher size, LGHA may elect not to increase the Payment Standard or continue the analysis.

If the analysis continues, LGHA will divide those rents between contracts within the first year and after the first year. If the Rents to Owner are more than 25% above the average, in any bedroom size, the LGHA will continue the analysis. If not, the LGHA may elect not to increase the Payment Standard for certain bedroom sizes.

Time to Locate Housing: LGHA may consider the average time period for families to lease up under the Voucher program. If the average for Voucher holders exceeds 90 days, the Payment Standard may be adjusted.

Rent Reasonableness Database/Average Contract Rents: LGHA will compare the Payment Standards to average rents in its rent reasonableness data and to the average Contract Rents by unit size. The Payment Standards should be on par with these amounts.

Lowering of the Payment Standard: Statistical analysis may reveal the Payment Standard should be lowered, in which case, the Payment Standard should not be less than 90% of the current FMR. If the FMR is lowered, the Payment Standard may not exceed the FMR except in those cases where families are held harmless until they move to a different dwelling unit or have a change in family composition which would affect their Voucher size.

Financial Feasibility: Before increasing the Payment Standard, the LGHA may review the budget and the project reserve, to determine the impact projected subsidy increases would have on funding available for the program and number of families served. For this purpose, the LGHA will compare the number of families who could be served under a higher Payment Standard with the number assisted under current Payment Standards.

File Documentation: A file will be retained by the LGHA for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

G. EXCEPTION PAYMENT STANDARDS

LGHA may request HUD approval to establish a Payment Standard that is higher or lower for a designated area of the city. LGHA will submit a request for a lower payment standard if it determines that a lower payment standard is justifiable based on market data from that area and establishing a lower standard would enable LGHA to provide housing assistance to more families.

LGHA will request a higher (exception) payment standard for all units, or all units of a given size, within a designated area of the city if it determines that a higher Payment Standard is needed to help families obtain housing outside areas of high poverty.

H. PAYMENT STANDARDS FOR A FAMILY

Regular Reexamination

If the payment standard decreases during the HAP Contract term, the Payment Standard for the family is the higher of (1) the Payment Standard at the beginning of the lease minus any amount by which the initial rent to owner has decreased, or (2) the Payment Standard at the current or most recent annual

exam. If a change in family size or composition occurs affecting the Voucher size, the ability to use the initial Payment Standard is lost.

Interim Examination

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

Moves

If the family moves into a different unit prior to its next recertification and LGHA has had a change in the payment standard, the new payment standard will be used. The applicable payment standard will be that which is the lower of either the Voucher size issued or the unit size selected at the time of the move.

I. RENT ADJUSTMENTS

Regular Certificate Program

Until all Certificate contracts have been merged into the Voucher program, LGHA will notify owners of their right to request a rent adjustment 120 days in advance of the anniversary date. The approval or disapproval decision regarding the adjustment will be based on HUD-required calculations and a rent reasonableness determination. The adjustment may be an increase or a decrease. The maximum increase will be based on the Annual Adjustment Factor (AAF) in effect 60 days before the contract anniversary date multiplied by the pre-adjusted rent to owner. A decrease may occur either as the result of an AAF less than 1.0, or the HA's rent reasonableness determination.

Owners must request the rent increase in writing. Any increase will be effective the later of (1) the anniversary date of the Contract, or (2) at least 60 days after the owner's request is received. To be honored, requests must be received at least 60 days prior to the next anniversary date.

The change in rent does not affect the automatic renewal of the lease and does not require a new lease or contract or even an executed amendment. A notice of rent change will be sent to the owner and the family.

Special Adjustments

An owner with a unit under contract in the regular Certificate program may request a special adjustment based on substantial and general increases in real property taxes, special government assessments, or costs of utilities. The rent requested must be found to be reasonable and must be approved by HUD.

Disapproval of Requests for Adjustment

If LGHA rejects the owner's request for rent adjustment on a unit in the Certificate program as exceeding the Annual Adjustment Factor and the owner rejects LGHA's determination, the owner may offer the tenant a new lease with a 60-day notice to the tenant. LGHA will issue a new Voucher to the family. If the tenant accepts the offer of a new lease, an RLA must be submitted and the requested rent subjected to rent reasonableness. If the tenant refuses or the owner does not offer a new lease, the

owner may institute court action to terminate tenancy for a business or economic reason in accordance with the lease. The tenant may use the Voucher to search for a new unit.

After the tenant has begun searching for a new housing unit and/or after court action has been initiated, the owner may decide to accept the current lease. If the owner and tenant agree, the lease can continue and the tenant may continue receiving assistance under the Certificate program until the assistance is converted to the Housing Choice Voucher Program.

Voucher Rent Adjustments

Owners may not request rent adjustments in the Voucher program to be effective prior to the expiration of the first year of the lease. Rent adjustments therefore are effective only after a 60-day notice to the family and a copy to LGHA. LGHA will advise the family as to whether the rent is reasonable and shall approve or disapprove the rent increase.

CHAPTER 12:
RECERTIFICATIONS
[24 CFR 982.516]

A. INTRODUCTION

In accordance with HUD requirements, LGHA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition, but the LGHA decides what other changes must be reported and the procedures for reporting them. This Chapter defines the LGHA's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families and the standards for timely reporting.

B. ANNUAL ACTIVITIES

There are three activities the LGHA must conduct on an annual basis. These activities will be coordinated whenever possible:

- Recertification of Income and Family Composition
- HQS Inspection, as described in Chapter 11.
- For Certificates only, Contract Rent Adjustments, as described in Chapter 12.

C. ANNUAL RECERTIFICATION

Families are required to be recertified at least annually.

When families move to another dwelling unit the anniversary date for the recertification will be changed to the new lease-up date.

Income limits are not used as a test for continued eligibility at recertification, unless the family is moving under portability and changing their form of assistance.

Reexamination Notice to the Family

LGHA will maintain a reexamination tracking system, and the household will be notified by mail of the date and time for their interview at least 60 days in advance of the anniversary date.

If requested as an accommodation by a person with a disability, LGHA, to the extent feasible, will provide notice in an accessible format. LGHA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

The written notification will state which family members are required to attend the interview. The family may call to request another appointment date up to 24 hours prior to the interview.

If the family does not appear for the interview, and has not rescheduled or made prior arrangements with LGHA, LGHA will schedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, LGHA will terminate assistance to the family and offer them an informal hearing. Exceptions to this policy may be made by the Executive Director or his/her designee if the family is able to document an emergency situation that prevented them from canceling or attending the appointment.

Completion of Annual Recertification

LGHA will complete recertifications for families before the anniversary date. This includes notifying the family of any changes in rent at least 30 days before the scheduled date of the change in family rent.

For persons with disabilities who are unable to come to LGHA's office, LGHA will grant an accommodation by conducting the interview at the person's home or by mail**,** upon verification that the accommodation requested meets the need presented by the disability.

The head of household is required to attend the recertification interview. If the head of household is unable to attend, the appointment will be rescheduled, or the spouse or co-head may recertify for the family. The Section 8 Manager interviews the family and records the answers on the recertification forms.

LGHA will instruct the family to bring the following to the interview:

- Documentation of income for all family members
- Documentation of all assets
- Documentation of any deductions/allowances
- Rent receipts
- Copies of gas and electric bills
- Security deposit receipts

LGHA will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than 120 days old.

Tenant Rent Increases

If tenant rent increases, a 30-day notice is mailed to the family prior to the anniversary date.

If less than thirty days are remaining before the anniversary date, the tenant rent increase will be effective on the first of the month following the 30-day notice.

If there has been a misrepresentation or a material omission by the family, or if the family caused a delay in the reexamination processing, the rent increase will be effective on the anniversary date regardless of

whether the family has been given 30 days notice or the anniversary date has already passed and the increase must be imposed retroactively.

Tenant Rent Decrease

If tenant rent decreases, it will be effective on the anniversary date.

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

D. REPORTING INTERIM CHANGES

The LGHA requires that families report interim changes to the LGHA within 30 days of when the change occurs. Any information, document or signature needed from the family, which is needed to verify the change, must be provided within 30 days of the change.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Changes in Income and Assets

LGHA will conduct interim reexaminations when families have a decrease in income.

Participants may report a decrease in income and other changes, which would reduce the amount of tenant rent, such as an increase in allowances or deductions. The LGHA must calculate the change if a decrease in income is reported.

If LGHA makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted to correct the error, but the family will not be charged retroactively.

Changes in Family Composition

HUD requires program participants to report all changes in household composition to the LGHA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. All changes in family composition must be reported within 30 days of the occurrence. The family must obtain LGHA's and the owner's written approval prior to all other additions to the household.

LGHA will approve additions to the household in the following cases:

- Addition by marriage/or marital-type relation, if issued a zero bedroom sized subsidy;
- Addition of a minor who is a member of the nuclear family who had been living elsewhere;
- One additional bedroom for a LGHA-approved live-in attendant;

- Addition due to birth, adoption or court-awarded custody.

If any new family member is added, family income must include any income of the new family member. LGHA will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size.

If a change requires a larger size unit due to overcrowding, LGHA will issue a Voucher for the family to search for a new unit.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after the new member moves into the unit.

LGHA may deny a family's request to add additional family members who are:

- Persons who have been evicted from public housing.
- Persons who have previously violated a family obligation listed in 24CFR982.51 of the HUD regulations.
- Persons who have been part of a family whose assistance has been terminated under the Certificate or Voucher program.
- Persons who commit drug-related criminal activity or violent criminal activity.
- Persons who have been convicted of manufacturing methamphetamine on the premises of a Section 8 assisted or public housing unit.
- Persons who do not meet LGHA's definition of family.
- Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- Persons who currently owe rent or other amounts to LGHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.
- Persons who have engaged in or threatened abusive or violent behavior toward LGHA personnel.

LGHA may also deny a family's request to add additional family members, if the addition will cause the family to be under housed and require a larger unit size.

Families are required to notify LGHA if any family member leaves the assisted household. When the family notifies LGHA, it must furnish the following information:

- The date the family member moved out;
- Documentation of the new address of the family member; or

- Court documents verifying divorce, separation or new custody arrangements.

Notification Procedures When Changes Reported Affect Tenant Rent

LGHA will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:
Changes Reported in a Timely Manner

- *Increases in the Tenant Rent* are effective on the first of the month following at least a 30-day notice.

- *Decreases in the Tenant Rent* are effective the first of the month following that in which the change occurred. No rent reductions will be processed, however, until all the facts have been verified, even if a retroactive adjustment results**.**

Changes Not Reported in a Timely Manner

If the family does not report the change in a timely manner, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

- *Increase in Tenant Rent* will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to sign a Repayment Agreement or make a lump sum payment.

- *Decrease in Tenant Rent* will be effective on the first of the month following completion of processing by LGHA and not retroactively.

Changes Not Processed by LGHA in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by LGHA in a timely manner.

- *Increases in Tenant Rent* will be effective after the required 30-day notice prior to the first of the month after completion of processing by the LGHA.

- *Decreases in Tenant Rent.* The overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

Other Interim Reporting Issues

An interim reexamination does not affect the date of the annual recertification

Any changes reported by participants other than those listed in this section will be noted in the file by the staff person but will not be processed between regularly-scheduled annual recertifications.

In instances where fraud is suspected, an interim recertification of the family may be required.

Form HUD-50058 will be completed and transmitted as required by HUD to record changes.

The Notice of Rent Change is mailed to the owner and the tenant. Signatures are not required by LGHA. If the family disagrees with the rent adjustment they may request an informal hearing.

CHAPTER 13:
MOVES WITH CONTINUED ASSISTANCE/PORTABILITY
[24 CFR 982.314]

A. INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the LGHA's jurisdiction, or to a unit outside of the LGHA's jurisdiction under portability procedures. The regulations also allow the LGHA the discretion to develop policies which define any limitations or restrictions on moves. This Chapter defines the procedures for moves, both within and outside of the LGHA's jurisdiction, and the policies for restriction and limitations on moves.

B. ALLOWABLE MOVES

A family may move to a new unit if:

- The assisted lease for the old unit has terminated because the LGHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.

- The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgement or other process allowing the owner to evict the family (unless assistance to the family will be terminated).

- The family has given proper notice of lease termination (if the family has a right to terminate the lease on notice to owner).

C. RESTRICTIONS ON MOVES

Families will not be permitted to move within Texas or outside LGHA's jurisdiction under portability procedures during the initial year of assisted occupancy.

Families will not be permitted to move more than once in a 12-month period (unless required to do so by LGHA to meet HQS or other program standards).

LGHA will deny permission to move if there is insufficient funding for continued assistance.

LGHA may deny permission to move if:

- The family has violated a Family Obligation.
- The family owes LGHA money.
- The family has moved or been issued a Voucher within the last 12 months.

The Executive Director may make exceptions to these restrictions, on a case by case basis, to minimize hardship to the family.

D. PROCEDURE FOR MOVES

Issuance of Voucher

Upon request from the family, LGHA will schedule the family for a move interview. If the family has not been recertified within the last 120 days, LGHA will conduct the recertification prior to the interview and will issue the Voucher at the recertification interview.

If the family does not locate a new unit, it may remain in the current unit so long as the owner permits.

The annual recertification date will be changed to coincide with the new lease-up date.

Notice Requirements

Briefing sessions emphasize the family's responsibility to give the owner and LGHA proper written notice of any intent to move.

The family must give the owner the required number of days written notice of intent to vacate (or fewer if so specified in the lease) and must give a copy of the vacate notice to LGHA simultaneously.

For units under a Certificate HAP contract effective before October 2, 1995, if the family vacates the unit without proper notice in writing to the owner, the family will be responsible for any vacancy loss paid by LGHA.

Time of Contract Change

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move except that there will be no overlapping assistance.

In any other move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy the unit, unless proper notice was given to end a lease mid-month. Assistance will start on the new unit on the effective date of the lease and contract.

E. PORTABILITY

Portability applies to families moving into or out of LGHA's jurisdiction. Under portability, families are eligible to receive assistance to lease a unit outside of LGHA's jurisdiction. The unit may be located:

- In the same state as the LGHA.
- In the same metropolitan statistical area (MSA) as the LGHA, but in a different state.
- In a MSA adjacent to the MSA of the LGHA, but in a different state.
- In the jurisdiction of a PHA anywhere within the United States that administers a tenant based program.

F. OUTGOING PORTABILITY

When a family requests to move outside of the LGHA's jurisdiction, the request must specify the area to which the family wants to move.

If there is more than one PHA in the area in which the family has selected a unit, LGHA will choose the receiving PHA.

If the family is moving to a unit located in an area where there is no PHA, LGHA will be responsible for the administration of the family's assistance. In such a situation, LGHA may choose a management company, another PHA, or a private contractor to administer the assistance.

Restrictions on Portability

Families will not be permitted to exercise portability under the following circumstances:

- During the initial 12 month period after admission to the program, if neither the head, spouse or co-head had a domicile (legal residence) in LGHA's jurisdiction at the date of their initial application for assistance.
- If the family is in violation of a family obligation.
- If the family owes money to LGHA.

Outgoing Portability Procedures

LGHA will provide pre-portability counseling for those families who express an interest in portability. If the family is utilizing portability for their initial lease-up, the LGHA will determine if the family is within the very low-income limit of the receiving PHA.

LGHA will notify the receiving PHA that the family wishes to relocate into its jurisdiction.

LGHA will advise the family on how to contact and request assistance from the receiving PHA and will notify the receiving PHA that the family will be moving into its jurisdiction.

LGHA will provide the following documents and information to the receiving PHA:

- Copy of the family's Voucher, with issue and expiration dates, formally acknowledging the family's ability to move under portability.
- Most recent HUD 50058 form and verifications.
- Declarations and verifications of U.S. citizenship/eligible immigrant status.

- Names of LGHA staff designated for inquiries on eligibility and billing.
- Administrative fee schedule for billing purposes.

The receiving PHA must notify LGHA whether:

- It will absorb the family into its program.
- Family leases up or fails to submit a RLA by the required date.
- Assistance to the portable family is terminated.
- Family requests to move to an area outside the receiving PHA's jurisdiction.

Payment to the Receiving PHA

LGHA will requisition funds from HUD based on the anticipated lease-ups of portable Vouchers in other jurisdictions. Payments for families in other jurisdictions will be made to other PHAs when billed or in accordance with other HUD approved procedures for payment.

When billed, LGHA will reimburse the receiving PHA for 100% of the Housing Assistance Payment, 100% of the Special Claims paid on HAP contracts effective prior to October 2, 1995, and 80% of the Administrative Fee (at the initial PHA's rate), and any other HUD-approved fees.

Claims

LGHA will be responsible for collecting amounts owed by the family for claims paid and for monitoring the repayment. LGHA will notify the receiving PHA if the family is in arrears or if the family has refused to sign a repayment agreement, and the receiving PHA will be asked to terminate assistance to the family as allowed by this Administrative Plan.

Receiving PHAs will be required to submit hearing determinations to LGHA within 30 days.

G. INCOMING PORTABILITY

Absorption or Administration

LGHA will accept a family with a valid Voucher from another jurisdiction and administer or absorb the Voucher based on the availability of funding. If administering, the family will be issued a "Portability" Voucher by LGHA with the same start date. LGHA may grant extensions in accordance with this Administrative Plan.

When LGHA does not absorb the incoming Voucher, it will administer the initial PHA's Voucher and LGHA's policies will prevail.

For initial lease-up, the family must be within LGHA's Very-Low Income limits.

LGHA will issue a " Portability Voucher" according to its own Subsidy Standards. If the family has a change in family composition that would change the Voucher size, LGHA will change to the proper size based on its own Subsidy Standards.

LGHA will decide whether to extend the "Portability Voucher" and for what period of time. If the family decides not to lease-up in LGHA's jurisdiction, however, the family must request an extension from the initial PHA.

Income and TTP of Incoming Portables

As receiving PHA, LGHA will conduct a recertification interview but only verify the information provided if the documents are missing or are over 120 days old, whichever is applicable, or there has been a change in the family's circumstances.

If the family's income exceeds the income limit of the LGHA, the family will not be denied assistance unless the family is an applicant (and over the very-low income limit).

If the family's income is such that a $0 subsidy amount is determined prior to lease-up in the LGHA's jurisdiction, the LGHA will refuse to enter into a contract on behalf of the family at $0 assistance.

Requests for Lease Approval

A briefing will be mandatory for all portability families.

When the family submits an RLA, it will be processed using the LGHA's policies. If the family does not submit an RLA or does not execute a lease, the initial PHA will be notified within 60 days by the LGHA.

If the family leases up successfully, LGHA will notify the initial PHA within 60 days, and the billing process will commence.

If the LGHA denies assistance to the family, the LGHA will notify the initial PHA within 60 days and the family will be offered a review or hearing.

LGHA will notify the family of its responsibility to contact the initial PHA if the family wishes to move outside the LGHA's jurisdiction under continued portability.

Terminations

LGHA will notify the initial PHA in writing of any termination of assistance within 60 days of the termination. If an informal hearing is required and requested by the family, the hearing will be conducted by LGHA, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the initial PHA.

The initial PHA will be responsible for collecting amounts owed by the family for claims paid and for monitoring repayment. If the initial PHA notifies the LGHA that the family is in arrears or the family has refused to sign a repayment agreement, LGHA will terminate assistance to the family.

Required Documents

As receiving PHA, LGHA will require the following documents from the initial PHA:

- Copy of the family's Voucher, with issue and expiration dates, formally acknowledging the family's ability to move under portability.
- Most recent HUD 50058 form and verifications.
- Declarations and verifications of U.S. citizenship/eligible immigrant status.
- Names of LGHA staff designated for inquiries on eligibility and billing.
- Administrative Fee Schedule for billing purposes.

Billing Procedures

As receiving PHA (in cases in which LGHA does not absorb a family), LGHA will bill the initial PHA monthly for Housing Assistance Payments. The billing cycle for other amounts, including Administrative Fees and Special Claims will be at least quarterly unless requested otherwise by the initial PHA.

LGHA will bill 100% of the Housing Assistance Payment, 100% of Special Claim and 80% of the Administrative Fee (at the initial PHA's rate) and any other HUD-approved fees, for each "Portability" Voucher leased as of the first day of the month.

LGHA will notify the initial PHA of changes in subsidy amounts and will expect the initial PHA to notify LGHA of changes in the administrative fee amount to be billed.

CHAPTER 14
CONTRACT TERMINATIONS

A. INTRODUCTION

The Housing Assistance Payments (HAP) Contract is the contract between the owner and the LGHA, which defines the responsibilities of both parties. This Chapter describes the circumstances under which the contract can be terminated by the LGHA and the owner, and the policies and procedures for such terminations.

B. CONTRACT TERMINATION

The term of the HAP Contract is the same as the term of the lease. The Contract between the owner and the LGHA may be terminated by the LGHA, or by the owner or tenant terminating the lease.

No future subsidy payments on behalf of the family will be made by the LGHA to the owner after the month in which the Contract is terminated. The owner must reimburse the LGHA for any subsidies paid by the LGHA 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. The owner will have no right to claim compensation from the LGHA for vacancy loss under the provisions of Certificate contracts effective on or after October 2, 1995.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease another unit. The contract for a new unit may begin during the month in which the family moved from the old unit.

C. TERMINATION BY THE FAMILY: MOVES

The lease stipulates that the family cannot move from the unit until after the first year of the lease. The notice period to the landlord is determined by the lease, but may not exceed 60 days.

D. TERMINATION BY THE OWNER: EVICTIONS

If the owner wishes to terminate the lease, the owner is required to evict, using the notice procedures in the HUD regulations and Texas law. The owner must provide LGHA with a copy of the eviction notice.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under Texas law to commence an eviction action.

During the term of the lease the owner may only evict for the following reasons:

- Serious or repeated violation of the terms and conditions of the lease.
- Violation of Federal, State or local law related to occupancy of the unit or use of the premises.
- Criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises.
- Any drug-related criminal activity on or near the premises.
- Tenant history of disturbance of neighbors, destruction of property, or behavior resulting in damage to the premises.
- Other good cause, after the first year of the lease, including business or economic reasons for regaining possession of the unit, owner's desire to repossess the unit for personal use, or tenant's refusal to accept an offer of a new lease.

LGHA requires that the owner specify the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for LGHA's termination of assistance.

Housing assistance payments are paid to the owner under the terms of the HAP Contract. If the owner has begun eviction and the family continues to reside in the unit, the LGHA must continue to make housing assistance payments to the owner until the owner has obtained a court judgement or other process allowing the owner to evict the tenant.

The LGHA must continue making housing assistance payments to the owner in accordance with the Contract as long as the tenant continues to occupy the unit and the Contract is not violated. By endorsing the monthly check from the LGHA, the owner certifies that the tenant is still in the unit and she/he is in compliance with the contract. If action is finalized in court, the owner must provide LGHA with the documentation, including notice of the lock-out date.

If the eviction is not due to a serious or repeated violation of the lease, and if the LGHA has no other grounds for termination of assistance, the LGHA will issue a new Voucher so that the family can move with continued assistance.

E. TERMINATION OF THE CONTRACT BY LGHA

The term of the HAP contract terminates when the lease terminates, when the LGHA terminates program assistance for the family, or when the owner has breached the HAP contract. (see Chapter 9, Section J "Owner Disapproval").

LGHA may also terminate the contract if:

- LGHA terminates assistance to the family.

- Family is required to move from a unit, which is under-occupied (Certificate Program) or overcrowded (Certificate and Voucher Programs).

- Funding is no longer available under the ACC.

The contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

LGHA will provide the owner and family with at least 30 days written notice of termination of the contract.

F. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS

Families who were participants on June 19, 1995 but are ineligible for continued assistance due to the ineligible immigration status of all members of the family or because a "mixed" family chooses not to accept pro-ration of assistance are eligible for temporary deferral of termination of assistance, if necessary, to permit the family additional time for transition to affordable housing.

Deferrals may be granted for intervals not to exceed six months, up to an aggregate maximum of:

- Three years for deferrals granted prior to 11/29/96, or
- 18 months for deferrals granted after 11/29/96.

The family will be notified in writing at least 60 days in advance of the expiration of the deferral period that termination of assistance will not be deferred because:

- Granting another deferral will result in an aggregate deferral period of longer than the statutory maximum (three years for deferrals granted before 11/29/96; 18 months for deferrals granted after 11/29/96), or

- A determination has been made that other affordable housing is available.

G. TERMINATION DUE TO OWNER DISAPPROVAL

If the LGHA terminates the contract due to owner disapproval (See Chapter 10, "Request for Lease Approval and Contract Execution"), LGHA will provide the owner and family with at least 30 days written notice of termination of the contract.

CHAPTER 15:
TERMINATION OF ASSISTANCE

A. INTRODUCTION

LGHA may terminate assistance for a family because of the family's action or failure to act. LGHA will provide families with a written description of the Family Obligations under the program, the grounds under which LGHA can terminate assistance, and LGHA's informal hearing procedures. This chapter describes when the LGHA is required to terminate assistance and LGHA's policies regarding the grounds for termination of assistance under an outstanding HAP contract.

If termination is based upon behavior resulting from a disability, the LGHA will delay the determination in order to determine if there is an accommodation that would mitigate the behavior resulting from the disability.

B. GROUNDS FOR TERMINATING ASSISTANCE

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

- Refusing to enter into a HAP contract or approve a lease.
- Terminating HAP payments under an outstanding HAP contract.
- Refusing to process or provide assistance under portability procedures.

Mandatory Termination of Assistance

LGHA will terminate the assistance of participants:

- If any member of the family fails to sign and submit to LGHA required consent forms for obtaining information.
- If no member of the family is a U.S. citizen or eligible immigrant (See Chapter 15).
- If the family is under contract, and 180 days have elapsed since the LGHA's last housing assistance payment was made.
- Any member of the family has been convicted of manufacturing or producing methamphetamine on the premises of the assisted dwelling.

Grounds for Termination of Assistance

- LGHA will terminate assistance to participants in cases where it determines that there is reasonable cause to believe that the person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other

residents. This includes cases where LGHA determines that there is a *pattern* of illegal use of a controlled substance, or *pattern* of alcohol abuse.

- LGHA will consider the use of a controlled substance or alcohol to be a *pattern* if there has been more than one incident during the previous 12 months.

- LGHA may waive this policy if the person demonstrates to its satisfaction that the person is no longer engaging in the illegal use of a controlled substance or abuse of alcohol, and:

  * Has successfully completed a supervised drug or alcohol rehabilitation program;

  * Has otherwise been rehabilitated successfully; or

  * Is participating in a supervised drug or alcohol rehabilitation program.

LGHA *may* at any time terminate program assistance for a participant, for any of the following reasons:

- The family violates any family obligation under the program as listed in 24 CFR 982.551.

- The family has not reimbursed LGHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family.

- The family breaches an agreement with LGHA to pay amounts owed to a LGHA, or amounts paid to an owner by LGHA.

- The family has engaged in or threatened abusive or violent behavior toward LGHA personnel.

  "Abusive or violent behavior towards LGHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

  "Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

  Actual physical abuse or violence will always be cause for termination.

- LGHA has reason to believe a member of the household is using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

- LGHA has a reason to believe a member of the household has participated in violent criminal activity.

- Other criminal activity which may threaten the health or safety of other residents, the owner, property management staff or persons performing responsibilities on behalf of the LGHA or the peaceful enjoyment of the premises by other residents.

- LGHA determines that a member of the household is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees or a high misdemeanor in Texas.

- LGHA determines that a member of the household is violating a condition of probation or parole imposed under Federal or State law.

LGHA may also deny the request of a participating family to add a household member if that person is found to be ineligible for assistance after a review against the above criteria.

C. FAMILY OBLIGATIONS

- The family must supply any information that the LGHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status, as provided by 24 CFR part 812.

- The family must supply any information requested by the LGHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

- The family must disclose and verify Social Security Numbers, as provided by 24 CFR part 750, and must sign and submit consent forms for obtaining information in accordance with 24 CFR part 760 and 24 CFR part 813.

- All information supplied by the family must be true and complete.

- The family is responsible for an HQS breach caused by the family as described in 982.404(b).

- The family must allow the LGHA to inspect the unit at reasonable times and after reasonable notice.

- The family may not commit any serious or repeated violation of the lease.

- The family must notify the owner and, at the same time, notify the LGHA before the family moves out of the unit or terminates the lease on notice to the owner.

- The family must promptly give the LGHA a copy of any owner eviction notice.

- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

- The composition of the assisted family residing in the unit must be approved by the LGHA. The family must promptly inform the LGHA of the birth, adoption or court-awarded custody of a child. The family must request LGHA approval to add any other family member as an occupant of the unit.

- The family must promptly notify the LGHA if any family member no longer resides in the unit.
- If LGHA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or LGHA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
- Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.
- The family must not sublease or let the unit.
- The family must not assign the lease or transfer the unit.
- The family must supply any information or certification requested by the LGHA to verify that the family is living in the unit, or relating to family absence from the unit, including any LGHA-requested information or certification on the purposes of family absences. The family must cooperate with LGHA for this purpose. The family must promptly notify LGHA of absence from the unit.
- The family must not own or have any interest in the unit.
- The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the program.
- The members of the family may not engage in drug-related criminal activity or violent criminal activity.
- An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

Housing Authority Discretion

In deciding whether to terminate assistance because of action or failure to act by members of the family, LGHA 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, and the length of time since the violation occurred. It may also review the family's more recent record of compliance and consider the effects of termination of assistance on other family members who were not involved in the action or failure to act.

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

Enforcing Family Obligations

Explanations and Terms

Promptly: The term "Promptly" when used with the Family Obligations always means "within 30 days." Termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach: The Inspector or Inspections Supervisor will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by the Inspector or Inspections Supervisor.

Lease Violations: The following criteria will be used to decide if a serious or repeated violation of the lease will cause a termination of assistance.

- If the owner terminates tenancy through court action for serious or repeated violation of the lease.
- If the owner notifies the family of termination of assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the LGHA determines that the cause is a serious or repeated violation of the lease based on available evidence.
- If there are police reports, neighborhood complaints or other third party information, and LGHA has verified the information.

Notification of Eviction: If the family requests assistance to move and they did not notify the LGHA of an eviction within 30 days of receiving the Notice of Lease Termination, the move will be denied.

Limitation on Profit-Making Activity in Unit: LGHA may prohibit use of a dwelling unit for profit-making activity if it determines that the use of the unit as a business is not incidental to its use as a dwelling unit, or the business activity results in the inability of the family to use any of the critical living areas, such as a bedroom, or if LGHA determines the business is not legal.

Interest in Unit: The owner may not reside in the assisted unit regardless of whether the owner is a member of the assisted family, unless the family owns the mobile home and rents the pad under the Voucher Program.

Drug-related or Violent Criminal Activity

Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance *on or off the* premises.

Drug-related criminal activity does not include the prior use or possession of a controlled substance if the family member had an addiction to the substance and has recovered or is recovering from the addiction and does not currently use or possess the substance.

Violent criminal activity includes any criminal activity engaged in by any family member that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property.

Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

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

LGHA may pursue fact-finding efforts as needed to obtain credible evidence.

Notice of Termination of Assistance

In any case where the LGHA decides to terminate assistance to the family, the LGHA must give the family written notice which states:

- Reason(s) for the proposed termination.
- Effective date of the proposed termination.
- Family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.
- Date by which a request for an informal hearing must be received by LGHA.

LGHA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the termination of assistance. The notice to the owner will not include any details regarding the reason for termination of assistance.

D. PROCEDURES FOR NON-CITIZENS

Termination due to Ineligible Immigrant Status

Participant families in which all members are neither U.S. citizens nor eligible immigrants must have their assistance terminated. They must be given an opportunity for a hearing.

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

Temporary Deferral of Termination of Assistance

Ineligible families who were participants as of June 19, 1995, may request a temporary deferral of termination of assistance in order to allow time to locate affordable housing and thereby preserve the family.

False or Incomplete Information

When the LGHA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by a participant, an investigation will be conducted and the individual given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the LGHA may give him/her an opportunity to provide a new declaration as an eligible immigrant or to elect not to contend their status. The LGHA will then verify eligible status and terminate or prorate as applicable.

The LGHA will terminate assistance based on the submission of false information or misrepresentations.

Procedure for Termination

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with LGHA either after the INS appeal or in lieu of the INS appeal.

After LGHA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable) or, for participants who qualify, for Temporary Deferral of Termination of Assistance.

E. ZERO ASSISTANCE TENANTS

HAP Contracts Executed Prior to 10/2/95

Any participant, whose Total Tenant Payment equals the gross rent for the leased unit and whose HAP contact was effective prior to 10/2/95, will be notified of the right to remain on the program at $0 assistance for 12 months. LGHA will perform all of the functions normally required, such as reexaminations and inspections during those 12 months. If the family vacates during the allowable 12 months after the last HAP payment, LGHA will be liable for unpaid rent and damages based on program rules. If the family is still in the unit after 12 months, the contract will be terminated.

HAP Contracts Executed On or After 10/2/95

For contracts effective on or after 10/2/95, the family may remain in the unit at $0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the contract will be terminated.

If, under either contract, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment before the contract terminates, LGHA will resume assistance payments for the family. Under either contract a family may move to another unit before the contract is terminated and receive assistance if the rent for the new unit is high enough to necessitate a housing assistance payment.

F. OPTION NOT TO TERMINATE FOR MISREPRESENTATION

If the family has misrepresented any facts that caused LGHA to overpay assistance, LGHA may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement or reimburses the LGHA in full.

G. MISREPRESENTATION IN COLLUSION WITH OWNER

If the family willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, the LGHA may terminate assistance. In making this determination, the LGHA will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

H. MISSED APPOINTMENTS AND DEADLINES

It is a Family Obligation to supply information, documentation, and certification as needed for the LGHA to fulfill its responsibilities. The LGHA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the LGHA to inspect the unit, and appointments are made for this purpose.

A participant who fails to keep an appointment or to supply information required by a deadline without notifying LGHA may be sent a Notice of Termination of Assistance for failure to provide required information, or for failure to allow LGHA to inspect the unit.

The family will be given information about the requirement to keep appointments, and the number of times appointments will be rescheduled as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- Verification Procedures.
- Certificate/Voucher Issuance and Briefings.
- Housing Quality Standards and Inspections.
- Recertifications.
- Appeals.

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- Medical emergency.
- Incarceration.

- Family emergency.

Procedure When Appointments Are Missed or Information Not Provided

For most purposes in this Plan, the family will be given two opportunities before being issued a notice of termination for breach of a family obligation.

After issuance of a termination notice, if the family offers to correct the breach within the time allowed to request a hearing, the notice may be rescinded if the family offers to cure the breach and the family does not have a history of non-compliance.

CHAPTER 16
CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS
(For HAP Contracts Effective Before October 2, 1995)

A. INTRODUCTION

This Chapter describes LGHA's policies, procedures and standards for servicing contracts that were effective before October 2, 1995. Certificate and Voucher contracts in this category have provisions regarding LGHA's liability to owners when families move out. Vouchers and Certificates have provisions for damages. In addition, Certificates have a provision for vacancy loss.

B. OWNER CLAIMS

Under HAP Contracts effective prior to October 2, 1995, owners may make "special claims" for damages, unpaid rent, and vacancy loss (Certificate Program only) after the tenant has vacated the unit.

Owner claims for payment for unpaid rent, damages, or vacancy loss will be reviewed for accuracy and completeness and compared with records in the file. The LGHA establishes standards by which to evaluate claims, but the burden of proof rests with the owner.

If vacancy loss is claimed, the LGHA 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.

The LGHA will pay properly filed claims to the owner as a function of the contract, but the tenant is ultimately responsible to reimburse the LGHA for claims paid to the owner.

C. UNPAID RENT

Unpaid rent only applies to the tenant's portion of rent while the tenant is in residence under the assisted lease. It does not include the tenant's obligation for rent beyond the termination date of the HAP Contract.

Separate agreements are not considered a tenant obligation under the lease, and the LGHA will not reimburse the owner for any claims under these agreements.

D. VACANCY LOSS IN THE CERTIFICATE PROGRAM [24 CFR 887.105]

Vacancy Loss is applicable to the Certificate Program <u>only</u>. Vacancy loss is paid if the move was in violation of the notice requirements in the lease, or the result of an eviction.

In order to claim vacancy loss, the unit must be available for lease and the landlord must:

- Notify LGHA within 48 hours upon learning of the vacancy, or prospective vacancy.
- Allow LGHA to conduct a move-out inspection before any repairs are made.

- Pursue all possible activities to fill the vacancy, including, but not limited to:
  - Contacting applicants on the owner's waiting list, if any.
  - Seeking eligible applicants by listing the unit with the LGHA.
  - Advertising the availability of the unit.
  - Not rejecting potentially eligible applicants except for good cause.

In the event that a unit becomes vacant because of death, the LGHA will permit the owner to keep the HAP for the month in which the tenant died.

If the tenant moves after the date given on their notice of intent to vacate, the landlord may claim vacancy loss by providing acceptable documentation that there was a bona fide prospective tenant to whom the unit could have been rented.

LGHA will not assess the family for any monies paid to the owner for vacancy loss if the LGHA was responsible for the late move-out.

To ensure valid claim processing, the LGHA will conduct a thorough move-in inspection noting "conditions" as well as HQS deficiencies, take pictures of questionable items, and send a report of all items to the owner and tenant.

The owner must be present during the move-out inspection and only damages claimed by the owner are reimbursable.

All claims for damages must be supported by the actual bills for materials and labor and a copy of the canceled checks or other receipts documenting payment. Estimates are not acceptable.

Bills from individuals providing labor must include their name, Social Security Number, address and phone number. The landlord may not bill himself/herself for labor since that is not considered by LGHA to be an "actual cost." However, the actual cost of the owner's employees' labor, such as the resident manager, to make repairs may be included.

Persons making repairs or replacements must be licensed to do business in the LGHA's jurisdiction.

Repair costs must be determined reasonable by LGHA. Reimbursement for replacement of items such as carpets, drapes, or appliances, is based on depreciation schedules in general use by LGHA. LGHA may require verification of purchase date, quality, and price of replaced items in order to calculate depreciation.

Damages which were caused during tenancy, were repaired and billed, but remain unpaid at move-out, can be considered "other items due under the lease" and included in the claim.

Eligible items to be included on the damage claim must have been a tenant responsibility under the lease or Texas State law.

Claims for unpaid utility bills cannot be approved as part of a claim.

Claims for normal wear and tear, previously existing conditions, routine turnover preparation, cleaning and cyclical interior painting are not paid.

LGHA will inspect the unit to verify that repairs were made.

E. MOVE-OUT AND CLOSE-OUT INSPECTIONS

Move-out inspections are performed after the tenant has vacated the unit. These inspections are performed to assess the condition of the unit, not to evaluate the HQS. Vacate inspections will be conducted by LGHA inspectors. LGHA's initial inspection of the unit will include a "conditions" report, which will be compared to the conditions found during the move-out inspection.

The owner must notify the LGHA of the move-out and request an inspection within 48 hours of learning of the move-out in order to submit a claim for damages.

If the contract was terminated due to owner breach, or the owner was in violation of the contract at the time that it was terminated, there will be no entitlement to claims and therefore no inspection.

The owner and tenant will be notified of the date and time of the inspection.

A damage claim will not be approved unless the move-out inspection is requested and completed prior to any work being done.

F. PROCESSING CLAIMS

Any amount owed by the tenant to the owner for unpaid rent or damages will first be deducted from the maximum-allowable security deposit, which the owner could have collected under the program rules. If the maximum-allowable security deposit is insufficient to reimburse the owner for the unpaid tenant rent or other amounts which the family owes under the lease, the owner may request reimbursement from LGHA up to the limits for each program.

If the owner claims vacancy loss, the security deposit that s/he collected or could have collected may be deducted from the vacancy loss claim.

LGHA reviews claims for unpaid rent, damages, or vacancy loss and makes a preliminary determination of the amount payable. The family is informed that a claim is pending through a notice sent to the last-known address. The notification will state the preliminary amount and the type of claim and describe the procedure for contesting the claim.

LGHA will offer the family 30 days to contest the claim. If the family disputes the claim, LGHA will schedule an informal meeting with the owner and tenant in order to resolve the differences.

If the owner fails to attend the meeting, the LGHA will consider this prima facie evidence of the validity of the tenant's position.

If the tenant fails to attend the meeting, LGHA will proceed with its original determination.

Meetings will not be rescheduled if neither party attends.

At the informal meeting, the amount and type of claim will be discussed with the family. If the family agrees with the amount and type of claim, the family will be offered a Repayment Agreement. If the family does not agree to sign a Payment Agreement, the LGHA will process the account for collection.

If the family demonstrates that the claim, or parts of it, is invalid, the LGHA will adjust the amount. The LGHA may offer the tenant an opportunity for an Informal Hearing regarding the claim if disputes cannot be resolved.

After a determination has been made, the LGHA will notify the family in writing of the decision. If it has been determined that the family owes money, LGHA will pursue collection to repay either in a lump sum or through a payment agreement. The notice will warn the family that its assistance may be terminated and they may be denied future participation in the program if they do not reimburse the LGHA as required.

Other Requirements for Claims Processing

All notices to tenants during the processing of a claim must include proof of mailing or of personal delivery.

Costs of filing an eviction action to remove the tenant or any other legal fees may not be reimbursed. No claims will be paid for a unit which is vacant as the result of the landlord voluntarily moving a family to another unit owned by the same landlord.

All unpaid rent, damage, and vacancy loss claim forms must be fully complete when they are submitted, and they must be submitted within 90 days of the date the owner learned of the move-out.

CHAPTER 17
OWNER OR FAMILY DEBTS TO LGHA

A. INTRODUCTION

This Chapter describes LGHA's policies for the recovery of monies that have been overpaid for families and to owners. It describes the methods that will be used for collection of monies and the guidelines for different types of debts. It is the LGHA's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support LGHA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

When families or owners owe money to the LGHA, the LGHA will make every effort to collect it. The LGHA will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments;
- Civil suits;
- Repayment agreements;
- Collection agencies;
- Credit bureaus;
- Income Tax set-off programs; and
- Salary garnishment.

B. REPAYMENT AGREEMENT FOR FAMILIES

A repayment agreement as used in this Plan is a document entered into between LGHA and a person who owes a debt to LGHA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of repayment, any special provision of the agreement, and the remedies available to LGHA upon default of the agreement. All payment agreements are made at the sole discretion of the LGHA.

The minimum amount of monthly payment on any payment agreement is $10 (ten dollars) or 10% of the debt, whichever is less. However, the terms of the payment agreements must be such that the debt will be fully paid within 24 months.

There are some circumstances in which LGHA will not enter into a payment agreement, such as:

- If the family already has a payment agreement in place.

- If LGHA determines that the family committed program fraud.

Late Payments

A payment will be considered to be in arrears if the payment has not been received by the close of business on the 15th day of the month. If the due date falls on a weekend or holiday, payment will be due at the close of the next business day.

If the family's repayment agreement is in arrears, the LGHA may:

- Require the family to pay the balance in full.
- Pursue civil collection of the balance due.
- Terminate the housing assistance.
- Grant an extension of 30 days.

If the family requests a move to another unit and has a repayment agreement in place, the family will not be permitted to move.

C. GUIDELINES FOR REPAYMENT AGREEMENTS

Repayment agreements will be executed between LGHA and the head of household, a co-head or spouse only.

Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the Executive Director.

No move will be approved until the debt is paid in full, unless the move is the result of the following causes and the repayment agreement is current:

- Family size exceeds the HQS maximum occupancy standards;
- HAP contract is terminated due to owner non-compliance or opt-out;
- Natural disaster.

If the family has a repayment agreement in place and incurs an additional debt to the LGHA, LGHA will not enter into more than one repayment agreement with the family. Any new debts must be paid in full.

D. DEBTS DUE TO FRAUD/NON-REPORTING OF INFORMATION

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

> "Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements."

Family Error/Late Reporting

Families who owe money to LGHA due to program fraud or the family's failure to report increases in income will be required to repay in accordance with the guidelines in the repayment section of this chapter.

Program Fraud

If a family owes an amount that equals or exceeds $10,000 as a result of program fraud, the case will be referred to the HUD Inspector General. Where appropriate, the LGHA will refer the case for criminal prosecution.

E. OWNER DEBTS TO LGHA

If LGHA determines that the owner has retained Housing Assistance or Claim Payments that the Owner is not entitled to, the LGHA may reclaim the amounts from future Housing Assistance or Claim Payments owed the owner for any units under contract.

If future Housing Assistance or Claim Payments are insufficient to reclaim the amounts owed, the LGHA will:

- Require the owner to pay the amount in full within 60 days or enter into a Repayment Agreement for the amount owed.
- Pursue collections through the local court system.
- Restrict the owner from future participation.

F. WRITING OFF DEBTS

Debts will be written-off if:

The debtor's whereabouts are unknown and the debt is more than two years old.

A determination is made that the debtor is judgment proof.

The debtor is deceased and has no estate.

The debtor is confined to an institution indefinitely or for more than five years.

The amount is less than $50 and the debtor cannot be located.

LA GRANGE (TX) HOUSING AUTHORITY

250 NW CIRCLE

LA GRANGE, TX 78945

DISPOSITION POLICY

Adopted:

September 26, 2000

DISPOSITION POLICY

The Disposition Policy of the La Grange Housing Authority ("Authority") functions within the limits set forth by the laws and regulations of the United States of America, including those relating to the U.S. Department of Housing and Urban Development ("HUD"), the Annual Contributions Contracts (ACC) entered into between the Authority and HUD, and the laws and regulations of the State of Texas. Any and all applicable changes in the law, regulations, contract, or judicial decisions of interpretation of constitutionality will automatically supersede or amend this policy. Such changes will be reflected in a formal policy revision as soon as possible thereafter.

Sales of excess property shall be in the following manner:

1) If the estimated sales value of the personal property offered for sale is less than $500.00, the Executive Director (or his/her designee) shall negotiate a sale in the open market after such informal inquiry he/she deems necessary to ensure a fair return to the Authority. The sale shall be documented by an appropriate bill of sale.

2) For an estimated sales value from $500.00 to $2,500.00, the Executive Director (or his/her designee) shall solicit informal bids orally, by telephone or in writing, from all known prospective purchasers and a tabulation of all such bids received shall be prepared and retained as part of the permanent record. The sale shall be documented by an appropriate bill of sale.

3) For an estimated sales value in excess of $2,500.00, the Executive Director (or his/her designee) shall use formal advertising methods (unless otherwise permitted in applicable provisions of the law) and shall solicit sealed bids by advertisement in at least one local newspaper of general circulation or by mailing solicitations to bid to all prospective purchasers or by posting notices in public places or by a combination of such methods. Bids shall be opened publicly at the time and place specified in the advertisement. A tabulation of all such bids received shall be prepared and retained as a part of the permanent record. The award shall be made to the highest bidder as to price, and the sale shall be documented by an appropriate bill of sale. In all events, compliance with federal, state, and local laws, if any, will be ensured.

4) The sale of personal property to a public body for public use may be negotiated at its fair market value subject to prior approval by the Board of Commissioners. The transfer shall be documented by an appropriate bill of sale.

No personal property shall be destroyed, abandoned, or donated without the prior approval of the Board of Commissioners.

The Executive Director shall make every effort to dispose of excess personal property as outlined above. However, if the property has no scrap or salvage value and a purchaser cannot be found, a statement shall be prepared by the Executive Director showing the advertising placed in the newspaper and listing prospective bidders solicited, if such a solicitation was made, and all other efforts to sell the property, together with a recommendation as to the manner of disposition shall be submitted to the Board of Commissions for approval. A resolution of the Board's approval, together with the complete documentation in support of the destruction, abandonment, or donation, shall be retained as a part of the permanent record.

LA GRANGE (TX) HOUSING AUTHORITY
250 NW CIRCLE
LA GRANGE, TX 78945

GRIEVANCE PROCEDURE

Adopted:

September 26, 2000

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GRIEVANCE PROCEDURE

I. PURPOSE AND SCOPE

This Grievance Procedure sets forth the requirements, standards, and criteria established to assure the tenants of the La Grange Housing Authority (the Authority or LGHA) an opportunity for a Hearing if he or she disputes any Housing Authority action of failure to act involving the tenants' lease or Authority regulations which adversely affect an individual tenant's rights, duties, welfare or status.

II. APPLICABILITY

A. This procedure applies to all grievances between individual tenants and the Housing Authority as defined in Section III.A. below.

B. This Grievance Procedure does not apply to:

1. Disputes between tenants in which the Authority is not involved;

2. Any changes in Authority policies and procedures. This procedure is not intended as a forum for initiating or negotiating policy changes between a tenant or group of tenants and the Authority.

3. Class grievances.

4. Termination of tenancy or eviction that involves:

a. Any criminal or other activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other tenants or employees of the Authority; OR

b. Any drug-related criminal activity on or off the premises; OR

c. Non-payment of rent, except when the dispute involves the amount of rent owed to the Authority.

III. DEFINITIONS

For the purpose of this Grievance Procedure, the following definitions apply:

A. Grievance – Any disagreement which a tenant may have with respect to LGHA action or failure to act in accordance with the individual's lease or LGHA regulations which adversely affects the individual tenant's rights, duties, welfare or status.

B. Complainant – Any tenant whose grievance is presented to the Authority in accordance with Sections IV and V of this procedure.

C. Elements of Due Process – Legal proceedings carried out in accordance with established rules. Any eviction or termination proceeding requires:

1. Adequate notice to the tenant of the grounds for terminating his or her lease and for eviction in accordance with the tenant's lease and/or federal and state law, as applicable.

2. The right of the tenant to be represented by legal counsel.

3. The opportunity for the tenant to disagree with the evidence presented by the Authority including the right to confront and cross-examine witnesses and to present any affirmative legal or fair defense which the tenant may have. The tenant may examine (and make copies of at the tenant's own expense) all relevant documents, records, policies, and regulations of the Housing Authority prior to the hearing for the purpose of preparing a defense.

4. A decision on the merits.

5. A person with disabilities shall be provided reasonable accommodation to the extent necessary to provide the person with the opportunity to participate in a grievance hearing.

D. Hearing Officer – A person selected to hear grievances and make a decision.

E. Hearing Panel – A panel of more than one person selected to hear grievances and to make a decision.

F. Tenant –the adult person (or persons) other than a live-in aide who:

1. Resides in the unit, and who executed the lease with the Authority as lessee of the dwelling unit, or, if no such person now resides in the unit;

2. Resides in the unit, and is a remaining member of the tenant family residing in the dwelling unit.

G. Resident Organization – Includes Resident Councils and Resident Management Corporations.

H. Informal Settlement – Meeting held with complainant and the Authority in an attempt to resolve the grievance before going to a formal grievance hearing.

I. Summary of Discussion – Result of informal hearing giving detailed information in writing of the major points discussed in the informal hearing and the Authority's decision on the complaint.

J. Escrow – Money held by a third party fiduciary as a good faith promise until a determination is made on what to do with the money. The escrow amount can be deposited into a bank account or held by an uninterested, independent third party with the equivalent security and accountability as a bank account.

K. Waiver – The release of a right or claim.

L. Trial De Nova – The right to a new trial.

IV. INFORMAL SETTLEMENT OF GRIEVANCE

A. If a tenant chooses to resolve his/her problem through the Grievance Procedure, he/she must first request an informal meeting in writing within five (5) business days from the date the problem originally arose. Details onto whom the letter should be addressed and where delivered.

B. The LGHA will schedule an informal meeting within ten (10) business days of receipt of the written request. The LGHA staff conducting the meeting will be a person other than the person who made the LGHA action under review.

C. The tenant must attend the informal meeting and personally present, either orally or in writing, the grievance so that it may be informally discussed and settled without a formal Hearing.

D. The LGHA must, within a reasonable time and not to exceed ten (10) business days after the informal discussion, provide a written summary of the meeting discussion and send it to the tenant by Registered or Certified Mail or deliver it personally with a signed receipt obtained from the tenant. A copy will be retained in the tenant's file. The summary will specify:

1. Names of participants.
2. Date of the discussion.
3. Nature of proposed disposition of the grievance.
4. Specific reason for proposed disposition of the grievance.
5. Procedures by which a Hearing may be obtained if the tenant is not satisfied.
6. That the tenant has five (5) business days from the date of the summary of the discussion to request a hearing.

E. Before a tenant can request a Hearing by a Hearing Officer, the grievance must have been submitted first for an informal meeting.

V. PROCEDURE TO OBTAIN A HEARING

A. Request for a Hearing. If the tenant is dissatisfied with the final results of the informal meeting, he or she must submit a written request to the LGHA within ten (10) business days after the receipt of the summary of the discussion pursuant to Section IV. The written request for a formal hearing must specify the reason(s) for

the grievance and the action or relief sought. Details onto whom to address and where to deliver request.

B. Selection of Hearing Officer. Grievances shall be presented before a hearing officer. The hearing officer shall be an impartial, disinterested person appointed by the LGHA's Board of Commissioners, upon the recommendation of the Executive Director, other than the person who made or approved the LGHA action under review or a subordinate of that person.

C. Hearing Pre-Requisite. All grievances shall use the procedures for an informal settlement as outlined in Section IV, Informal Settlement of Grievance, as a condition precedent to a hearing under Section V. Procedure to Obtain a Hearing, provided that if the tenant can show good cause to the Hearing Officer why he/she failed to follow the procedure for an informal settlement, the pre-requisite of the informal settlement may be waived by the Hearing Officer.

VI. FAILURE TO REQUEST A HEARING

If the tenant does not request a Hearing within ten (10) business days following the date of the summary of the informal meeting:

A. The Agency's disposition of the grievance under Section IV as stated in the summary of the discussion, becomes final and effective at the close of business on the fifth business day following the date of the summary of the discussion.

B. The failure to request a hearing does not waive the tenant's right to contest the LGHA's decision in an appropriate judicial proceeding.

VII. HEARING INVOLVING AMOUNT OF RENT – ESCROW ACCOUNT

Before a hearing can be scheduled for a grievance involving the amount of rent as defined in the lease, the tenant must:

A. Pay the LGHA the full amount of rent, calculated by the Authority, which was due on the first of the month preceding the month in which the grievance occurred; and

B. Deposit this same amount of rent due into an escrow account every month until the complaint is resolved by the hearing officer's decision.

If the tenant fails to comply with A and B above, the grievance process will be terminated. Failure to follow A and B above, however, does not waive any of the tenant's rights to contest the LGHA's disposition of the grievance in an appropriate judicial proceeding.

The requirements described in Section VII of this Grievance Procedure may be waived by the LGHA in extenuating circumstances.

VIII. SCHEDULE OF HEARINGS

If the tenant has met the informal meeting requirements, properly requested a formal hearing and made any necessary rental payments to the LGHA or to an escrow account (when applicable), then the following will take place:

A. Upon receipt of the Request for a Hearing, a hearing will be promptly scheduled by the hearing officer for a time and place reasonably convenient to both the complainant and the LGHA. The written notification will be delivered to the tenant and appropriate Agency officials, by Registered or Certified mail, or delivered promptly with a signed receipt notice.

B. The written notification will specify:

1. The time of hearing.
2. Place of hearing.
3. Procedures governing the hearing.

IX. FAILURE TO APPEAR AT THE HEARING

A. If the tenant fails to appear at the hearing, the hearing officer may make a determination to postpone the hearing for a period not to exceed five (5) business days, or may make a determination that the non-appearing party has waived the right to a hearing.

B. The tenant and the LGHA will both be notified in writing of this determination by the hearing officer within a reasonable time.

C. Failure of the tenant to appear at the hearing and a determination that he or she has waived the right to a hearing does not waive the tenant's right to argue the case in an appropriate judicial proceeding.

X. PROCEDURE GOVERNING HEARING

A. The hearing shall be held before the hearing officer.

B. The tenant shall be afforded a fair hearing, which shall include:

1. The opportunity to examine before the hearing, any documents, including records and regulations, that are directly relevant to the hearing. The tenant shall be allowed to copy any documents at his or her own expense. Any document requested but not made available to the tenant for examination may not be relied on by the Authority during the hearing;

2. The right to be represented by counsel or other person chosen as his or her representative and to have this person make statements on the tenant's behalf;

3. The right to a private hearing unless the tenant requests a public hearing;

4. The right to present evidence and arguments in support of his or her complaint, to object to irrelevant evidence and request that such evidence be excluded, and to confront and cross-examine all witnesses on whose testimony or information the LGHA relies; and

5. A decision based solely and exclusively upon the facts presented at the hearing.

C. The hearing officer may render a decision without holding the hearing if the hearing officer determines that the issue has been previously decided in another proceeding.

D. At the hearing, the tenant must first show that he or she is entitled to the relief sought after which the LGHA must justify the action or failure to act as cited in the complaint.

E. The hearing shall be conducted informally by the hearing officer and oral or documentary evidence pertinent to the facts and issues mentioned in the complaint may be received without regard to admissibility under the rules of evidence applicable in judicial proceedings.

F. The hearing officer shall require the LGHA, the tenant, tenant's counsel and other participants or spectators to conduct themselves in an orderly fashion.

G. Failure to comply with the hearing officer's call for order may result in removal of the offending person from the proceedings, termination of the hearing, or the entry of judgment by default against the offending person.

H. The tenant or the LGHA may arrange in advance, and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested person may purchase a copy of the transcript.

I. <u>Accommodation of Persons with Disabilities</u>

1. The LGHA will take steps to insure that reasonable accommodation for persons with disabilities is provided so that participation in any hearing is possible. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations or attendants.

2. If the tenant is visually impaired any notice which is required under this Grievance Procedure, will be in an accessible format.

XI. DECISION OF HEARING OFFICER

A. The hearing officer will prepare a written decision, including an explanation of the reasons for the decision, within ten (10) working days after the hearing.

B. A copy of the decision will be sent to the tenant and the LGHA at the same time. The Authority shall retain a copy of the decision in the tenant's folder.

C. A copy of the decision, with all names and identifying references deleted, will also be maintained on file by the LGHA and made available for inspection by a prospective tenant, his or her representative or the hearing officer.

D. The decision of the hearing officer will be binding on the LGHA which will take all actions, or refrain from any actions, necessary to carry out the decision unless the LGHA Board of Commissioners determines within a reasonable time, and promptly notifies the complainant of his/her determination, that:

1. The grievance does not concern any act or failure to act on the part of the LGHA involving the tenant's lease or LGHA regulations which adversely affect the tenant's rights, duties, welfare or status; or

2. The decision of the hearing officer is contrary to applicable Federal, State and/or local law, HUD regulations or requirements of the Annual Contributions Contract between the Department of Housing and Urban Development and the LGHA.

E. A decision by the hearing officer or Board of Commissioners in favor of the LGHA, or which denies the relief requested by the tenant in whole or in part, does not waive or affect any rights the tenant may have to a trial de nova or judicial review in any judicial proceedings, which may be filed in the future.

LA GRANGE (TX) HOUSING AUTHORITY
250 NW CIRCLE
LA GRANGE, TX 78945

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Adopted:

September 26, 2000

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3. Class grievances.

4. Termination of tenancy or eviction that involves:

a. Any criminal or other activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other tenants or employees of the Authority; OR

b. Any drug-related criminal activity on or off the premises; OR

c. Non-payment of rent, except when the dispute involves the amount of rent owed to the Authority.

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A. Grievance – Any disagreement which a tenant may have with respect to LGHA action or failure to act in accordance with the individual's lease or LGHA regulations which adversely affects the individual tenant's rights, duties, welfare or status.

B. Complainant – Any tenant whose grievance is presented to the Authority in accordance with Sections IV and V of this procedure.

C. Elements of Due Process – Legal proceedings carried out in accordance with established rules. Any eviction or termination proceeding requires:

1. Adequate notice to the tenant of the grounds for terminating his or her lease and for eviction in accordance with the tenant's lease and/or federal and state law, as applicable.

2. The right of the tenant to be represented by legal counsel.

3. The opportunity for the tenant to disagree with the evidence presented by the Authority including the right to confront and cross-examine witnesses and to present any affirmative legal or fair defense which the tenant may have. The tenant may examine (and make copies of at the tenant's own expense) all relevant documents, records, policies, and regulations of the Housing Authority prior to the hearing for the purpose of preparing a defense.

4. A decision on the merits.

5. A person with disabilities shall be provided reasonable accommodation to the extent necessary to provide the person with the opportunity to participate in a grievance hearing.

D. Hearing Officer – A person selected to hear grievances and make a decision.

E. Hearing Panel – A panel of more than one person selected to hear grievances and to make a decision.

F. Tenant –the adult person (or persons) other than a live-in aide who:

1. Resides in the unit, and who executed the lease with the Authority as lessee of the dwelling unit, or, if no such person now resides in the unit;

2. Resides in the unit, and is a remaining member of the tenant family residing in the dwelling unit.

G. Resident Organization – Includes Resident Councils and Resident Management Corporations.

H. Informal Settlement – Meeting held with complainant and the Authority in an attempt to resolve the grievance before going to a formal grievance hearing.

I. Summary of Discussion – Result of informal hearing giving detailed information in writing of the major points discussed in the informal hearing and the Authority's decision on the complaint.

J. Escrow – Money held by a third party fiduciary as a good faith promise until a determination is made on what to do with the money. The escrow amount can be deposited into a bank account or held by an uninterested, independent third party with the equivalent security and accountability as a bank account.

K. Waiver – The release of a right or claim.

L. Trial De Nova – The right to a new trial.

IV. INFORMAL SETTLEMENT OF GRIEVANCE

A. If a tenant chooses to resolve his/her problem through the Grievance Procedure, he/she must first request an informal meeting in writing within five (5) business days from the date the problem originally arose. Details onto whom the letter should be addressed and where delivered.

B. The LGHA will schedule an informal meeting within ten (10) business days of receipt of the written request. The LGHA staff conducting the meeting will be a person other than the person who made the LGHA action under review.

C. The tenant must attend the informal meeting and personally present, either orally or in writing, the grievance so that it may be informally discussed and settled without a formal Hearing.

D. The LGHA must, within a reasonable time and not to exceed ten (10) business days after the informal discussion, provide a written summary of the meeting discussion and send it to the tenant by Registered or Certified Mail or deliver it personally with a signed receipt obtained from the tenant. A copy will be retained in the tenant's file. The summary will specify:

1. Names of participants.
2. Date of the discussion.
3. Nature of proposed disposition of the grievance.
4. Specific reason for proposed disposition of the grievance.
5. Procedures by which a Hearing may be obtained if the tenant is not satisfied.
6. That the tenant has five (5) business days from the date of the summary of the discussion to request a hearing.

E. Before a tenant can request a Hearing by a Hearing Officer, the grievance must have been submitted first for an informal meeting.

V. PROCEDURE TO OBTAIN A HEARING

A. Request for a Hearing. If the tenant is dissatisfied with the final results of the informal meeting, he or she must submit a written request to the LGHA within ten (10) business days after the receipt of the summary of the discussion pursuant to Section IV. The written request for a formal hearing must specify the reason(s) for

the grievance and the action or relief sought. Details onto whom to address and where to deliver request.

B. Selection of Hearing Officer. Grievances shall be presented before a hearing officer. The hearing officer shall be an impartial, disinterested person appointed by the LGHA's Board of Commissioners, upon the recommendation of the Executive Director, other than the person who made or approved the LGHA action under review or a subordinate of that person.

C. Hearing Pre-Requisite. All grievances shall use the procedures for an informal settlement as outlined in Section IV, Informal Settlement of Grievance, as a condition precedent to a hearing under Section V. Procedure to Obtain a Hearing, provided that if the tenant can show good cause to the Hearing Officer why he/she failed to follow the procedure for an informal settlement, the pre-requisite of the informal settlement may be waived by the Hearing Officer.

VI. FAILURE TO REQUEST A HEARING

If the tenant does not request a Hearing within ten (10) business days following the date of the summary of the informal meeting:

A. The Agency's disposition of the grievance under Section IV as stated in the summary of the discussion, becomes final and effective at the close of business on the fifth business day following the date of the summary of the discussion.

B. The failure to request a hearing does not waive the tenant's right to contest the LGHA's decision in an appropriate judicial proceeding.

VII. HEARING INVOLVING AMOUNT OF RENT – ESCROW ACCOUNT

Before a hearing can be scheduled for a grievance involving the amount of rent as defined in the lease, the tenant must:

A. Pay the LGHA the full amount of rent, calculated by the Authority, which was due on the first of the month preceding the month in which the grievance occurred; and

B. Deposit this same amount of rent due into an escrow account every month until the complaint is resolved by the hearing officer's decision.

If the tenant fails to comply with A and B above, the grievance process will be terminated. Failure to follow A and B above, however, does not waive any of the tenant's rights to contest the LGHA's disposition of the grievance in an appropriate judicial proceeding.

The requirements described in Section VII of this Grievance Procedure may be waived by the LGHA in extenuating circumstances.

VIII. SCHEDULE OF HEARINGS

If the tenant has met the informal meeting requirements, properly requested a formal hearing and made any necessary rental payments to the LGHA or to an escrow account (when applicable), then the following will take place:

A. Upon receipt of the Request for a Hearing, a hearing will be promptly scheduled by the hearing officer for a time and place reasonably convenient to both the complainant and the LGHA. The written notification will be delivered to the tenant and appropriate Agency officials, by Registered or Certified mail, or delivered promptly with a signed receipt notice.

B. The written notification will specify:

1. The time of hearing.
2. Place of hearing.
3. Procedures governing the hearing.

IX. FAILURE TO APPEAR AT THE HEARING

A. If the tenant fails to appear at the hearing, the hearing officer may make a determination to postpone the hearing for a period not to exceed five (5) business days, or may make a determination that the non-appearing party has waived the right to a hearing.

B. The tenant and the LGHA will both be notified in writing of this determination by the hearing officer within a reasonable time.

C. Failure of the tenant to appear at the hearing and a determination that he or she has waived the right to a hearing does not waive the tenant's right to argue the case in an appropriate judicial proceeding.

X. PROCEDURE GOVERNING HEARING

A. The hearing shall be held before the hearing officer.

B. The tenant shall be afforded a fair hearing, which shall include:

1. The opportunity to examine before the hearing, any documents, including records and regulations, that are directly relevant to the hearing. The tenant shall be allowed to copy any documents at his or her own expense. Any document requested but not made available to the tenant for examination may not be relied on by the Authority during the hearing;

2. The right to be represented by counsel or other person chosen as his or her representative and to have this person make statements on the tenant's behalf;

3. The right to a private hearing unless the tenant requests a public hearing;

4. The right to present evidence and arguments in support of his or her complaint, to object to irrelevant evidence and request that such evidence be excluded, and to confront and cross-examine all witnesses on whose testimony or information the LGHA relies; and

5. A decision based solely and exclusively upon the facts presented at the hearing.

C. The hearing officer may render a decision without holding the hearing if the hearing officer determines that the issue has been previously decided in another proceeding.

D. At the hearing, the tenant must first show that he or she is entitled to the relief sought after which the LGHA must justify the action or failure to act as cited in the complaint.

E. The hearing shall be conducted informally by the hearing officer and oral or documentary evidence pertinent to the facts and issues mentioned in the complaint may be received without regard to admissibility under the rules of evidence applicable in judicial proceedings.

F. The hearing officer shall require the LGHA, the tenant, tenant's counsel and other participants or spectators to conduct themselves in an orderly fashion.

G. Failure to comply with the hearing officer's call for order may result in removal of the offending person from the proceedings, termination of the hearing, or the entry of judgment by default against the offending person.

H. The tenant or the LGHA may arrange in advance, and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested person may purchase a copy of the transcript.

I. <u>Accommodation of Persons with Disabilities</u>

1. The LGHA will take steps to insure that reasonable accommodation for persons with disabilities is provided so that participation in any hearing is possible. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations or attendants.

2. If the tenant is visually impaired any notice which is required under this Grievance Procedure, will be in an accessible format.

XI. DECISION OF HEARING OFFICER

A. The hearing officer will prepare a written decision, including an explanation of the reasons for the decision, within ten (10) working days after the hearing.

B. A copy of the decision will be sent to the tenant and the LGHA at the same time. The Authority shall retain a copy of the decision in the tenant's folder.

C. A copy of the decision, with all names and identifying references deleted, will also be maintained on file by the LGHA and made available for inspection by a prospective tenant, his or her representative or the hearing officer.

D. The decision of the hearing officer will be binding on the LGHA which will take all actions, or refrain from any actions, necessary to carry out the decision unless the LGHA Board of Commissioners determines within a reasonable time, and promptly notifies the complainant of his/her determination, that:

1. The grievance does not concern any act or failure to act on the part of the LGHA involving the tenant's lease or LGHA regulations which adversely affect the tenant's rights, duties, welfare or status; or

2. The decision of the hearing officer is contrary to applicable Federal, State and/or local law, HUD regulations or requirements of the Annual Contributions Contract between the Department of Housing and Urban Development and the LGHA.

E. A decision by the hearing officer or Board of Commissioners in favor of the LGHA, or which denies the relief requested by the tenant in whole or in part, does not waive or affect any rights the tenant may have to a trial de nova or judicial review in any judicial proceedings, which may be filed in the future.

LA GRANGE (TX) HOUSING AUTHORITY
250 NW CIRCLE
LA GRANGE, TX 78945

PET POLICY

Adopted:

September 26, 2000

OVERVIEW

This policy details the requirements for a tenant to keep a pet in a La Grange Housing Authority (LGHA) apartment. A tenant will not keep a pet in their apartment without prior written permission from LGHA.

This policy does not apply to animals that are used to assist persons with disabilities provided that the animal has been trained to assist persons with that specific disability and the animal actually assists the person with that specific disability. (See Rule 22 below.) However, the pet policy does not exempt such a tenant from the requirements of the lease that prohibit any conduct which disturbs other tenants or threatens the physical or social environment.

REQUIREMENTS

The LGHA will use the following procedures in implementing the pet policy.

Obtaining LGHA Permission: If an eligible tenant or prospective tenant wishes to obtain permission to keep a pet, LGHA staff will meet with the prospective pet owner and explain the Housing Authority policy and review the pet rules. If LGHA finds a tenant or prospective tenant eligible to keep a pet based on this pet policy, the tenant or prospective tenant must submit to the Housing Authority a completed Pet Permit and Agreement Form, and pay the required security deposit.

LGHA reserves the right to deny permission to house pets which are or may be, in the sole judgment of the Authority, vicious or dangerous, or which are large in stature, exceeding 30 pounds in weight.

Failure to Obtain Written Permission: If a tenant has not obtained written permission to keep a pet but does so anyway, the LGHA will seek to evict the tenant. If LGHA finds any unauthorized pet outside a tenant's apartment, i.e., in their backyard or area in their exclusive control, or in a common area, LGHA will have the pet removed.

Complaints Against Pet Owners: In the event of complaints regarding a pet against approved pet owners, the LGHA shall work with the pet owner to resolve the complaints informally. If the complaints are not resolved and/or there has been a violation of the pet rules, LGHA shall impose fines in accordance with Rule 21 below.

If there are three violations, LGHA may, at its sole discretion, notify the tenant to remove the pet within ten (10) days (immediately if the animal is deemed "vicious"), terminate the pet owner's tenancy, or both. Any unresolved complaints may be the subject of a grievance by the tenant under established grievance procedures except that animals deemed "vicious" by LGHA must be removed form LGHA property pending a grievance meeting.

Amending Pet Rules: The pet policy and rules may be changed at any time by LGHA provided that tenants are given an opportunity to comment and with 30 days advance notice.

RULES

1) Any tenant or prospective tenant who wishes to keep a pet shall request permission in writing and meet with LGHA staff along with the pet and submit a photo of the pet and other required documentation.

2) If approved by the Authority, a Pet Permit and Agreement (Amendment of the Dwelling Lease) shall be signed immediately by the tenant, with the original filed in the tenant file and a copy in a general pet file. The Dwelling Lease Amendment contains the rights and responsibilities of the tenant and LGHA with respect to pet ownership.

3) **Only common household pets are permitted.** Common "household" pets shall be limited to domesticated dogs, cats, fish, birds and turtles that are traditionally kept in the home rather than for commercial or other purposes.

4) The tenant is required to provide a picture of the pet(s).

5) The number and size of the pet(s) is limited to one type of pet as follows:

    a) Dogs and cats – limit of one dog or cat per household – Dogs cannot exceed 30 pounds; or

    b) Birds – limit of two per household, no larger than a parakeet – Birds must be kept in a cage at all times; or

    c) Fish – limit of one tank per household with a maximum capacity of 20 gallons, and no more than 20 small non-poisonous fish; or

    d) Turtles – no more than two per household, small in size. Turtles must be kept in a cage or other container at all times.

6) All dog and cat owners must present proof that their pet is registered with the City of La Grange and identification tags must be worn at all times.

7) The tenant must be able to maintain control over their pets.

8) Dogs and cats must remain within the unit and not be allowed outside, unattended, at any time. In addition, dogs and cats are not allowed in the patio area at any time.

9) No chaining of unattended dogs is permitted at any time.

10) Dogs must be walked while on a leash and all droppings must be removed and disposed of by the person walking the animal. Failure to do so will result in a $50.00 charge. Units, yards and LGHA property must be kept free of odors, insect infestation and pet feces, urine, waste and litter.

11) Cat litter boxes are required and must be maintained in a sanitary manner and be kept free of odors and insect infestation.

12) **Dogs and cats must be neutered or spayed** with proof of licensing and inoculations and the name of the veterinarian provided. Owners must provide a certification each year at the time of their annual reexamination that the pet continues to be in good health and has all required vaccinations.

13) Any animal that is used to threaten either people or other animals or threatens to attack or attacks will be deemed "vicious" and barred from the development. If the tenant does not immediately remove the animal, the tenant will be in material violation of his/her lease, and may be evicted.

14) LGHA, at its sole discretion, may randomly and periodically inspect the units of pet owners with appropriate notice to ensure compliance.

15) Pets must be restrained and prevented from digging, gnawing, chewing, scratching or otherwise defacing property including doors, walls, windows, screens, floor coverings, other units, common areas, buildings, landscaping or shrubs.

16) No pet is allowed at any time in community/recreation rooms, laundry rooms, or other interior or exterior sitting areas including the patio.

17) Pet owners shall be liable for damage caused by their pets. LGHA shall require of the tenant payment of a pet deposit of $250 for each pet. The pet deposit will be used to cover the cost of damages identified, during the tenant's residency. If the tenant's pet deposit does not cover the damages, management and the tenant will agree on a payment plan to pay for the damage as well as replacement of the pet deposit. The pet deposit is separate form, and in addition to, any security deposit held on behalf of the tenant by the LGHA. The pet deposit will be returned to the pet owner within 30 days of the day the pet is removed or within 30 days of the day the tenant vacates the unit, whichever comes first, less deductions detailed in writing and reasonably related to the regulation of pets.

18) Tenants must board their pets (except for fish) away from the development or make other arrangements for the care of their pets when they intend to leave their unit for 24 hours or more. The Pet Permit and Agreement requires tenants to provide LGHA with the name and phone number of relative or friend who has agreed to assume responsibility for the pet in the event of sudden illness or death of the tenant or if the tenant disputes the determination that the animal is vicious. The LGHA

reserves the right to consider the presence of an unattended pet an emergency, and will enter the unit to remove the pet.

19) LGHA staff, including maintenance personnel, reserve the right to refuse to enter a unit to perform work where there is an unattended animal.

20) Pet owners are expected to exercise responsible and courteous behavior so that the presence of their pet on the property in no way violates the rights of others to peaceful enjoyment of the premises. A tenant will be fully responsible for any disturbance or injury to other tenants or LGHA staff caused by its pet. Any disturbance or injury will be a violation of the pet policy and rules and the tenant's lease, and LGHA may at its sole discretion require the tenant to remove the pet immediately or within ten (10) days, terminate the pet owner's tenancy, or both.

21) The LGHA may impose fines upon tenants for the violation of any pet rule contained herein. At the time a pet owner first violates any rule, the LGHA will send the owner a written warning and no fine will be assessed. The second time that an owner violates the same rule, or any other, the LGHA will fine the tenant $50.00. The LGHA may assess additional $50.00 fines for subsequent violations, and may request the tenant to remove the pet or be subject to eviction after three violations.

22) Tenants or prospective tenants who claim that a particular animal is used to assist persons with disabilities and who want to be exempt from the provisions of these Pet Rules must provide LGHA with:

    a) A certification that the tenant or prospective tenant or a member of his or her family is a person with a disability; and

    b) Documentation that the animal has been trained to assist persons with that specific disability and actually assists the person with that disability.

23) These Pet Rules are posted in the LGHA management offices and are incorporated by reference into the Lease.

LA GRANGE HOUSING AUTHORITY

PET PERMIT AND AGREEMENT

I acknowledge that I have read, understand and agree to comply with all aspects of LGHA's Pet Policy and that any violation of the LGHA pet policy by me or my family or my pet will be considered a violation of any lease with LGHA.

I also understand that I must give to LGHA the name of an individual or Agency who will be contacted should I become incapable of caring for my pet(s) because of illness, incapacitation or death. That person or Agency is:

_____
NAME

_____
ADRESS PHONE NO.

The pet(s) I wish to keep in my dwelling unit is:

(1)

_____
DESCRIPTION

_____
NAME

_____
DATE

(2)

_____
DESCRIPTION

_____
NAME

_____
DATE

_____
LGHA REPRESENTATIVE

_____
RESIDENT

_____
RESIDENT

_____
RESIDENT

LA GRANGE (TX) HOUSING AUTHORITY

250 NW CIRCLE
LA GRANGE, TX 78945

RENT COLLECTION POLICY

Adopted:

September 26, 2000

RENT COLLECTION POLICY

I. POLICY STATEMENT

This policy is adopted by the La Grange (TX) Housing Authority hereinafter referred to as LGHA and applies to all residents of its low-income public housing. It addresses the manner in which residents must pay their monthly rent and the consequences of late payment or non-payment of rent due to LGHA. This policy is consistent with the laws of the State of Texas, HUD regulations, and LGHA's Dwelling Lease. LGHA is committed to enforcing this policy in an equitable and non-discriminatory manner.

The Rent Collection Policy is designed to achieve the following goals:

- Reduce LGHA's tenant accounts receivable to no more than 5% and uncollected rents to 2% of total rents to be collected.
- Clarify for both tenants and staff, LGHA's position with regard to rent collection.
- Establish strict guidelines extending Repayment Agreements only in extenuating circumstances as defined by LGHA or for retroactive rent charges.
- Streamline and simplify the legal process used by LGHA.

II. MONTHLY RENT

In accordance with HUD regulations, tenants can elect annually between paying an income-based rent or a flat rent. For an income-based rent, tenants are charged a rent the greater of $50, 30% of their monthly adjusted income or 10% of gross income. Adjusted income is calculated by deducting from gross income allowable expenses, such as childcare and medical (for elderly and disabled only), as well as deductions for dependents and elderly households. Eligibility for specific allowances depends upon the tenant's individual circumstances. Tenants residing in units where some or all of the utilities are paid directly by the tenant receive a utility allowance in the form of a monthly rent reduction. Tenants selecting a flat rent pay the rent applicable to the appropriate bedroom size from the schedule of flat rents available at the management office.

Tenants paying an income-based rent are required to report their income annually to LGHA and rent is adjusted accordingly. During the course of the year, if they suffer a loss of income or an increase in allowable expenses, and request an interim reexamination of income, tenants may be eligible for reductions in their rent. These circumstances are not, however severe hardships, and would, therefore, not qualify for a Rent Repayment Agreement.

Tenants paying a flat rent are required to have their income reexamined every three years and family circumstances every year. Families experiencing hardships may switch from paying flat rents to income-based rents.

III. RENT PAYMENTS

Rent shall be paid by mail or in person and is due and payable on or before the first of each month. Personal checks, cashier checks and money orders are the only acceptable forms of payment at the management office. A charge of $15.00 will be assessed for all returned personal checks. LGHA will no longer accept personal checks for payment of rent from residents once their check has been returned for insufficient funds.

Payments are accepted by mail, or in person, at the management offices listed below:

La Grange (TX) Housing Authority
250 NW Circle
La Grange, TX 78945

La Grange (TX) Housing Authority
500 Koenig Lane
La Grange, TX 78945

The above offices are open Monday through Friday (except holidays), 8:00AM-4:00PM.

Partial payments of rent are not accepted by LGHA.

Rent is due and payable on the first of each month. Tenants who have failed to make full payment by 4:00 pm on the sixth (6th) day of the month, or before the end of the tenth (10th) day of the month are considered delinquent and will be assessed a $5.00 late fee. On the eleventh (11th) day of the month and thereafter, the late fee will be $10 plus $1 per day that the rent payment is outstanding. Also on the eleventh (11th) day, an eviction notice will be initiated. Tenants who pay their full rent but fail to pay miscellaneous charges properly due will also be subject to eviction action in accordance with their Lease Agreement. Attorney, sheriff and court fees and costs (if incurred by LGHA) shall be assessed when rent or other charges are not paid in a timely manner.

IV. RENT DISPUTES

Tenants who wish to dispute any action taken by LGHA for non-payment of rent may do so through the LGHA's Grievance Procedure in effect at the time the grievance or appeal arises. Copies of the Grievance Procedure are posted in each management office and management staff can assist tenants with informally settling the grievance in accordance with the Grievance Procedure and scheduling any subsequent hearing. LGHA enforces the escrow requirements contained in the Grievance Procedure.

Whether or not a tenant chooses to exercise his/her rights under the Grievance Procedure, he/she may present the case in court if LGHA initiates legal action.

V. REPAYMENT AGREEMENTS

In extenuating circumstances involving severe hardship situations and in cases of retroactive rent charges, LGHA may enter into a "Repayment Agreement" extending the time allowed residents to make full payment of money that is owed. LGHA is under no obligation to approve and execute Repayment Agreements and does so only as an accommodation to residents.

Requests for Repayment Agreements must be made to the Executive Director at the time that retroactive rent charge is assessed or no later than the expiration date of the Notice of Intent to Terminate Lease. Only the Executive Director has the authority to approve such requests and only if all of the following conditions are met:

1. A Repayment Agreement form (see Attachment 1) is properly completed and executed; and

2. The Agreement stipulates that the outstanding balance is due in no more than (3) monthly installments; and

3. The resident family is experiencing a severe hardship situation that will not qualify them for an interim reexamination and the family not been delinquent in the last twelve (12) months and has presented the documentation required by LGHA OR a retroactive rent charge has been assessed; and

4. The resident family has not defaulted on a previous Repayment Agreement.

Other unforeseen circumstances and income disruptions which typically pose financial hardships (e.g., loss of job, permanent discontinuation or reduction in benefits) entitle tenants to request an interim reexamination and a rent reduction effective the first of the month following verification of the change; therefore, they are not grounds for extending rent payment agreements. Failure to report a decrease in income is not considered a hardship unless a medical reason exists which prevented the tenant from reporting the decrease in income.

Repayment Agreements will not be approved, regardless of the situation, if the request is made after the expiration of the Notice of Intent to Terminate Lease. At this point the tenant is delinquent. In the absence of full rent payment LGHA will proceed with legal action. Tenants are expected, therefore, to act promptly in reporting situations which may make timely payment difficult.

Tenants who need assistance with financial problems may contact the Executive Director for information and referral to community agencies.

VI. SUMMARY PROCESS ACTION

Non-payment of rent is a violation of the Lease Agreement between the tenant and LGHA. In all cases, LGHA will aggressively pursue collection of the amount due and eviction, if necessary. Following is a description of the steps taken and notices issued:

- All rent and other payments due must be paid in full before or on the first day of each month. LGHA′s lease provides a grace period of six (6) days.

- If a tenant offers full payment by this date, the payment will be accepted and no further action taken. Partial payments will not be accepted.

- If the tenant does not pay in full by the sixth (6th), a 14 Day Notice of Termination will be sent.

- The Notice will indicate that if, by the deadline date, the tenant has not:

  - filed a Grievance,
  - paid rent in full, or
  - vacated the unit,

  LGHA will proceed with legal action seeking possession of the dwelling unit, all amounts due, plus court, legal, and any other expenses incurred by LGHA.

- Once a Complaint is filed with the court commencing legal action, a Summons is hand delivered to the tenant by a Sheriff or someone appointed by the Court which requires the tenant to file an answer in court. The case is brought before a judge and a decision rendered. At the time the Complaint is filed with the court, all additional legal expenses will be added to the total amount due from the resident.

- If the court rules in favor of LGHA, a Judgment is awarded demanding possession of the dwelling unit and payment of amounts owed and LGHA's expenses.

- Forcible removal will occur if the resident does not vacate the premises.

VII. DISCONTINUING EVICTION ACTION

LGHA is under no obligation to discontinue eviction once legal action has been initiated. However, it is not in the interest of either party for LGHA to proceed with an eviction against a tenant who is generally a prompt rent payer, and has a positive rent-paying history, and has not violated the lease agreement, except for non-payment rent.

Tenants are considered to have a positive rent paying history when they have not been subject to eviction action at any time during the previous 12 months and their rent payments have been made in a timely manner. If eviction action commences against such a tenant, LGHA may accept full payment, plus legal and court costs if incurred, at any time up to the day of the court hearing and reinstate the tenant.

Tenants are considered to have a negative rent paying history when they have been subject to eviction action one or more times and/or three or more rent payments have been paid late during the previous 12 months.

Only the Executive Director (or his/her designee) has the authority to discontinue legal action once the process is initiated.

VIII. TENANT EVICTION EXPENSES

Once a legal action has been filed in Court against a tenant and the court rules in favor of the LGHA, the tenant is subject to payment of service fees, court costs and attorney's fees. These costs will be assessed and the total amount due and payable presented to the Court. LGHA reserves the right to pursue collection of all amounts properly due from tenants evicted or voluntarily vacating LGHA premises. The LGHA will utilize all available means of collection, including referrals to credit bureaus, collection agencies and other court actions.

IX. ENFORCEMENT OF THIS POLICY

This Policy is enforced by the staff and legal counsel of LGHA, through the administrative grievance procedure and/or the Courts.

ATTACHMENT 1

LA GRANGE (TX) HOUSING AUTHORITY
REPAYMENT AGREEMENT

Account Number_____

I (We) _____
Tenant's Names
of_____
Address
agree that on this date, I (We) owe $_____ in retroactive rent, and $_____ in other charges which include the following: _____. My (Our) total balance on this date is $_____. I (We) agree to pay this total balance in a maximum of six installments according to the following schedule:

AMOUNT TO BE PAID	DATE DUE
$_____	_____
$_____	_____
$_____	_____
$_____	_____
$_____	_____
$_____	_____

I (We) agree that:

1. I (We) may make payments in advance of the date indicated above, but that each installment must be received no later than the date indicated.

2. These payments represent amounts owed, and that they are in addition to the monthly rent to become due and payable during the term of this agreement, no later than the 5th business day of the month.

3. If I (We) fail to make any of these payments, or fail to pay monthly rent also due, LGHA has the right to terminate my (our) lease and commence legal action against me (us) in accordance with the terms of the lease, HUD regulations, and state law.

4. I (We) must make all payments during the term of this agreement directly to the area management office in person or by mail.

_____ _____
Tenant's Signature Date

_____ _____
Tenant's Signature Date

I have approved this Repayment Agreement in accordance with the provision of LGHA's Rent Collection Policy.

_____ _____

Executive Director Date

LA GRANGE (TX)
HOUSING AUTHORITY

250 NW CIRCLE
La Grange, TX 78945

DWELLING LEASE

Adopted: September 26, 2000

DWELLING LEASE
THE LA GRANGE HOUSING AUTHORITY
250 Northwest Circle Street
La Grange, Texas 78945

Project Number: _____TX381-_____ Unit Number: _____

1. IDENTIFICATION OF PARTIES AND DWELLING UNIT

(a) The La Grange Housing Authority (hereinafter called the "LGHA" or the "PHA") relying upon the statements and information given by: _____ (hereinafter called the "Tenant", and when "Tenant" is referred to as "he" it is used in the generic sense to include male/female, singular/plural as appropriate) concerning the household composition, employment, and income of all family members as reported in the Tenant's signed Application for Admission or Continued Occupancy, does hereby Lease to Tenant under the terms and conditions of this Lease, and the Tenant, agreeing to such terms and conditions, does hereby lease and take possession of the dwelling unit designated as _____, located in _____ consisting of _____ bedroom(s), designated by the PHA as a [ ] family unit, [ ] elderly unit, or [ ] handicapped unit.

(b) The Tenant shall have the right to the use and occupancy of the dwelling unit as a private residence. The Tenant agrees that the household members listed below are the only persons who are permitted to reside in the dwelling unit. Any additions to the household including live-in aides, foster children, or adults, but excluding live births, must have the advance written approval of the PHA. The phrase "Tenant" or "the Tenant" is intended to encompass the following persons, both jointly and individually, whenever the words are used in this Lease:

NAME	DATE OF BIRTH:	SOCIAL SECURITY #:	RELATION TO HEAD
1.			(Head Of Household)
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

(c) Guests of the Tenant may be accommodated for a period of fourteen (14) days within any twelve (12) consecutive month period. In the event the Tenant wishes to accommodate a guest for a period in excess of fourteen days, the Tenant must notify the PHA in writing, stating the reasons for such extended accommodations, in order to obtain the PHA's approval of such arrangements in advance. The decision of the PHA in this regard shall be final.

(d) The Tenant shall immediately notify the LGHA in writing whenever any member of the household that is authorized to reside in the dwelling unit is no longer residing in the dwelling unit. Failure to immediately notify the

LGHA in writing will result in the Tenant continuing to be held responsible for all actions of such persons, and any violations of this Lease by such persons shall be grounds for termination of this Lease and eviction of the Tenant from the dwelling.

(e) Failure to comply with the terms of this Section shall be considered a serious violation of the terms and conditions of this Lease.

2. TERMS AND AMOUNT DUE

(a) This Lease shall commence on the _____ of _____, _____. The rent for this initial period is $_____ payable in advance on the first day of occupancy. If this Lease begins on a day other than the first day of the month, the first month's rent shall be $_____. The rent for this unit is income based [ ], or is based on the flat rent for this unit [ ].

(b) The Tenant may change rent calculation methods at any re-examination. Tenants that have chosen a flat rent may request a reexamination and change to the income based method at any time if the flat rent causes a financial hardship to the family.

(c) The term of this lease shall be one year and shall renew automatically for another year unless terminated as provided by this Lease.

(d) Rent is due and payable in advance, without notice, during office hours on the 1st working day of each month and is delinquent if not paid by the close of business on the sixth (6th) calendar day of each month.

(e) Penalty for delinquent rent shall be $10.00. A check returned for non-sufficient funds shall be considered non-payment and in addition to the late charge, a $15.00 returned check fee will also be assessed.

(f) If the Tenant is paying the minimum rent, and circumstances change that create an inability to pay the rent, the Tenant may request suspension of the minimum rent due to hardship.

(g) The Executive Director or designee may terminate the Lease if the Tenant has been served with three (3) Fourteen Day Notices within a calendar year.

3. SECURITY DEPOSIT

(a) New Tenants must pay a security deposit to the PHA at the time of admission. The amount of the Security Deposit is the Total Tenant Payment (TTP), before the utilities adjustment. The PHA may agree to accept the security deposit in more than one (1) payment, as long as at least one-half of the total security deposit is received prior to move-in, and the security deposit is fully paid by the beginning of the second month of occupancy.

(b) The LGHA will hold the security deposit for the period the Tenant occupies the dwelling unit. The LGHA will not use the Security Deposit for payment of rent or other charges while the Tenant is in occupancy, but may apply it to rent and other charges remaining unpaid when the dwelling unit is vacated.

(c) At the time of move out, the Tenant must leave the dwelling unit in a clean and undamaged (beyond normal wear and tear) condition. All keys to the dwelling unit must be returned to the Executive Director or designee upon vacating the dwelling unit.

(d) The LGHA will refund to the Tenant the amount of the security deposit less any amount needed to pay the cost of:

- **(1)** Unpaid Rent;
- **(2)** Damages listed on the Move-Out Inspection Report that exceed normal wear and tear;
- **(3)** Other unpaid charges under the Lease.

(e) If the Tenant disagrees with the amount charged to the security deposit, the LGHA will offer to meet to discuss the charge(s).

(f) The LGHA will refund the Security Deposit less any amounts owed, within twenty-one (21) days after move out and the Tenant's notification of their new address.

(g) The LGHA acknowledges its compliance with the State of Texas Code concerning Security Deposits.

4. UTILITIES

(a) The Tenant agrees to pay the PHA for furnished utilities consumed in excess of the schedule of allowances posted in the PHA's management office. The current schedule in effect is attached to and made a part of this Lease.

(b) The Tenant shall be charged for excess utilities consumed on the basis of provider's rates in effect at time of consumption.

5. ANNUAL REEXAMINATION

(a) If the Tenant has chosen an income-based rent, then at least once annually, the Tenant is required to provide current and accurate information regarding income, assets, allowances, deductions, and family composition to enable the PHA to make determinations with respect to rent, eligibility, and the appropriateness of the size of the dwelling unit. The Tenant's failure to attend the annual reexamination meeting or to furnish the requested information and certifications in a timely manner, is grounds for termination of this Lease by the LGHA.

(b) If the Tenant has chosen a flat rent, then the LGHA shall re-examine the Tenant's income, assets, allowances, deductions and family composition once every two years.

(c) If the LGHA determines that the Tenant has gained admission or remained in occupancy of an LGHA dwelling unit through the Tenant's misrepresentation of his or her income, assets, childcare responsibilities, or family composition, the LGHA may terminate this Lease and collect any deficiencies in rent which result from such misrepresentations.

6. REDETERMINATION OF RENT, DWELLING SIZE AND ELIGIBILITY FOR CONTINUED OCCUPANCY

(a) All Tenants must report to the LGHA changes in household circumstances when they occur between Annual Reexaminations including when a member has been added to the family through birth, adoption, or court-awarded custody and when a household member is leaving or has left the unit. Tenants that pay an income-based rent may also choose to report changes in income and expenses at any time to the LGHA. However, the Tenant's rent, in these cases, shall not be reduced if the reduction in income is due to a reduction in welfare assistance benefits because of the Tenant's failure to comply with the program requirements or because of fraud.

(b) The initial rental amount established by this Lease and subsequent rental amount determinations for Tenants with income-based rents shall remain in effect for the period between annual redeterminations of rent unless during such period that the Tenant requests a redetermination of rent due to income changes, the rental amount was calculated for a temporary time period, or HUD regulations require such a redetermination.

> **RENT INCREASES** shall be made effective the first day of the second month following the month in which the change **OCCURRED**. No change in rent will be made until the Executive Director or designee receives the third party verification.
>
> **RENT DECREASES** shall be made effective the first day of the month following the month in which the change was **REPORTED** in writing, provided however that no decrease shall be made until proof of changes, as outlined above, has been furnished and deemed sufficient by the Executive Director or designee.

It is the responsibility of the Tenant to report in writing all changes as outlined above by the last business day of each month. Income not reported by the last business day of the month will result in rent not being changed until the first of the following month provided third party verification has been received.

(c) Tenants that choose an income based rent shall reimburse the PHA for the difference between the rent that was paid and the rent that should have been charged if proper notice of the income change had been given and the Tenant either did not submit information in a timely manner or submitted false information.

(d) Regardless of whether a Tenant chooses an income based or flat rent, if the Executive Director or designee determines that the size of the dwelling unit is no longer appropriate to suit the Tenant's needs, the Tenant agrees to transfer to an appropriate size dwelling unit upon notice by the Executive Director or designee that such a dwelling unit is available.

(e) If the dwelling unit leased is a handicapped designated unit as checked in Section 1 (a), and the Tenant occupying the dwelling unit does not include a family member defined by HUD rules as handicapped or disabled, the Tenant agrees to transfer to a non-handicapped dwelling unit if and when the unit is needed by a Tenant with disabilities.

(f) If the Tenant does not agree with the transfer determination of the Executive Director or designee, the Tenant shall have the right to request a hearing under the PHA's Grievance Procedure.

7 REPAYMENT AGREEMENTS

A Repayment Agreement is a contract entered into between the PHA and Tenant in extenuating circumstances involving severe hardship. The maximum length of time that the LGHA will enter into a repayment agreement with a

Tenant is three (3) months. The minimum monthly amount due to the LGHA for any repayment agreement is one-third of the outstanding balance per month.

8. CHARGES OTHER THAN RENT

(a) Charges for other than rent shall be due and collectible the 1st day of the second month following written notification of the charge. Such charges shall be considered delinquent after the end of business on the 6th business day of the month following the due date. A list of standard charges are posted in the PHA's management office and made a part of this Lease by reference.

(b) Failure to pay for charges other than rent when due shall be considered a serious violation of the terms and conditions of this Lease.

9. MANAGEMENT AGREES:

(a) To maintain the dwelling unit in a decent, safe and sanitary condition. The LGHA assumes no liability for damages caused to the Tenant by criminal acts of a third party.

(b) To comply with requirements of applicable building codes, housing codes, and HUD regulations materially affecting health and safety.

(c) To make necessary repairs to the dwelling unit.

(d) To keep the buildings, facilities and common areas, not otherwise assigned to the Tenant for maintenance and upkeep, in a clean and safe condition.

(e) To maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances, including elevators, supplied or required to be supplied by the LGHA.

(f) To provide and maintain appropriate receptacles and facilities (except containers for the exclusive use of an individual Tenant family) for the deposit of garbage, rubbish, and other waste removed from the dwelling unit by the Tenant in accordance with Section 14, hereof.

(g) To 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 by law to be equipped for that purpose, or where heat or hot water is generated by an installation within the exclusive control of the Tenant and supplied by a direct utility connection.

(h) To furnish a heater, cooking stove, refrigerator and water heater without additional charge.

(i) To notify the Tenant of the specific grounds for any proposed adverse action by the LGHA. (Such adverse action includes, but is not limited to, a rent adjustment, a proposed Lease termination, transfer of the Tenant to another dwelling unit, or the imposition of charges for maintenance and repair, or for excess consumption of utilities.) When the LGHA is required to afford the Tenant the opportunity for a hearing under the PHA's Grievance Procedure concerning a proposed adverse action, the notice of proposed adverse Action shall inform the Tenant of the right to request such a hearing. In the case of a Lease termination, a notice of Lease termination in accordance with Section 21 shall constitute adequate notice of proposed adverse action. In the case of a proposed adverse action other than a proposed Lease termination, the LGHA shall not take the proposed action until the time for the Tenant to request a Grievance Hearing has expired or the Grievance process has been completed.

10. OCCUPANCY OF THE DWELLING UNIT

(a) The Tenant shall have the right to exclusive use and occupancy of the leased dwelling unit, which shall include reasonable accommodation of the Tenant's guest with the consent of the Executive Director or designee, and may include care of "foster children" and/or a " live-in aide" for a member of the Tenant's family. The Executive Director or designee shall use the procedures established in its Admission and Continued Occupancy Policy (ACOP) to make such determinations.

(b) The Tenant agrees not to assign this Lease, nor to sublet, or transfer possession of the dwelling unit, or give accommodations to boarders or lodgers. The Tenant further agrees not to use or permit the use of the dwelling unit for any purposes other than as a private dwelling unit solely for the Tenant and the members of Tenant's household as identified in Section 1(b). With the written consent of the Executive Director or designee, members of the household may engage in legal profit making activities in the dwelling unit, where the PHA determines that such activities are incidental to primary use of the leased unit for residence by members of the household, and where such activities do not violate other Tenant's right to peaceful enjoyment of their residence.

(c) The Tenant agrees that all personal property placed in the dwelling unit or any other place adjacent thereto, shall be at the Tenant's sole risk, and the PHA shall not be liable to the Tenant or Tenant's family, employees, invitees, or

licensees for any damage, loss, theft or destruction thereof unless caused by the negligence of the LGHA. The Tenant is responsible for obtaining insurance on Tenant-owned furnishings and personal property if desired.

(d) The Tenant agrees not to keep pets unless prior written approval is given by the Executive Director or designee in accordance with the LGHA's Pet Policy, which is posted in the PHA's management office and is incorporated herein by reference. Tenants with a pet must pay a pet deposit and a one-time non-refundable fee.

(e) The LGHA's Pet Deposit is $200.00. The non-refundable fee is $25. The LGHA will refund the Pet Deposit to the Tenant, less any damage caused by the pet to the dwelling unit, upon removal of the pet or the owner from the dwelling unit. The LGHA will refund the Pet Deposit to the former Tenant or to the person designated by the former Tenant in the event of the former Tenant's incapacitation or death. Violation of the pet policy is grounds for the removal of the pet, termination of tenancy, or both.

(f) The Tenant agrees to notify the LGHA if he/she is going to be absent from the dwelling unit for more than thirty (30) consecutive days and provide a means for the LGHA to contact the resident in the event of an emergency. Failure to advise the PHA of extended absences is grounds for termination of the Lease.

(g) The Tenant agrees that any member of the household will be considered permanently absent if he/she is away from the dwelling unit for three (3) consecutive months except as otherwise approved be the Executive Director or designee.

(h) The Tenant agrees that if the sole member is incarcerated for more than thirty (30) consecutive days, he/she will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if he/she is incarcerated for three (3) consecutive months. The Executive Director or designee will determine if the reason for the incarceration is for drug-related or violent criminal activity before a letter of Lease termination is issued.

(i) Guests who give the dwelling unit as their residence of record to governmental agencies, employers, creditors, financial institutions, or others, shall be considered unauthorized members of the household and the Tenant may receive a letter of termination as a result. For the purposes of this dwelling Lease, the term "guest" means a person in the leased unit with the consent of a household member not listed on the Lease as an authorized member.

(j) The Tenant agrees to abide by other necessary and reasonable regulations, including house rules, as may be promulgated by the PHA for the benefit and well-being of the authority's properties and its other Tenants which shall be posted in the PHA's management office and are incorporated herein.

(k) The Tenant agrees to maintain grounds and landscaping adjacent to his/her dwelling unit as set forth below. In the event the Tenant fails or neglects or maintain grounds as assigned, the Tenant shall pay to the LGHA all expenses incurred by the LGHA in the maintenance or repair of said grounds rendered necessary by such failure or neglect on the part of the Tenant.

Assigned responsibilities (If none, so state): _____

_____

(l) The Tenant shall pay reasonable charges for maintenance and repair beyond normal wear and tear, and for cleaning and fumigation rendered necessary by the acts or neglect of the Tenant. Such charges shall be billed to the Tenant and shall specify the items damaged, correctional action taken, and the cost thereof. Charges assessed the Tenant by the LGHA for maintenance and repairs shall become due and payable the first day of the second month following the month in which the charges are incurred.

(m) Any violation of this section shall be considered a serious violation of the terms and conditions of the Lease.

11. ADDITIONS TO THE LEASE

(a) Requests for the addition of a new member of the household must be approved by the Executive Director or designee prior to the actual move-in by the proposed new member.

(b) Tenants who fail to notify the Executive Director or designee of additions to the household, or who permit persons to join the household without undergoing screening are in violation of the Lease. Such persons are considered to be unauthorized occupants by the PHA, and the entire household will be subject to eviction.

(c) Family members age eighteen (18) and over who move from the dwelling unit to establish new households shall be removed from the Lease. The Tenant must notify the Executive Director or designee in writing of the move-out within ten (10) days of its occurrence.

12. FIREARMS, KNIVES, CLUBS & OTHER WEAPONS

(a) Tenant and Tenant's guest will not discharge or threaten to discharge a firearm of any type, including "B-B" guns, on the PHA's property. Discharging or threatening to discharge a firearm will be considered a serious violation of the terms and conditions of this Lease.

(b) Tenant and Tenant's guest further agree not to use or threaten to use, a knife, club or any other weapon against any person on PHA's property. The use of or the threat to use a knife, club, or any other weapon against any person on the PHA's property will be considered a serious violation of the terms and conditions of this Lease.

13. AUTOMOBILES AND OTHER MOTORIZED VEHICLES

(a) The Tenant agrees to park and cause the Tenant's guest to park, automobiles and other motorized vehicles in parking areas only. Tenant specifically agrees to refrain and cause Tenant's guest to refrain from parking or driving any motorized vehicles on lawns, sidewalks, common areas not designated for parking such as playgrounds, or any other area other than appropriate streets and driveways. The PHA reserves the right to assign parking space(s) to the Tenant and Tenant agrees to park motor vehicles only in any such assigned space(s). Tenant agrees to pay for any damages to the dwelling unit caused by improper operation or parking of motorized vehicles.

(b) The Tenant and Tenant's guest's motorized vehicles properly parked on the PHA's property shall be in running condition and have fully inflated tires and current license plates.

(c) The Tenant agrees not to change the oil, wash the vehicle, or make major repairs to the vehicle while it is parked on the PHA's property.

(d) The Tenant agrees to pay towing charges for improperly parked motorized vehicles and vehicles which are not in running condition as outlined in Section 13 (b) above. The PHA will ticket such vehicle for at least twenty-four (24) hours prior to towing.

(e) Repeated violations of this section constitute good cause for the Executive Director or designee to terminate this Lease.

14. SANITATION, CLEANLINESS, HEALTH AND SAFETY

(a) Tenant agrees to comply with all obligations imposed upon Tenants by applicable provisions of building and housing codes materially affecting health and safety.

(b) Tenant agrees to accept responsibility for the control of pests, vermin and objectionable odors stemming from unsanitary housekeeping practices. Tenant also agrees to keep the dwelling unit and all other areas assigned to Tenant for his exclusive use free of litter and debris and in a clean and safe condition at all times. Tenant also agrees to cooperate with other Tenants in keeping their common areas free of litter and debris and in a clean and safe condition at all times. Repeated violation of this paragraph constitutes good cause for the Executive Director or designee to terminate this Lease.

(c) Tenant agrees to dispose of all ashes, garbage, rubbish, and other waste from the dwelling unit in a sanitary and safe manner.

(d) Tenant agrees not to store gasoline or any flammable or explosive substances, not including matches, inside the dwelling unit, or on any porch of the dwelling unit or in any building auxiliary to the dwelling unit. Storage of any flammable or explosive substance by Tenant or his guest will be considered a serious violation of the terms and conditions of this Lease.

(e) Tenant agrees to immediately and personally report to the PHA all unsafe, conditions which are known to, or observed by the Tenant, either in common areas of the Public Housing property or in the dwelling unit leased by the Tenant.

15. CODE OF CONDUCT

(a) Tenant agrees to conduct himself and cause others who are in the dwelling unit with his consent to conduct themselves in a manner that will not disturb his neighbor's peaceful enjoyment of their accommodations and will be conducive to maintaining the neighborhood in a decent, safe and sanitary condition.

(b) Tenant agrees not to allow any person or guest in the dwelling unit or on the premises leased by the Tenant to partake in any illegal activity.

(c) Tenant agrees to report to local officials, and then to the PHA, all illegal activity or activities known to or observed by Tenant occurring in the common areas of the Public Housing premises or his dwelling unit, or in any other dwelling unit of the PHA's property, as soon as the Tenant becomes aware of such activity.

(d) Tenant agrees not to use loud, profane, abusive or threatening language when speaking to, or in the presence of, Housing Authority staff.
(e) Tenant agrees not to allow any individual that has been barred or banned from the PHA's property to be on any property for which the Tenant has responsibility.

16. REPAIR AND UPKEEP OF THE PREMISES

(a) Tenant agrees not to make repairs or alterations to the dwelling unit, nor to install any major appliance such as air conditioner(s), washing machine(s), clothes dryer(s), television antenna, etc., without prior written consent of the LGHA. The Tenant further agrees to notify Maintenance promptly when any repairs to the dwelling unit or equipment therein are necessary. Pending completion of such repairs, the Tenant will not use nor permit the use of the damaged area or equipment in any way that will increase the damages or endanger any person or property. Tenant further agrees to use only in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities or appurtenances, including elevators.
(b) Tenant agrees to refrain from and to cause Tenant's guest to refrain from destroying, defacing, damaging, or removing any part of the LGHA's property. The Tenant also agrees not to use tacks, nails, screws, or fasteners on any part of the dwelling unit except in a manner prescribed by the LGHA. Tenant agrees not to apply any kind of wall covering, or floor covering without prior written permission of the Executive Director or designee. Tenant agrees not to build fences or place locks on doors or windows without prior written permission by PHA. Tenant further agrees not to cut or abuse trees or shrubbery nor allow their children or guest to do so. Tenant agrees to pay reasonable charges (other than for normal wear and tear) or repairs of damage to the dwelling unit caused by the Tenant or Tenant's guest in accordance with the Schedule of Charges posted in the PHA's management office and incorporated herein by reference.
(c) All charges made under this section shall be due and payable according to the guidelines stipulated in Paragraph 8 above. Repeated violations of this section shall constitute good cause for the PHA to terminate this lease.

17. DEFECTS HAZARDOUS TO LIFE, HEALTH, OR SAFETY

The Tenant shall immediately notify the LGHA of all damages to the apartment. Maintenance shall determine whether the premises are damaged to the extent that conditions are created which are hazardous to life, health and safety of the Tenant. Maintenance shall be responsible for repair of the premises within a reasonable time. If the damage was caused by the Tenant or the Tenant's guest, the reasonable cost of repairs shall be paid by the Tenant. If the damages are covered by the Housing Authority's insurance, an amount not to exceed the deductible of that insurance, will be assessed to the Tenant. The PHA agrees to offer standard alternative accommodations, if available, in circumstances where necessary repairs cannot be made within a reasonable time. In the event repairs are not made or alternative accommodations are not provided in accordance with this Section, the monthly rental shall be abated in proportion to the seriousness of the damage and loss in value as a dwelling unit as determined by the PHA. No abatement of rent shall occur if Tenant rejects the alternative accommodations or if the damage is caused by Tenant or Tenant's guests.

18. INSPECTIONS, RIGHT OF ENTRY, AND REPAIRS

(a) The Tenant agrees to permit the agents or employees of the PHA to enter the dwelling unit during reasonable hours for the purpose of making inspections or repairs or for showing the dwelling unit for re-leasing. Except for cases of emergency, responding to Tenant's request for certain services, or repairs which require entry to the dwelling unit, the PHA will give the Tenant at least seventy-two (72) hours prior notice of entering the dwelling unit.
(b) If all adults included as Tenants herein are absent from the dwelling unit at the time of entry, the PHA shall leave in the dwelling unit a written statement, specifying the date, time and purposes of entry, prior to leaving the dwelling unit.
(c) The PHA and the Tenant or a Tenant's representative shall inspect the dwelling unit and the equipment prior to commencement of occupancy by the Tenant. The PHA will furnish the Tenant with a written statement of the condition of the dwelling unit, and the equipment provided with the dwelling unit. This statement shall be signed by Maintenance and the Tenant, and a copy of the statement shall be retained in the Tenant's file.
(d) At the time a Tenant vacates, the PHA shall inspect the dwelling unit and furnish the Tenant a written statement of charges, if any, for which the Tenant is responsible. Tenant or a Tenant's representative may join in such inspection unless Tenant vacates without notice to the PHA.

19. LEGAL NOTICE

Any written notices as required or permitted hereunder will be sufficient if delivered to the Tenant personally or to any adult member of his family residing in the dwelling unit, or if sent by U.S. mail, addressed to the Tenant, postage prepaid. Notices to the PHA shall be in writing and delivered to the Management office or sent by first class mail, postage prepaid, properly addressed. If the Tenant is visually impaired, any legal notices will be delivered in an accessible format.

20. ACCOMMODATION OF PERSONS WITH DISABILITIES

For all aspects of the Lease and Grievance Procedures, a disabled person shall be provided reasonable accommodation to the extent necessary to provide the disabled person with an opportunity to use and occupy the dwelling unit equal to a person without a disability. The PHA shall provide a notice to each that the Tenant may, at any time during the tenancy, request reasonable accommodation for a disabled household member, including reasonable accommodations so that the Tenant can meet Lease requirements or other requirements of tenancy.

21. TERMINATION OF THE LEASE

The PHA shall not terminate or refuse to renew the Lease other than for a serious violation or repeated violations of the terms and conditions of the Lease such as, but not limited to:

(a) Being served with three (3) Fourteen Day Notices within a calendar year;

(b) Failure to provide timely and accurate statements of income, assets, expenses and family composition, to attend scheduled reexaminations and to cooperate in the verification process;

(c) Furnishing false or misleading information;

(d) Failure to abide by necessary and reasonable rules, building and housing codes;

(e) Acts of destruction, defacement or removal by Tenant or guests;

(f) Criminal Activity. The LGHA has a One Strike or "Zero Tolerance" policy with respect to violations of the Lease terms regarding criminal activity. Either of the following types of criminal activity by the Tenant, any member of the household, a guest, or another person under their control shall be cause for termination of this Lease and eviction from the dwelling unit, even in the absence of an arrest or conviction:

- **(1)** Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the public housing premises by other Tenants; or
- **(2)** Any drug-related criminal activity on or off such premises.

The "One Strike and You're Out" Policy applies to all residents of the LGHA. Individuals who engage in illegal drug use and/or other criminal activity shall be evicted from their dwelling unit after one (1) such offense. Drug-related criminal activity means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sale, distribute, or use a controlled substance as defined in Section 102 of the Controlled Substances Act, 21 U.S.C. 802.

ANY CRIMINAL ACTIVITY OR DRUG-RELATED CRIMINAL ACTIVITY SPECIFIED ABOVE CONSTITUTES A SERIOUS VIOLATION OF MATERIAL TERMS OF THE LEASE AND WILL BE GROUNDS FOR TERMINATION OF THE LEASE AND EVICTION FROM THE DWELLING UNIT. SUCH ACTIVITY CONSTITUTES GROUNDS FOR TERMINATION AND EVICTION NOTWITHSTANDING THE ABSENCE OF AN ARREST OR CONVICTION.

(g) Alcohol Abuse. Alcohol abuse by the Tenant, any member of the household, a guest or another person under their control is grounds for termination of the Lease if the PHA determines such alcohol abuse interferes with the health, safety or right to peaceful enjoyment of the PHA's public housing premises by other Tenants;

(h) Failure to perform required community service or to be exempted therefrom;

(i) Failure to allow inspection of the unit;

(j) Determination that a family member knowingly permitted an ineligible noncitizen not listed on the lease to permanently reside in the unit;

(k) Determination or discovery that a resident is a registered sex offender; or

(l) Any other good cause.

22. NOTICE OF LEASE TERMINATION

(a) The LGHA may terminate this Lease by giving the Tenant advance written Notice of Termination of the Lease of:

(1) Fourteen (14) days in the case of failure to pay rent.

(2) A reasonable time, not to exceed thirty (30) days, commensurate with the exigencies of the situation in the case of creation or maintenance of a threat to the health or safety of other Tenants or PHA employees.
(3) Fifteen (15) days in any drug-related case.
(4) Thirty (30) days in all other cases.

(b) The Notice of Lease Termination to the Tenant shall state specific grounds for termination, and shall inform the Tenant of his or her right to make such reply as the Tenant may wish.

(c) The demand notice as required by the laws of the State of Texas will be combined with and run concurrently with the notice of Lease termination.

(d) When the PHA is required to afford the Tenant the opportunity for a hearing under the PHA's Grievance Procedure for a grievance concerning the Lease termination, the tenancy will not terminate until the time for the Tenant to request a Grievance Hearing has expired, and the Grievance process has been completed.

(e) HUD has determined that under certain cases relating to drug and criminal related activities, PHAs are permitted to bypass the normal Grievance Procedure. However, the LGHA has elected to offer an Expedited Grievance Procedure in these cases. The LGHA will not terminate tenancy until the time has expired for a Tenant to request an Expedited Grievance hearing.

(f) This Lease may be terminated by the Tenant at any time by giving thirty (30) days written Notice in the manner specified in Section 21. The Tenant agrees to leave the dwelling unit in a clean and good condition, reasonable wear and tear excepted, and to return the keys to the Executive Director or designee upon vacating.

23. ABANDONMENT OF DWELLING UNIT AND PROPERTY

In the event the Tenant abandons the unit or removes or attempts to remove any goods or property from the dwelling unit other than in the ordinary and usual course of continuing occupancy, the dwelling unit may, at the option of the PHA, be considered abandoned. In such event, the PHA shall have the right, provided five (5) days written notice is mailed to the Tenant's last known address, to store or otherwise dispose of any property left on or about the dwelling unit by the Tenant following or pursuant to such abandonment. The PHA shall also be entitled to store or dispose of any property remaining on or about the dwelling unit after the termination of this Lease and any renewal thereof. Any property left on or about the dwelling unit shall be considered to be abandoned.

24. HOLDING OVER

The Tenant shall promptly vacate the dwelling unit and remove all of Tenant's goods and property therefrom after expiration of this lease, whether such termination occurs by lapse of time or otherwise. Any holding over or occupancy of the dwelling unit by the Tenant after the expiration of this Lease without the express consent of the PHA shall create a tenancy at sufferance and not a tenancy at will. There shall be no renewal whatsoever of this Lease by operation of law.

25. ALTERNATIVE HOUSING ACCOMMODATIONS

The Tenant agrees not to have alternative housing or reside out of the dwelling unit for more than thirty (30) days unless prior written approval is received from the Executive Director or designee. If the Tenant resides out of the dwelling unit for more than thirty (30) days, the PHA will assume the dwelling unit to be abandoned and take possession in accordance with Section 22.

26. GRIEVANCE PROCEDURES

All disputes concerning the obligations of the Tenant or the PHA arising under this Lease shall be processed and resolved pursuant to the Grievance Procedure of the PHA which is in effect at the time such Grievance or appeal arises, which procedure is posted in the PHA office and incorporated herein by reference.

27. CHANGES TO LEASE

This Lease together with any further adjustments of rent or dwelling unit evidences the entire agreement between PHA and the Tenant. Any modification of the Lease will be accomplished by a written rider to the Lease executed by both parties except for Section 6 and any reference to posting of policy, rules and regulations.

28. COURT COSTS AND ATTORNEY FEES

If it becomes necessary for the PHA to use an attorney and bring court proceedings against the Tenant to collect any rent and other charges agreed to be paid, or to enforce the provision of this Lease, or to evict the Tenant from the

dwelling unit, and if judgment is entered against the Tenant in favor of the PHA in such proceedings, the Tenant may be obliged to pay all court costs and reasonable attorney's fees. If judgment is entered against the PHA in favor of the Tenant in such proceedings, the PHA may be obliged to pay all court costs and reasonable attorney's fees.

29. UNENFORCEABLE LEASE PROVISIONS

The provisions of this Lease are intended by the parties to be joint and severable. Should any paragraph or any portion of any paragraph, or any portion of any sentence of any paragraph in this Lease, be found to be unenforceable due to any reason whatsoever, including unconstitutionality, it is the intention of the parties that the remaining portions of this Lease which are enforceable remain binding and enforceable upon the parties.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement this _____day

of _____, _____, at La Grange, Texas.

I HAVE RECEIVED A COPY OF THIS LEASE AND I HEREBY DECLARE THAT THE FACTS GIVEN IN MY APPLICATION FOR HOUSING ARE TRUE AND CORRECT. I UNDERSTAND THAT IF THESE FACTS ARE NOT TRUE, THIS LEASE WILL BE TERMINATED AND I WILL BE REQUIRED TO VACATE.

WITHHOLDING OR GIVING FALSE INFORMATION RELATIVE TO THE DETERMINATION OF ELIGIBILITY, AMOUNT OF RENT, WHO WILL OCCUPY THE PREMISES, OR TO MAKE A FALSE STATEMENT OR REPRESENTATION TO ANY REPRESENTATIVE OF THE LA GRANGE HOUSING AUTHORITY, TEXAS WILL BE CONSIDERED AN INTENT TO DEFRAUD UNDER TEXAS STATE LAW AND MAY BE PUNISHABLE WITH FINE OF UP TO $10,000.00 AND/OR A PRISON TERM UP TO ONE (1) YEAR.

_____
Tenant

_____
Tenant

_____
Tenant

La Grange Housing Authority

_____
Authorized Representative

LA GRANGE (TX) HOUSING AUTHORITY

250 NW CIRCLE
LA GRANGE, TX 78945

PROCUREMENT POLICY

Adopted:

September 26, 2000

PROCUREMENT POLICY

This Procurement Policy complies with HUD's Annual Contributions Contract (ACC), HUD Handbook 7460.8 REV-1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities," and the procurement standards of 24 CFR 85.36.

I. GENERAL PROVISIONS

A. Purpose

The purpose of this Procurement Policy is to: provide for the fair and equitable treatment of all persons or firms involved in purchasing by the La Grange Housing Authority (LGHA); assure that supplies, services, and construction are procured efficiently, effectively, and at the most favorable price available to the Housing Authority without sacrificing quality; promote competition in contracting; provide safeguards for maintaining a procurement system of quality and integrity; ensure that unnecessary or duplicate purchases are not made; and assure that the La Grange Housing Authority's purchasing actions are in full compliance with applicable Federal standards, HUD regulations, and State and local laws.

B. Application

This Procurement Policy applies to all contracts for the procurement of supplies, services, and construction entered into by the La Grange Housing Authority after the Board resolution date of this Policy. It will apply to every expenditure of funds by the Housing Authority for public purchasing, irrespective of the source of funds, including contracts which do not involve an obligation of funds (such as concession contracts). However, nothing in this Policy will prevent the La Grange Housing Authority from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with law.

The term "procurement" as used in this Policy, includes both contracts and modifications (including change orders) for construction or services, as well as purchase, lease, or rental of supplies and equipment.

C. Public Access to Procurement Information

Procurement information will be a matter of public record to the extent provided in the State of Ohio Freedom of Information law and will be available to the public as provided in that statute.

II. PROCUREMENT AUTHORITY AND ADMINISTRATION

A. All procurement transactions will be administered by the Executive Director or other individual he or she has authorized in writing. The Executive Director will follow the procedures to implement this Policy, which will be based on HUD Handbook 7460.8. The Executive Director will also establish a system of sanctions for violations of the ethical standards described in section IX below, consistent with State law.

B. The Executive Director or designee will ensure that:

1. Procurement requirements are subject to an annual planning process to assure efficient and economical purchasing;

2. Contracts and modifications are in writing, clearly specifying the desired supplies, services, or construction, and are supported by sufficient documentation regarding the history of the procurement, including as a minimum the method of procurement chosen, the selection of the contract type, the rationale for selecting or rejecting offers, and the basis for the contract price;

3. For procurements other than small purchases, public notice will be given of each upcoming procurement at least ten (10) days before a solicitation is issued; invitations to bid on specific purchases will be made to all qualified firms; responses to such notice are honored to the maximum extent practical; a minimum of fifteen (15) days is provided for preparation and submission of bids or proposals; and notice of contract awards is made available to the public.

4. Solicitation procedures are conducted in full compliance with Federal standards stated in 24 CFR 85.36, or State and local laws that are more stringent, provided they are consistent with 24 CFR 85.36;

5. An independent cost estimate is prepared before solicitation issuance and is appropriately safeguarded for each procurement above the small purchase limitation, and a cost or price analysis is conducted of the responses received for all procurements;

6. Contract award is made to the responsive and responsible bidder offering the lowest price (for sealed bid contracts) or contract award is made to the offeror whose proposal offers the greatest value to the La Grange Housing Authority, considering price, technical, and other factors as specified in the solicitation (for contract awards based on competitive proposals). Unsuccessful firms are notified within ten (10) days after contract award;

7. There are sufficient unencumbered funds available to cover the anticipated cost of each procurement before contract award or modification (including change orders), work is inspected before payment, and payment is made promptly for contract work performed and accepted; and

8. The La Grange Housing Authority complies with applicable HUD review requirements as provided in its operational procedures. Complete files of all procurements and contracts will be maintained to demonstrate compliance with all Federal and state regulations as well as Authority policy.

C. This Policy and any later changes will be submitted to the Board of Commissioners for approval. The Board appoints and delegates procurement authority to the Executive Director and is responsible for ensuring that any procurement policies adopted are appropriate for the Housing Authority.

III. PROCUREMENT METHODS

A. Selection of Method

If it has been decided that the La Grange Housing Authority will directly purchase the required items, one of the following procurement methods will be chosen, based on the nature and anticipated dollar value of the total requirement.

B. Small Purchase Procedures

1. General. Any contract not exceeding $5,000 may be made in accordance with the small purchase procedures authorized in this section. Contract requirements will not be artificially divided so as to constitute a small purchase under this section (except as may be reasonably necessary to comply with Section VIII of this Policy).

2. Petty Cash Purchases. Small purchases under $100 may be processed through the use of a petty cash account. The Contracting Officer will ensure that: the account is established in an amount sufficient to cover small purchases made during a reasonable period (e.g., one week); security is maintained and only authorized individuals have access to the account; the account is periodically reconciled and replenished by submission of a voucher to the Housing Authority finance officer; and, the account is periodically audited by the finance officer or designee to validate proper use and to verify that the account total equals cash on hand plus the total of accumulated vouchers.

3. Small purchases of $1,000 or less. For small purchases below $1,000, only one quotation need be solicited if the price received is considered reasonable.

Such purchases must be distributed equitably among qualified sources. If practicable, a quotation will be solicited from other than the previous source before placing a repeat order.

4. Small Purchases over $1,000. For small purchases in excess of $1,000 no less than three (3) offerors will be solicited to submit price quotations, which may be obtained orally, by telephone, or in writing. Award will be made to the offeror providing the lowest acceptable quotation, unless justified in writing based on price and other specified factors, such as for other specified factors, such as for architect-engineer contacts. If non-price factors are used, they will be disclosed to all those solicited. The names, addresses, and/or telephone numbers of the offerors and persons contacted, and the date and amount of each quotation will be recorded and maintained as public record.

C. Sealed Bidding

1. Conditions for Use. Contracts will be awarded based on competitive sealed bidding if the following conditions are present: a complete, adequate, and realistic specification or purchase description is available; two or more responsible bidders are willing and able to compete effectively for the work; the procurement lends itself to a firm fixed price contract; and the selection of the successful bidder can be made principally on the basis of price. Sealed bidding is the preferred method for construction procurement. For procurements under the Comprehensive Improvement Assistance Program (CIAP), sealed bidding will be used for all construction and equipment contracts exceeding the small purchase limitation. For professional services contracts, sealed bidding will not be used.

2. Solicitation and Receipt of Bids. An Invitation For Bids will be issued including specifications and all contractual terms and conditions applicable to the procurement, including a statement that award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the Invitation For Bids. The Invitation For Bids will state the time and place for both the receipt of bids and the public bid opening. All bids received will be time-stamped but not opened and will be stored in a secure place until bid opening. A bidder may withdraw its bid at any time prior to bid opening.

3. Bid Opening and Award. Bids will be opened publicly and in the presence of at least one witness. An abstract of bids will be recorded and the bids will be available for public inspection. Award will be made as provided in the Invitation For Bids by written notice to the successful bidder. If equal low bids are received from responsible bidders, award will be made by drawing lots or similar random method, and stated in the Invitation For Bids. If only one

responsive bid is received from a responsible bidder, award will not be made unless a cost or price analysis verifies the reasonableness of the price.

4. Mistakes in Bids.

A) Correction or withdrawal of inadvertently erroneous bids may be permitted, where appropriate, before bid opening by written or telegraphic notice received in the office designated in the Invitation For Bids prior to the time set for bid opening. After bid opening, corrections in bids will be permitted only if the bidder can show by clear and convincing evidence that a mistake of a non-judgmental character was made, the nature of the mistake, and the bid price actually intended. A low bidder alleging a non-judgmental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made.

B) All decisions to allow correction or withdrawal of bid mistakes will be supported by a written determination signed by the Contracting Officer. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the Housing Authority or fair competition will be permitted.

5. Bonds.

In addition to the other requirements of this Policy, the following requirements apply:

A) For construction contracts exceeding $100,000 other than those specified in 5B and 5C below, contractors will be required to submit the following:

1) A bid guarantee from each bidder equivalent to 5% of the bid price; and

2) A performance bond for 100% of the contract price; and

3) A payment bond for 100% of the contract price.

B) In the case of construction of conventional development projects funded pursuant to the U.S. Housing Act of 1937, the contractor will be required to submit the following, unless otherwise required by state or local laws or regulations:

1) A bid guarantee from each bidder equivalent to 5% of the bid price; and

2) One of the following at the discretion of the Housing Authority:

(a) A performance and payment bond for 100% of the contract price; or,

(b) A 20% cash escrow; or

(c) A 25% irrevocable letter of credit.

C) In the case of construction under the Comprehensive Improvement Assistance Program (CIAP) and the Comprehensive Grant Program (CGP) funded pursuant to the U.S. Housing Act of 1937, for any contract over $5,000, the contractor will be required to submit the following:

1) A bid guarantee from each bidder equivalent to 5% of the bid price; and

2) One of the following at the discretion of the Housing Authority:

(a) A performance and payment bond for 100% of the contract price; or

(b) Separate performance and payment bonds, each for 50% or more of the contract price; or

(c) A 20% cash escrow; or

(d) A 25% irrevocable letter of credit.

D) Competitive Proposals

1) Conditions for Use. Competitive proposals (including turnkey proposals for development) may be used if there is an adequate method of evaluating technical proposals and where the Housing Authority determines that conditions are not appropriate for the use of sealed bids. An adequate number of qualified sources will be solicited.

2) Solicitation. The Request for Proposals (RFP) will clearly identify the relative importance of price and other evaluation factors and subfactors, including the weight given to each technical factor and subfactor. A mechanism for fairly and thoroughly evaluating the technical and price proposals will be established before the solicitation is issued. Proposals will be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals. The proposals will be evaluated only on the criteria stated in the Request for Proposals.

3) Negotiations. Unless there is no need for negotiations with any of the offerors, negotiations will be conducted with offerors who submit proposals determined to have a reasonable chance of being selected for award, based on evaluation against the technical and price factors as specified in the RFP. Such offerors will be accorded fair and equal treatment with respect to any opportunity for negotiation and revision of proposals. The purpose of negotiations will be to seek clarification with regard to and to advise offerors of the deficiencies in both the technical and price aspects of their proposals so as to assure full understanding of and conformance to the solicitation requirements. No offeror will be provided information about any other offeror's proposal, and no offeror will be assisted in bringing its proposal up to the level of any other proposal. Offerors will not be directed to reduce their proposed prices to a specific amount in order to be considered for award. A common deadline will be established for receipt of proposal revisions based on negotiations.

4) Award. After evaluation of proposal revisions, if any, the contract will be awarded to the responsible firm whose qualifications, price and other factors considered, are the most advantageous to the Housing Authority.

5) Architect/Engineer (A/E) Services. Architect/Engineer Services in excess of the small purchase limitation may be obtained by either the competitive proposals method or qualifications based selection procedures. Sealed bidding, however, will not be used to obtain architect/engineer services. Under qualifications-based selection procedures, competitors' qualifications are evaluated and the most qualified competitor is selected, subject to the negotiation of fair and reasonable compensation. Price is

not used as a selection factor under this method. Qualifications-based selection procedures will not be used to purchase other types of services even though architect-engineer firms are potential sources.

E) Noncompetitive Proposals

1) Conditions for Use. Procurement will be conducted competitively to the maximum extent possible. Procurement by noncompetitive proposals may be used only when the award of a contract is not feasible using small purchases procedures, sealed bids, or competitive proposals, and one of the following applies:

(a) The item is available only from a single source, based on a good faith review of available sources;

(b) An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to the Housing Authority, as may arise by reason of a flood, earthquake, tornado, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any other procurement methods, and the emergency procurement will be limited to those supplies, services, or construction necessary to meet the emergency;

(c) HUD authorizes the use of noncompetitive proposals: or

(d) After solicitation of a number of sources, competition is determined inadequate.

2) Justification. Each procurement based on noncompetitive proposals will be supported by written justification for using such procedures. The justification will be approved in writing by the Contracting Officer.

3) Price Reasonableness. The reasonableness of the price for all procurements based on noncompetitive proposals will be

determined by performing a cost analysis, as described in paragraph F3 below.

F) Cost and Price Analysis

1) General. A cost or price analysis will be performed for all procurement actions, including contract modifications. The method of analysis will be determined as follows. The degree of analysis will depend on the facts surrounding each procurement.

2) Submission of Cost or Pricing Information. If the procurement is based on noncompetitive proposals, or when only one offer is received, or for other procurements as deemed necessary by the Housing Authority (e.g. when contracting for professional, consulting, or A/E services) the offeror will be required to submit:

(a) A cost breakdown showing projected costs and profit;

(b) Commercial pricing and sales information, sufficient to enable the Housing Authority to verify the reasonableness of the proposed price as a catalog or market price of a commercial product sold in substantial quantities to the general public; or

(c) Documentation showing that the offered price is set by law or regulation.

3) Cost Analysis. Cost analysis will be performed if an offeror/contractor is required to submit a cost breakdown as a part of its proposal. When a cost breakdown is submitted: a cost analysis will be performed of the individual cost elements; the Housing Authority will have the right to audit the contractor's book and records pertinent to such costs; and profit will be analyzed separately. Costs will be allowable only to the extent that they are consistent with applicable Federal cost principals (for commercial firms, subpart 31.2 of the Federal Acquisition Regulation, 48 CFR Chapter 1). In establishing profit, the Housing Authority will consider factors such as the complexity and risk of the work involved, the contractor's investment and productivity, the amount of

subcontracting, the quality of past performance, and industry profit rates in the area for similar work.

4) Price Analysis. A comparison of price will be used in all cases other than those described in paragraph F3 above.

G) Cancellation of Solicitations

1) An Invitation For Bids, Request For Proposals, or other solicitation may be cancelled before offers are due if: the Housing Authority no longer requires the supplies, services, or construction; the Housing Authority can no longer reasonably expect to fund the procurement; proposed amendments to the solicitation would be of such magnitude that a new solicitation would be desirable; or similar reasons.

2) A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if: the supplies, services or construction are no longer required; ambiguous or otherwise inadequate specifications were part of the solicitation; the solicitation did not provide for consideration of all factors of significance to the Housing Authority; prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds; there is reason to believe that bids or proposals may not have been independently arrived at in open competition, may have been collusive, or may have been submitted in bad faith; or for good cause of a similar nature when it is the best interest of the Housing Authority.

3) The reasons for cancellation will be documented in the procurement file and the reasons for cancellation and/or rejection will be provided upon request to any offeror solicited.

4) A notice of cancellation will be sent to all offerors solicited and, if appropriate, will explain that they will be given an opportunity to compete on any resolicitation or future procurement of similar items.

5) If all otherwise acceptable bids received in response to an Invitation For Bids are at unreasonable prices, or only one bid is received and the price is unreasonable, the Housing Authority will cancel the solicitation and either:

(a) Resolicit using a Request For Proposals; or

(b) Complete the procurement by using the competitive proposals method following paragraphs D3 and D4 above (when more than one otherwise acceptable bid has been received), or by using the noncompetitive proposals method described in paragraph E2 above (when only one bid is received at an unreasonable price) provided, that the Contracting Officer determines in writing that such action is appropriate, all bidders are informed of the Housing Authority's intent to negotiate, and each responsible bidder is given a reasonable opportunity to negotiate.

H) Cooperative Purchasing

The La Grange Housing Authority may enter into State and local intergovernmental agreements to purchase common goods and services. The decision to use an intergovernmental agreement or conduct a direct procurement will be based on economy and efficiency. If used, the intergovernmental agreement will stipulate who is authorized to purchase on behalf of the participating parties and will specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The use of Federal or state excess and surplus property will be considered instead of the purchase of new equipment and property whenever such use is feasible and reduces project costs.

IV. CONTRACTOR QUALIFICATIONS AND DUTIES

A. Contractor Responsibility

Procurements will be conducted only with responsible contractors, i.e. those who have the technical and financial competence to perform and who have a satisfactory record of integrity. Before awarding a contract, the Housing Authority will review the proposed contractor's ability to perform the contractor successfully, considering factors such as the contractor’s integrity (including a review of the List of Parties Excluded From Federal Procurement and Non-Procurement Programs published by the U.S. General Services Administration) compliance with public policy, record of past performance (including contacting previous clients of the contractor, such as other PHAs), and financial technical resources. If a prospective contractor is found to be nonresponsible, a written determination of nonresponsibility will be prepared and included in the contract file, and the prospective contractor will be advised of the reasons for the determination.

B. Suspension and Debarment

Contracts will not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined ineligible by HUD in accordance with HUD regulations (24 CFR Part 24) or by other Federal agencies (e.g., Department of Labor for violation of Secretary of Labor regulations) when necessary to protect the Housing Authority in its business dealings.

C. Qualifications Bidder's List

Interested businesses will be given an opportunity to be included on qualified bidder's lists. Any pre-qualified list of person's, firms or products which are used in the procurement of supplies and services will be kept current and will include enough qualified sources to ensure competition. Firms will not be precluded from qualifying during the solicitation period. Solicitation mailing lists of potential contractors will include, but not be limited to, such pre-qualified suppliers.

V. TYPES OF CONTRACTS, CLAUSES, AND CONTRACT ADMINISTRATION

A. Contract Types

Any type of contract which is appropriate to the procurement and which will promote the best interest of the Housing Authority may be used, provided that the cost-plus-a-percentage-of-cost and percentage of construction cost methods are prohibited. All procurements will include the clauses and provisions necessary to define the rights and responsibilities of the parties. A cost reimbursement contract will not be used unless it is likely to be less costly or it is impractical to satisfy the PHA’s needs otherwise, and the proposed contractor's accounting system is adequate to allocate costs in accordance with applicable cost principles (for commercial firms, subpart 31.2 of the Federal Acquisition Regulation (FAR), found in 48 CFR Chapter 1). A time and material contract may be used only if a written determination is made that no other contract type is suitable, and the contract includes a ceiling price that the contractor exceeds at his own risk.

B. Options

Options for additional quantities or performance periods may be included in contracts provided that:

1) The option is contained in the solicitation;

2) The option is a unilateral right of the Housing Authority;

3) The contract states a limit on the additional quantities and the overall term of the contract;

4) The options are evaluated as part of the initial competition;

5) The contract states the period with which the options may be exercised;

6) The options may be exercised only at the price specified in or reasonably determinable from the contract; and

7) The options may be exercised only if determined to be more advantageous to the Housing Authority than conducting a new procurement.

C. Contract Clauses

In addition to containing a clause identifying the contract, all contracts will include any clauses required by Federal statutes, executive orders, and their implementing regulations, as provided in 24 CFR 85.36(i), such as the following:

1) Termination for convenience,

2) Termination for default,

3) Equal employment opportunity,

4) Anti-Kickback Act,

5) Davis-Bacon provisions of the U.S. Housing Act of 1937,

6) Contract Work Hours and Safety Standards Act, reporting requirements,

7) Patent Rights,

8) Rights in Data,

9) Examination of records by Comptroller General, retention of records for three years after close-out,

10) Clean Air and Water,

11) Energy Efficient Standards,

12) Bid Protests and Contract Claims,

13) Value engineering,

14) Payment of funds to influence certain Federal transactions; and

15) Disclosure of Interest. All developers, consultants, contractors, subcontractors, and any interested parties (persons) with a pecuniary interest and who have or will have $50,000 or more in gross receipts from any grant must formally disclose their identity, the identity of officers and persons in their corporation who hold at least ten percent (10%) ownership in the corporation.

    Such disclosure must be documented at the time of signing of a contract obligating CDBG funding. The disclosure certification must be signed and retained on file with the Grantee prior to any drawdown which will include payments to that corporation.

The operational procedures required by Section IIA of this Policy will contain the text of all clauses and required certifications (such as required non-collusive affidavits) used by the Housing Authority.

D. Contract Administration

A contract administration system designed to insure that contractors perform in accordance with their contracts will be maintained. The operational procedures required in Section II A above will contain guidelines for inspection of supplies, services, or construction, as well as monitoring contract performance, status reporting on construction contracts, and similar matters. For cost reimbursement contracts with commercial firms, costs are allowable only to the extent that they are consistent with the cost principles in FAR, Subpart 31.2.

VI. SPECIFICATIONS

A. General

All specifications will be drafted so as to promote overall economy for the purposes intended and to encourage competition in satisfying the Housing Authority's needs. Specifications will be reviewed prior to solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Functional or performance specifications are preferred. Detailed product specifications will be avoided whenever possible. Consideration will be given to consolidating or breaking out procurements to

obtain a more economical purchase (but see VIII below). For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

B. Limitations

The following specifications limitations will be avoided: geographic restrictions not mandated or encouraged by applicable Federal law (except for A&E contracts, which may include geographic location as a selection factor if adequate competition is available); unnecessary bonding or experience requirements; brand name specifications (unless a written determination is made that only the identified item will satisfy the Housing Authority's needs); brand name or equal specifications (unless they list the minimum essential characteristics and standards to which the item must conform to satisfy its intended use). Nothing in this Procurement Policy will preempt any State licensing laws. Specifications will be scrutinized to ensure that organizational conflicts of interest do not occur (for example, having a consultant perform a study of the PHA's computer needs and then allowing that consultant to compete for the subsequent contract for the computers).

VII. APPEALS AND REMEDIES

A. General

It is the La Grange Housing Authority's policy to resolve all contractual issues informally at the PHA level without litigation. Disputes will not be referred to HUD until all administrative remedies have been exhausted at the authority level. When appropriate, the Housing Authority may consider the use of informal discussions between the parties by individuals who did not participate substantially in the matter in dispute, to help resolve the differences. HUD will only review protests in cases of violations of Federal law or regulations and failure of the Housing Authority to review a complaint or protest.

B. Bid Protests

Any actual or prospective contractor may protest the solicitation or award of a contract for serious violations of the principles of this policy. Any protest against a solicitation must be received before the due date for receipt of bids or proposals, and any protest against the award of a contract must be received within ten calendar days after contract award, or the protest will not be considered. All bid protests will be in writing, submitted to the Contracting Officer or designee, who will issue a written decision on the matter. The Contracting Officer may, at his or her discretion, suspend the procurement pending resolution of the protest, if warranted by the facts presented.

C. Contract Claims

All claims by a contractor relating to performance of a contract will be submitted in writing to the Contracting Officer or designee for a written decision. The contractor may request a conference on the claim. The Contracting Officer's decision will inform the contractor of its appeal rights to a higher level in the Housing Authority, such as the Executive Director or a designated Board Member, or a Procurement Appeals Board.

VIII. ASSISTANCE TO SMALL AND OTHER BUSINESSES

A. Required Efforts

1. Consistent with Presidential Executive Orders 11625, 12138, and 12432, and Section 3 of the HUD Act of 1968, the Housing Authority will make efforts to ensure that small and minority-owned businesses, women's business enterprises, labor surplus area businesses, and individuals or firms located in or owned in substantial part by persons residing in the area of a Housing Authority development are used when possible. Such efforts will include, but will not be limited to:

   A) Including such firms, when qualified, on solicitation mailing lists;

   B) Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;

   C) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;

   D) Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;

   E) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce;

   F) Including in contracts a clause requiring contractors, to the greatest extent feasible, to provide opportunities for training and employment for lower income residents of the project area and to award subcontracts for work in connection with the project to business concerns which are located in, or owned in substantial part by persons residing in the area of the project, as described in 24 CFR 135;

G) Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed in A1.A through A1.F above.

2. Goals may be established by the Housing Authority periodically for participation by small businesses, minority-owned businesses, women's business enterprises, labor surplus area businesses, and business concerns which are located in, or owned in substantial part by persons residing in the area of the project, in the Housing Authority's prime contracts and subcontracting opportunities.

B. Definitions

1. A small business is defined as a business which is: independently owned; not dominant in its field of operation; and, not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR 121 will be used, unless the Housing Authority determines that their use is inappropriate.

2. A minority-owned business is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly-owned business, one in which at least 51% of the voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans and Asian Indian Americans, and Hasidic Jewish Americans.

3. A women's business enterprise is defined as a business that is at least 51% owned by a women or women who are U.S. citizens and who also control or operate the business.

4. A labor surplus area business is defined as a business which, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract in an area of concentrated unemployment or underemployed as defined by the U.S. Department of Labor in 20 CFR 654, Subpart A, and in lists of labor surplus areas published by the Employment and Training Administration.

5. A business concern located in the area of the project, is defined as an individual or firm located within the relevant Section 3 covered project area, as determined pursuant to 24 CFR 135.15, listed on HUD's registry of eligible business concerns, and meeting the definitions of small business above. A business concern owned in substantial part by persons residing in the area of the project is defined as a business concern which is 51% or more owned by

persons residing within the Section 3 covered project, owned by persons considered by the U.S. Small Business Administration to be socially or economically disadvantaged, listed on HUD's registry of eligible business concerns, and meeting the definition of small business above.

IX. ETHICS IN PUBLIC CONTRACTING

A. General

The La Grange Housing Authority will adhere to the following code of conduct, consistent with applicable State or local law.

B. Conflict of Interest

No employee, officer or agent of this Housing Authority will participate directly or indirectly in the selection or in the award or administration of any contract if a conflict, real or apparent, would be involved. Such conflict would arise when a financial or other interest in a firm selected for award is held by:

1. An employee, officer or agent involved in making the award;

2. His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister;

3. His/Her partner, or;

4. An organization which employs, is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

C. Gratuities, Kickbacks, and Use of Confidential Information

La Grange Housing Authority officers, employees or agents will not solicit or accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to contracts or subcontracts, and will not knowingly use confidential information for actual or anticipated personal gain.

D. Prohibition Against Contingent Fees

Contractors will not retain a person to solicit or secure a Housing Authority contract for a commission, percentage, brokerage, or contingent fee, except for bona fide employees or bona fide established commercial selling agencies.

E. Nondiscrimination in Employment

All contracts, subcontracts and purchase orders involving labor in the property or facilities of the Authority will include a provision that the contractor or subcontractor(s) will not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, marital status, age, or handicap.

F. Penalties

To the extent permitted by State or local law or regulations, such standards of conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the La Grange Housing Authority's officers, employees, or agents, or by contractors or their agents.

Any contract that is influenced by conflict of interest will be declared void.

LA GRANGE (TX)
HOUSING AUTHORITY

250 NW CIRCLE
LA GRANGE, TX 78945

MAINTENANCE PLAN

Adopted: September 26, 2000

MAINTENANCE PLAN

GENERAL INFORMATION

The La Grange Housing Authority was formed in 1976 for the purpose of providing low-income public housing and owns and operates two developments:

Development Number	Name	Number of Units
TX381-1	Valley View Apartments	32
TX381-2	Northwest Hills Apartments	50

The mission of the LaGrange Housing Authority is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.

STAFFING PLAN

The Executive Director is responsible for the day-to-day operation of the Authority. The Executive Director implements policies and procedures adopted by the Board of Commissioners. All staff report to the Executive Director.

The Authority's strategy for meeting the day-to-day maintenance needs of the properties is to retain general maintenance personnel that serve both sites. The maintenance staff consists of two people including the Maintenance Supervisor and a part-time Maintenance Mechanic.

GOALS AND OBJECTIVES

The goal of the LGHA maintenance department is to maintain each development and all units in a condition equal to or greater than HQS requirements; to meet and exceed all maintenance related PHAs indicators; and to properly utilize the existing staff with a reasonable amount of overtime, within budget and on schedule. The Maintenance Supervisor and Mechanic are responsible for all routine and seasonal requirements. Based upon average volume computed in 1999, there are on an average of 52 work orders per month for Northwest Hills Apartments and 26 work orders per month for River Valley Apartments. To assist the maintenance operation, the LGHA utilizes service contracts to address pest control and vacancy preparation.

BASIC PROCESSING OF WORK ORDERS

1. Origination and Assignment

   When a work order is received into the central office, it is assigned to the Maintenance Supervisor for entering into the computer and tasking out the work. Work orders will generally be completed in sequence without regard to the degree of difficulty associated with its completion. If the work order has been assigned to the Maintenance Mechanic, and that individual is unable to perform the work, he or she is to immediately notify the Maintenance Supervisor.

2. Closing of a Work Order

   When all items have been completed on the work order, the person performing the work signs the form and leaves a copy of the work order for the resident. If the resident is not present in the unit, the work order should be left in a conspicuous place. The information from the work order form including the posting of any associated charges is entered into the computer. The updating and closing of work-order records should normally be accomplished within 24 hours of receipt of completed work orders.

ANNUAL INSPECTIONS

Dwelling units and major systems inspections are required annually to meet PHAS requirements. The inspections will be evenly scheduled over the first ten months of the year in order to allow time for corrective and follow-up work.

All dwelling units of the LGHA will be inspected at least annually. A move-out inspection will be conducted in all vacant apartments within two (2) working days after becoming vacant. A move-in inspection will be conducted with the resident at the time of move-in for any apartment being newly occupied.

All inspections will utilize the PHAS standards using HUD inspection forms. All conditions noted during any inspection that do not meet the PHAS will be documented in writing. A work order will be issued at that time to correct the violation (whether it is a PHAS violation or not) and the information will be entered into the computer.

The LGHA performance goal for correcting unit deficiencies is:

- HQS violations that constitute emergency items, as defined by HUD, should be alleviated or corrected within 24 hours.

- All identified unit deficiencies that do not constitute HQS violations should be corrected within an average of 25 calendar days or less.

MAKING VACANT APARTMENTS READY FOR OCCUPANCY

In general, vacant unit preparation will be handled in-house. However, in circumstances where more vacancies exist than can be turned by staff within a reasonable time, or emergencies occur that require more extensive vacant unit preparation than staff is able to perform, outside contractors may be utilized.

The procedures for preparing vacant apartments for occupancy is as follows:

1. Upon notification of the vacancy, the apartment will be inspected by the Maintenance Supervisor, who will prepare, or who will cause to be prepared, a punch list of items to be inspected, repaired, or replaced in the vacant unit.

2. The list of work items required will be attached to a work order, and the information will be entered into the computer.

3. The Maintenance Supervisor will be responsible for the assignment of all work orders.

4. When all the items have been completed on the work order, the information will be entered into the computer, and the Executive Director or designee will inspect the unit. If deficiencies are found, the unit will be returned to the Maintenance Supervisor. When all deficiencies are addressed, the unit will be ready for occupancy.

PREVENTIVE MAINTENANCE

The LGHA has developed a PM schedule for each development so that preventive maintenance is accomplished throughout the year in conjunction with normal maintenance activities. The schedules have been designed so that all preventive maintenance for the year is completed within a 10 month period to better incorporate the work into the normal work load of the Authority's employees.

EMERGENCY SITUATIONS

Emergencies arise when residents and/or Authority staff are faced with a health or life-threatening situation, or there is a condition that could result in a serious structural or system damage if not corrected immediately. If the maintenance staff are able to address an emergency situation themselves, they will do so. If not, the Authority will contact a local vendor to provide the services necessary to abate the emergency condition.

SERVICE CONTRACTS

The LGHA will, if necessary or warranted, contract with outside firms to provide the following services:

- Pest Control
- Cycle Painting
- Vacancy Repairs
- HVAC Repairs
- Vehicle Maintenance

Each of these contracts, if used, will be procured in accordance with the Authority's procurement policy, based upon the HUD regulations at 24 CFR 85.36.