
Admissions and Continued Occupancy Policy

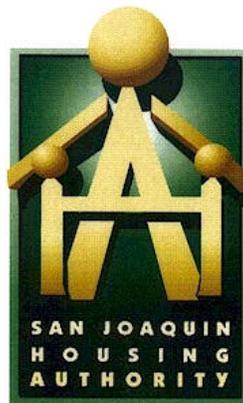


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Chapter 1—Statement of Policies and Objectives

1.0 INTRODUCTION

The Public Housing Program was created by the U.S. Housing Act of 1937 and amended as part of the Quality Housing and Work Responsibility Act of 1998 (42 U.S.C. 1437, et seq., “the 1937 Act”). The Housing Authority of the County of San Joaquin (Housing Authority) owns and manages 1,097 public housing units which are scattered throughout the San Joaquin County. Residents who reside in public housing can choose between paying an income based rent (30% of their adjusted gross income) and a flat rent, as determined by the Housing Authority. The Department of Housing and Urban Development (HUD) subsidizes the balance needed to manage and maintain the properties. Federal Regulations impact the selection of residents, occupancy, lease, and grievance procedures. The Housing Authority owns, manages, and maintains 3 apartment complexes and approximately 35 single family homes scattered throughout the San Joaquin County.

The administration of the Housing Authority and the functions and responsibilities of employees of the Housing Authority shall be in compliance with the Housing Authority’s Personnel Policy and the Department of Housing and Urban Development’s (HUD) public housing regulations, as well as all Federal, State and local Fair Housing Laws and Regulations.

1.1 HOUSING AUTHORITY MISSION AND VISION STATEMENT

MISSION STATEMENT

The Housing Authority Of The County Of San Joaquin Is Dedicated To Providing And Advocating For Affordable, Attractive, Safe Living Environments And Opportunities To Become Self-Sufficient For Persons Of Very Low To Moderate Income.

VISION STATEMENT

The Housing Authority Of The County Of San Joaquin Will Be Nationally-Recognized As An Innovative Agency And A Leader In Creating Community Partnerships That Result In Individuals And Families Having Hope For A Better Tomorrow.

1.2 LOCAL OBJECTIVES [24 CFR 960]

This Admissions and Continued Occupancy Policy (ACOP) is for the Public Housing Program and is designed to demonstrate that the Housing Authority is managing its program in a manner that reflects its commitment to improving the quality of housing available to its public, and its capacity to manage that housing in a manner that demonstrates its responsibility to the public trust. In addition, this ACOP is designed to achieve the following objectives:

- A. To provide improved living conditions for very low, lower and moderate-income families while maintaining their rent payments at an affordable level.
- B. To operate a socially and financially sound public housing agency that provides drug free decent, safe and sanitary housing with a suitable living environment for tenants and their families.
- C. To avoid concentrations of economically and socially deprived families in any one or all of the Housing Authority's public housing developments. To house a tenant body in each development that is composed of families with a broad range of incomes and rent-paying abilities that are representative of the range of incomes of low-income families in the Housing Authority's jurisdiction.
- D. To provide opportunities for upward mobility for families who desire to achieve self-sufficiency.
- E. To ensure compliance with Title VI of the Civil Rights Act of 1964 and all other applicable Federal laws and regulations so that the admissions and continued occupancy are conducted without regard to race, color, religion, creed, sex, national origin, handicap or familial status.

1.3 PURPOSE OF THE POLICY [CFR 960.201]

The purpose of this Admissions and Continued Occupancy Policy (ACOP) is to establish guidelines for the Housing Authority staff to follow in determining eligibility for admission and continued occupancy. These guidelines are governed by the requirements of the Department of Housing and Urban Development (HUD) with latitude for local policies and procedures. These policies and procedures for admissions and continued occupancy are binding upon applicants, residents, and the Housing Authority.

The Housing Authority is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Policy, HUD regulations will have precedence. This policy and any changes must be approved and adopted by the Housing Authority Board of Commissioners and HUD.

This Admissions & Continued Occupancy Policy is set forth to define the Housing Authority's local policies for operation of public housing programs in the context of Federal Laws and Regulations. All related issues not addressed in this document are governed by such Federal regulations, HUD Memos, Notices and guidelines, or the applicable law.

1.4 FAIR HOUSING POLICY [CFR 960.24 (5)]

It is the policy of the Housing Authority to comply fully with all federal, state and local non-discrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

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

All Housing Authority staff will be required to attend fair housing training and be informed of the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations to persons with disabilities, as a part of the overall commitment to quality customer service. Fair Housing posters are posted throughout the Housing Authority offices, including in the lobby and interview rooms and the equal opportunity logo will be used on all outreach materials. Staff will attend local fair housing update training sponsored by HUD and other local organization to keep current with new developments.

The Housing Authority's administrative offices are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TDD telephone service provider.

To the extent permitted by federal status, it is the policy of the Housing Authority to avoid concentrating the most economically and socially disadvantaged families in the housing projects. Such policy shall be affected by housing eligible families.

1.5 PRIVACY RIGHTS[24 CFR 982.551]

Applicants and participants, including all adults in their households, are required to sign the form HUD-9886, "Authorization for Release of Information and Privacy Act Notice." This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD will release family information.

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

Any and all information which would lead one to determine the nature and/or severity of a person's disability must be kept in a separate folder and marked "confidential." The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by the staff person designated by the Housing Services Manager.

The Housing Authority's practices and procedures are designed to safeguard the privacy of applicants and tenants. Files will never be left unattended or places in common areas. Housing Authority staff will not discuss or access family information contained in files unless there is a business reason to do so. Staff will be required to disclose whether she/he has relatives living in Public Housing. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

1.6 REASONABLE ACCOMMODATIONS FOR PERSONS WITH DISABILITIES AND/OR CHALLENGES

It is the policy of the Housing Authority to comply with all federal, state and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing as described in Chapter 1, Section 1.4 of this policy.

The Housing Authority will provide federal/state/local information to participants regarding “discrimination” and any recourse available to them if they are victims of discrimination. Such information will be made available during the family briefing session at the time of admission. In accordance with Section 504 of the Rehabilitation Act of 1973, as amended, no otherwise qualified individual with handicaps shall, solely by reason of his/her handicap, be excluded from the participation in, be denied the benefit of, or be subjected to discrimination under any program or activity of the Housing Authority. The Housing Authority will take appropriate measures to ensure that an individual with handicaps shall have equal access to available services, programs and activities offered. Such appropriate measures include, but are not limited to:

- A. provision of telecommunication devices for the deaf;
- B. provision of sign language interpreters, as requested;
- C. provision of readers and amanuenses, as requested;
- D. utilization of barrier-free meeting places;
- E. provision of a discrimination complaints procedure.

Posters and housing information are displayed in locations throughout the Housing Authority’s offices in such a manner as to be easily readable from a wheelchair. The Housing Authority may contact and obtain services from one of, but not limited to, the following Agencies to accommodate persons with disabilities:

- A. California State Department of Rehabilitation
- B. Valley Mountain Regional Center (VMRC)
- C. Easter Seals Superior of California
- D. Community Center for the Blind & Visual Impaired

The Housing Authority offices are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the California Relay Service or TDD (209) 466-3735.

1.7 POSTING OF PUBLIC INFORMATION

The Housing Authority will maintain the following information in a conspicuous area in all Housing Authority offices which will contain:

- A. Copy of policies and procedures manual governing Admission and Continued Occupancy Policy (ACOP)
- B. Information on application taking
- C. Directory of the Housing Authority's housing sites including names, address of offices and office hours at each facility
- D. A copy of the lease
- E. A Fair Housing Poster
- F. An Equal Opportunity in Employment poster
- G. Current Resident Notices & Required Public Notices

Chapter 2—Waiting List Administration

2.0 INTRODUCTION

It is the objective of the Housing Authority to ensure that all families who express an interest in public housing are given an opportunity to apply, and are treated in a fair and consistent manner. All families who apply for public housing are placed in the proper order on the waiting list and selected from the waiting list for admissions in accordance with this Admissions and Continued Occupancy Policy. These procedures shall be in compliance with all provisions of Title VI of the Civil Rights Act of 1964, the Fair Housing Act and other applicable civil rights laws. [CFR 960.203]

2.1 MARKETING AND OUTREACH

This section establishes the basic procedures in order to achieve an Affirmative Fair Housing and Marketing and Outreach Plan for public housing.

It is the policy of HUD to administer its FHA programs affirmatively, so as to achieve a condition in which individuals of similar income levels in the same housing marketing areas have a range of housing choices available to them regardless of their race, color, religion, sex, handicap, familial status or national origin.

The Housing Authority will publicize and disseminate information to make known the availability of public housing units for extremely low to low income families on a regular basis. The Housing Authority will publicize in a newspaper of general circulation, minority media, and by other suitable means. Notices will also be provided in Spanish and other available multi-lingual media.

To reach persons who cannot read newspapers, the Housing Authority will distribute fact sheets to the broadcasting media, and initiate personal contacts with members of the news media and community service personnel. The Housing Authority will also utilize public service announcements.

Marketing and outreach notices may include being placed, but not limited to the following locations:

- A. Various places of employment
- B. State Unemployment offices
- C. Local County Human Services Agency offices
- D. U.S. Post Offices
- E. Grocery stores

- F. Public transportation
- G. Various churches
- H. Community organizations servicing individuals with handicaps/disabilities

The Housing Authority will communicate the status of housing availability to other service providers in the community; advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance.

The Housing Authority public notice is mailed to various organizations within San Joaquin County and will contain locations where families may apply and a brief description of the program. The notices will be made in an accessible format, if requested. They will provide potential applicants with information that includes the Housing Authority address and telephone number, how to submit an application, and information on eligibility requirements. Upon request from a person with a disability, additional special accommodation will be provided for submission of an application.

2.2 INITIAL APPLICATION PROCEDURES (PRE-APPLICATION)

The Housing Authority will utilize a preliminary application form. The information is to be filled out by the applicant whenever possible. To provide specific accommodations for persons with disabilities, the information may be completed by a staff person over the telephone. It may also be mailed to the applicant and, if requested, it will be mailed in an accessible format.

The purpose of the pre-application is to permit the Housing Authority to preliminarily assess and determine placement on the waiting list.

All pre-applications will be dated and time-stamped when received and applicants will be placed on the waiting list according to date/time order. The pre-application form will contain questions designed to obtain the following information:

- A. Names of head of household, co-head, and spouse
- B. Names of all adult and child members including ages of all members
- C. Sex and relationship of all members
- D. Number of family members (used to estimate bedroom size needed)
- E. Street address and phone numbers
- F. Mailing address (If PO Box or other permanent address)
- G. Amount(s) and source(s) of income received by household members to determine preference qualification

- H. Social Security Numbers
- I. Race/ethnicity
- J. Birthplace & Birth date
- K. Information regarding disabilities and request for specific accommodations needed
- L. Arrests/Convictions for Drug Related or Violent Criminal Activity
- M. Questions regarding previous participation in HUD programs
- N. Citizenship, eligible immigration status.

The pre-application is the formal document used by the Housing Authority and represents the official record of each family seeking household assistance. Each pre-application form must be signed by the applicant and dated. By so signing, the applicant certifies the accuracy of the information stated and submitted.

All applicant families will be placed on the waiting list, except duplicate applications. Pre-applications will not require interviews. Information on the pre-application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

Applicants are requested to inform the Housing Authority in writing of changes in family composition, income, and address, as well as any changes in their preference status. Applicants are also required to respond to requests from the Housing Authority to update information on their pre-application, or to determine their continued interest in assistance.

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

23 WAITING LIST LOCAL PREFERENCES

Local preferences will be used to select among applicants on the waiting list. The waiting list will be ordered according to date and time of application along with the following local preferences: [CFR 960.206 (A)] Except for special admissions, applicants will be selected from the Housing Authority waiting list in accordance with policies and preferences and income targeting requirements defined in this Admissions & Continued Occupancy Plan.

- A. Residency preference: Families who live, work in, or have been hired to work within San Joaquin County and/or residents of San Joaquin County who currently participate in an approved Cal Work's Program at the time of submission of the pre-application.
- B. The following are equal in selection process:

1. Working preference: The Housing Authority will extend a local preference to families who are working, have an established work history or are currently enrolled in a job training program. Families where the head, spouse, or sole member is employed, or enrolled in an employment training program will be given preference. An applicant must be given the benefit of the working family preference if the head and spouse, or sole member, is age 62 or older, or is a person with disabilities as defined for eligibility purposes.

 2. Disability preference: This preference is extended to disabled persons or families with a disabled member as defined in:
 - a) Section 223 of the Social Security Act (42 U.S.C.423)
 - b) A person who has a physical, mental or emotional impairment that:
 - i. Is expected to be of long-continued and definite duration;
 - ii. Substantially impeded his/her ability to live independently; and
 - iii. Is of such a nature that ability to live independently could be improved by more suitable housing conditions.
 - c) A person 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)).
 - d) Proof of Disability will be required at time of selection.
- C. Veteran's preference: Current members of the U.S. Military Armed Forces, veterans or surviving spouses of veterans.

An applicant will be required to provide written proof of meeting the local preference claimed on the pre-application when pulled from the waiting list.

For applicants with more than one preference, the date and time of the Housing Authority's receipt of their application plus points added up for having multiple preferences shall be the tie-breaker in determining placement on the wait list.

Based on the above preferences, all families in preference A will be offered housing before any families in preference B and preference B families will be offered housing before any families in preference C. The date and time of application plus points added up for having multiple preferences will be noted and utilized to determine the sequence within the above prescribed preference.

SPECIAL ADMISSIONS

If HUD awards a Housing Authority program funding that is targeted for specifically named families, the Housing Authority will admit these families under a special admission procedure. Special admission families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list.

The Housing Authority maintains separate records of these admissions.

The following are examples of types of program funding that may be designated by HUD for families living in a specified unit:

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

2.4 WAITING LIST PRIORITY POINTS

Veteran	= 4 pts.
<u>Local Resident</u>	= 2 pts.
Total points	= 6 pts.

Each of the following gets 1 point only, they are not added up:

- Without Housing,
- Working Family, Elderly, & Disabled, or
- Job Training

A total of 7 points can be generated.

Notwithstanding the above, the families who are elderly, disabled, or displaced will be offered housing before other single persons.

2.5 WAITING LIST OVERVIEW

The application process will involve two phases. The first is the “initial” application referred to as the pre-application. The first phase results in the family’s placement on the waiting list.

The second phase is the final determination of eligibility/ineligibility for admission into public housing. This takes place when the family reaches the top of the waiting list.

By maintaining an adequate waiting list, the Housing Authority will be able to occupy available public housing units in a timely manner. Applicants will be selected from the Housing Authority waiting list in accordance with this **Chapter 2**.

There are three separate public housing waiting lists for each of the following communities: Stockton, Thornton and Tracy. It is the Housing Authority's policy that each applicant shall be assigned an appropriate place on the waiting list for the site(s) in which the applicant wishes to reside. Applicants will be listed in sequence based upon the date and time the application is received, the size and type of unit they require, the site in which they wish to reside and factors of preference.

Cross-Listing of Different Housing Programs and Section 8 [24 CFR 982.205(a)]

The Housing Authority will not merge its waiting lists. If the waiting list for the Housing Authority's Public Housing program, and/or Project-Based Voucher Program is open at the time an applicant applies for either program, the Housing Authority must offer to place the family on its waiting lists for the other programs.

The Housing Authority will maintain information that permits proper selection from the waiting list. The waiting list contains the following information for each applicant listed:

- A. Applicant Name
- B. Family Size/Composition
- C. Bedroom size needed
- D. Date and time of application
- E. Income category of applicant family
- F. Qualifications for any local preference

In filling an actual or expected vacancy, the Housing Authority will offer the dwelling unit to an applicant in the appropriate sequence, with the goal of accomplishing de-concentration of poverty and income mixing objectives. The Housing Authority will offer the unit until it is accepted.

The waiting list will be maintained in accordance with the following guidelines:

1. The initial application will be part of a permanent file
2. Applications will be maintained by date and time sequence
3. All applicants must meet from extremely low to low income eligibility requirements as established by HUD.

2.6 WAITING LIST MAINTENANCE

A. General Guidelines:

Since separate waiting lists are maintained for each of the following communities: Stockton, Thornton and Tracy, applicants can apply for one or more waiting lists. Pre-applications shall be accepted from all apparently eligible applicants in accordance with the criteria enumerated in this Chapter 2.

Applications will continue to be accepted until the number of applicants, by bedroom size, indicates that future applicants for housing would not be offered housing by the Housing Authority within a reasonable period. At such time, the taking of applications may be suspended.

Applicants are required to inform the Housing Authority, in writing, of changes in family composition, income and address. Applicants are also required to respond to requests from the Housing Authority to update information on their application, or to determine their continued interest in housing. Failure to provide information or to respond to mailings will result in the applicant being removed from the waiting list.

Applicants are required to reconfirm their interest in housing, at least once every six months to keep their application on file. Applicants whose application has been withdrawn may reapply by submitting a new application when the Housing Authority is accepting applications.

B. Split Household

When a family that is on the waiting list splits into two otherwise eligible families, due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is not court determination, the Housing Authority will make the decision taking into consideration the following factors:

1. Which family member applied as head of household, co-head,
2. Which family unit retains the children or any disabled or elderly member
3. Restrictions that were in place at the time the family applied
4. Role of domestic violence in the split
5. Recommendations of social service agencies or qualified professionals such as children's protective services.

Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by the Housing Authority.

C. Multiple Families in the Household

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

D. Joint Custody of Children

Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively.

When both parents are on the waiting list and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school age child as a dependent.

The application and all related supporting documents are to be maintained in the active file until the application is classified as withdrawn or denied, or until the applicant has been housed in a public housing unit.

E. Balance Owed to Housing Authority

Former public housing and/or Public Housing program participants who left owing a balance to the Housing Authority or to other housing agencies will be denied admission to public housing until such balance is paid. Although those with current payment agreements will be allowed on the waiting list, they cannot be assisted under any housing assistance program until the entire balance is paid in full and will be placed on the bottom of the waiting list if selected and balance is still owed.

F. Purging the Waiting List [24 CFR 960.204(a)]

The Housing Authority will update and purge its waiting list at least annually to ensure that the pool of applicants reasonably represents the interested families for whom the Housing Authority has current information, i.e. applicant's address, family composition, income category, and local preferences.

The waiting list will be purged by a mailing to all applicants to ensure that the waiting list is current and accurate. The mailing will ask for current information and confirmation of continued interest.

Any mailing to the applicant which require a response, will state that failure to respond within ten (10) days will result in the applicant's name being dropped from the waiting list.

A 30-day extension may be granted, if requested within ten (10) days and is needed as a reasonable accommodation for a person with a disability.

If the letter is returned by the U.S. Post Office, because the applicant failed to notify the Housing Authority of his/her new address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.

If the letter is returned with a forwarding address, it will be re-mailed to the address indicated.

The Housing Authority will not remove an applicant's name from the waiting list unless:

1. The applicant requests in writing that the name be removed;
2. The applicant did not submit a change of address in a timely manner;
3. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program; or
4. The applicant does not meet either the eligibility or suitability criteria for the program.

The Housing Authority allows a grace period of thirty (30) days after completion of the purge. Applicants who respond during the grace period will be reinstated.

G. Notification to Applicants

All correspondence and notices sent to applicants by the Housing Authority which require a response, request submission of information, or to schedule an appointment, must inform the applicant that failure to comply will result in termination of their application.

The Housing Authority may allow the family to reschedule for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and no more than two opportunities will be given for good cause. Good cause includes, but is not limited to, reasons related to health, proximity to work, school, and child care (for those working and attending school).

Notices will inform the applicant that their name will be removed from the waiting list if they fail to respond within the specific time frame.

H. Opening/Re-opening and Closing the Waiting Lists:

The Housing Authority, at its discretion, may restrict application intake, suspend application intake, and close waiting lists in whole or in part. The Housing Authority may open or close the list by local preference category. **(See this Chapter—Sections 2.3 & 2.4)**

The decision to close the waiting list will be based on the number of applications available for a particular size and type of unit, the number of applicants who qualify for a local preference, and the ability of the Housing Authority to house an applicant in an appropriate unit within a reasonable period of time.

1. When the Housing Authority opens/re-opens a waiting list, the Housing Authority will advertise through public notice in, but not limited to, the following newspapers, minority

publications and other media entities, location(s) and program(s) for which applications are being accepted:

- a) Stockton Record
- b) Lodi Sentinel
- c) Tracy Press
- d) Manteca Bulletin
- e) San Joaquin County Human Services Agency
- f) California State Employment Development Department
- g) Social Security Administration Office
- h) San Joaquin Fair Housing Office
- i) Local Center for Deafness
- j) Community Center for the Blind & Visual Impaired
- k) California State Department of Rehabilitation

2. The notice will contain:

- a) The dates, times, and the locations where families may apply.
- b) Any system of site-based waiting list offered by the Housing Authority.
- c) The programs for which applications will be taken.
- d) A brief description of the program.
- e) A statement that Public Housing participants must submit a separate application if they want to apply for Public Housing.
- f) Limitations, if any, on who may apply.

The opening/reopening of the list will be done in accordance with the HUD requirements. The notices will be made in an accessible format, if requested. The Housing Authority will provide potential applicants with information that includes the Housing Authority address and telephone number, how to submit an application, information on eligibility requirements and the availability of local preferences.

Upon request from a person with a disability, an additional fourteen (14) working days will be given as an accommodation for submission of an application after the closing deadline. This

accommodation is to allow persons with disabilities the opportunity to submit an application in cases when a social service organization provides inaccurate or untimely information about the closing date.

Even though there are enough applicants on the waiting list to fill the turnover within the next 18 eighteen months, if there are not enough applicants who claim a local preference, the Housing Authority may elect to accept applications from applicants who claim a local preference **ONLY**, and continue to keep the waiting list closed.

I. Suspension of Taking of Applications:

The Housing Authority may suspend the acceptance of applications if there are enough local preference holders to fill anticipated openings for the next 24 months.

The open period for accepting applications shall be long enough to achieve a waiting list adequate to cover projected turnover within the next 24 months. The Housing Authority will give at least three days notice prior to closing the list. When the period for accepting applications is over, the Housing Authority will add the new applicants to the list by:

1. Separating the new applicants into groups based on local preferences and unit size.
2. Ranking applicants within each group by date and time of application.

The Housing Authority will update the waiting list at least annually by removing the names of those families who are no longer interested, no longer qualify for housing, or cannot be reached by mail or telephone. At the time of initial intake, the Housing Authority will advise families of their responsibility to notify the Housing Authority when mailing address or telephone numbers change.

The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

During the period when the waiting list is closed, the Housing Authority will not maintain a list of individuals who wish to be notified when the waiting list is open.

The Housing Authority will not announce suspension of application-taking.

Chapter 3—Eligibility for Admission-Tenant Selection Criteria

[24 CFR Part 5, 960]

3.0 INTRODUCTION

This chapter defines both HUD and the Housing Authority's criteria for admission or denial of admission to public housing. It is the policy of the Housing Authority to strive for objectivity and consistency in application of criteria used to evaluate the eligibility and screening of all families. The Housing Authority 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 receive an explanation of the basis for any decision made by the Housing Authority pertaining to their eligibility.

3.1 SELECTION POLICY AND OBJECTIVES

It is the objective of the Housing Authority to house the broadest possible range of families with extremely low to low incomes in order to achieve a stable, mixed resident body. Concentration of very-low families will be avoided.

A. Income Targeting and De-concentration [24 CFR 5.607, Section 513 of the 1998 Act Amending Section 16 of the 1937 Act]

The Housing Authority will monitor its admissions to ensure that it follows the targeting requirement of admitting in any fiscal year, not less than 40 percent of families with extremely low-income: [24 CFR 960.202]

1. Tier I: Families with incomes between 0 percent and 30 percent of area median income (this group must constitute at least 40 percent of all admissions in any fiscal year)
2. Tier II: Families with incomes between 31 percent and 80 percent of area median income (the maximum percentage of annual admissions for this group is 60 percent)

The Housing Authority will encourage extremely low income applicant families to move into developments populated with higher income families. Also, the Housing Authority will encourage higher income applicant families to move into developments populated with extremely low income families. This effort will support the Housing Authority's objective to achieve a stable mixed income resident body and avoid concentration of extremely low income families. The Housing Authority will affirmatively market public housing to all eligible income groups.

3.2 DWELLING OCCUPANCY STANDARDS AND TIME OF SELECTION

When a housing unit becomes available, the Housing Authority will contact the first family who is next on the Waiting List and who meets the eligibility criteria for this type of unit or development and whose income category would help to meet the de-concentration goal and/or income targeting goal.

In order for the Housing Authority to provide an increased sense of security for public housing residents, the Housing Authority may allow units to be occupied by police officers. Police officers will not be required to be income eligible to qualify for admission to the Housing Authority public housing program.

A. Unit Occupancy Standards

The Housing Authority’s Occupancy guideline standards for determining unit size shall be applied in a manner consistent with Fair Housing policy (See Chapter 1 Section 1.4). All guidelines in this section relate to the number of bedrooms in the unit. Generally the Housing Authority will assign one bedroom to two people within the following guidelines:

GUIDELINES FOR DETERMINING BEDROOM SIZE

NUMBER OF BEDROOMS	NUMBER OF PERSONS IN HOUSEHOLD	
	MINIMUM	MAXIMUM
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8
5	6	10

To avoid overcrowding and to assist as many families as possible, available housing units shall be issued in accordance with the occupancy standards set forth as follows:

1. Minimum and maximum standards may be adjusted based on unit design, to make temporary use of available units or to accommodate the medical needs of the family.
2. Dwelling units will be assigned so as not to require the use of the living room for sleeping, except in studio units.
3. Every family member is to be counted as a person in considering the appropriate bedroom size.

4. Families may have foster children or foster adults live with them if it would not result in overcrowding. Foster persons are counted for occupancy standards if they will be in the unit for more than 12 months, but do not qualify for the \$480 dependent allowance. Foster children are qualified in the deductions for reasonable child care expenses, as long as the other eligibility criteria are met.
5. In the assignment of dwelling units, the Housing Authority will consider and advise the applicant or resident of the following guidelines:
 - a) No more than two persons would be required to occupy a bedroom.
 - b) Persons of different generations, persons of the opposite sex (other than spouse) and unrelated adults would not be required to share a bedroom.
 - c) Children, with the possible exception of infants, would not be required to share a bedroom with persons of different generations, including their parents over 4 years of age.
 - d) In no event may any single person (who is not 62 years old or older, disabled, persons with disabilities, or the remaining member of resident family) be provided a housing unit with two bedrooms or more.
 - e) If a single parent is pregnant, the unborn child will be counted as a person in considering the appropriate bedroom size. Third-party verification may be required to be provided by the applicant, if the Housing Authority feels it is necessary. No allowance will be given for the unborn child and the income limit for one-person family is used.
 - f) Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.
 - g) Space may be provided for a child who is away at school but who lives with the family during school recesses.
 - h) Space will not be provided for a family member who will be absent most of the time, such as a member who is away in the military.
 - i) A Single person shall be allocated one bedroom.
 - j) The living room will not be used as a bedroom.

B. Unit Offer

When housing units become available, the Housing Authority will make the family no more than three offers. If an applicant is willing to accept the unit offered but is unable to move at the time of the offer and presents clear evidence ("good cause") that acceptance of the offer of a suitable vacancy will result in undue hardship not related to consideration of race, color, sex, religion or

national origin, the applicant will not be dropped to the bottom of the waiting list. “Good cause” for refusal of unit offers, under which an applicant would not be dropped to the bottom of or removed from the waiting list includes:

1. Inaccessibility to source of employment, education, or job training, children’s day care, or educational program for children with disabilities, so that accepting the unit offer would require the adult household member to quit a job, drop out of an educational institution or job training program, or take a child out of day care or an educational program for children with disabilities.
2. The family demonstrates to Housing Authority’s satisfaction that accepting the offer will place a family member’s life, health or safety in jeopardy. The family must provide specific and compelling documentation such as restraining orders, risk assessments related to witness protection from a law enforcement agency, or other court orders. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption.
3. A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members or live-in aide necessary to the care of the principal household member.
4. The unit is inappropriate for the applicant’s disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30 day notice to move.
5. An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing.
6. Provide copy of one year lease agreement stating how breaking the lease would cause financial hardship.

The applicant should be able to document that the hardship claimed is “good cause” for refusing an offer of housing. If “good cause” is verified, the refusal of the offer shall not require that the applicant be dropped to the bottom of the waiting list or otherwise affect the family’s position on the waiting list.

The applicant will have seven (7) working days to consider a unit offer before deciding whether to accept or refuse the offer.

The Housing Authority will maintain a record of units offered, including location, date, and circumstances of each offer, and each acceptance or refusal, including the reason for the refusal by the applicant.

Upon the denial of the third offer without “good cause”, the application will be cancelled and removed from the waiting list. If at any time during this process, the applicant violates Fair Housing Laws, i.e., racial discrimination, the application will be removed from the waiting list.

C. Buildings Designed for the Elderly and Disabled

Preference will be given to the elderly and disabled families. If there are no elderly or disabled families on the list, preference will then be given to near-elderly families. If there are no near-elderly families on the waiting list, units will be offered to families who qualify for the appropriate bedroom size using these priorities.

D. Medical Need for Larger Unit

If an applicant requests a need for a larger unit for medical reasons a written certification, stating the reason for the request of the need for a larger unit, must be obtained from a reliable, licensed professional, and from a third party.

E. Accessible Units

When an accessible housing unit becomes available, the unit shall be offered:

1. First: to a current public housing resident who has disabilities requiring the accessibility features and who is living in a non-accessible unit.
2. Second: to an eligible qualified applicant on the waiting list having disabilities requiring an accessible unit. A disabled applicant has the right to reject a unit that does not meet his/her accessibility needs without having the rejection counted against him/her. A separate bedroom can be provided for live-in attendants with proper medical verification. If unable to qualify eligible applicant from your location an interoffice email or mail announcement should be sent to see if other locations have a qualified applicant with disabilities.
3. Third: to an applicant not having disabilities requiring the accessibility features. In this case the applicant must agree to move to a non-accessible when one becomes available, should an individual or family needing such accessible features apply and become eligible for admission to the program. Such applicants, however, must sign a release form stating they will accept a transfer (at their own expense) if, at a future time, a family requiring an accessible feature applies. Any family required to transfer will be given a 30-day notice.

F. Exceptions to Occupancy Standards

The Housing Authority will grant exceptions from the guidelines in cases where it is the family's request or the Housing Authority determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances, and there is a vacant unit available. If an applicant requests to be listed on a "smaller or larger bedroom size" waiting list, the following guidelines will apply:¹

¹ In these referenced cases, a family that voluntarily accepts a unit that is smaller than what the family is eligible for will be required to sign a statement stating that unless there is an increase in family size, the family agrees that they are not eligible for transfer to a larger unit for at least 3 years.

1. Applicants may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines, (as long as the unit is not overcrowded according to local codes).
2. At the Housing Authority's discretion, the family may be offered a smaller unit than the preferred unit size, based on the Housing Authority's occupancy standards, if in doing so the family has an opportunity to be housed earlier. However, the Housing Authority will not lease a one-bedroom unit to a three-person family that includes two adults and an adolescent or teenager.
3. For a three-person family, that includes two adults and an infant, the Housing Authority may allow the family to lease a one-bedroom unit in a desired general occupancy development.

All members of the family residing in the unit must be screened and approved by the Housing Authority. The family must obtain approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-ordered custody, in which case the family must inform the Housing Authority within ten (10) days. Special circumstances should be presented to the Vice President of Property and Facility Management for approval.

3.3 **ELIGIBILITY CRITERIA GUIDELINES** [24 CFR PART 5, 960]

A. Eligibility Conditions

Applicants for the public housing program shall be deemed initially eligible for consideration provided that they meet all of the following conditions:

1. The applicant must qualify as a Family (**as defined in Appendix I**)
2. Either their Annual Income (as defined in Appendix I) does not exceed the applicable Low Income Limit (**listed in Appendix II**), or they have continuously been assisted under the United States Housing Act of 1937. To determine if a family is income-eligible, the Housing Authority compares the Annual Income of the family to the applicable income limits for the family size. Income limits apply only at admission and are not applicable for continued occupancy or families transferring within the Housing Authority's public housing.
3. Families are required to provide verification of Social Security Numbers issued by the Social Security Administration for all family members age 6 and older prior to admission or certify that they do not have one. This requirement also applies to persons joining the family after admission to the program. (**See this Chapter, Section 3.3-B**)
4. In addition to the eligibility criteria, families must also meet the Housing Authority's screening criteria for suitability as a resident described in **Section 3.5 of this Chapter**, in order to be admitted to public housing.

5. A family member must be a U.S. citizen or eligible immigrant. A non-citizen lawfully admitted to the U.S. either as a permanent or a temporary resident is considered an eligible immigrant.

B. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218]

Failure to furnish verification of social security numbers is grounds for denial or termination of assistance.

Persons who have not been issued a social security number must sign a certification that they have never been issued a social security number. The certification shall:

- State the individual's name and state that the individual has not been issued a social security number;
- State that the individual will disclose the social security number, when they obtain one at a later date;
- Be signed and dated.

Persons who disclose their social security number but cannot provide verification must sign a certification and provide verification within sixty (60) days. Elderly persons must provide verification within one hundred twenty (120) days.

C. Citizenship/Eligible Immigration Status

In order to be eligible for admission into public housing, a family member must be a U.S. citizen or eligible immigrant. An eligible immigrant is a person who is in one of the immigrant categories as specified by HUD.

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". Such applicant families will be given notice that their assistance will be prorated and that they may request an informal review if they contest this determination.

No Eligible Members. Applicant families that include no eligible members will be ineligible for admittance into public housing. Such families will be denied admission and offered an opportunity for an informal review.

Non-citizen Students. As defined by HUD regulations 24 CFR 5.522 (**Defined in Appendix I**) in the non-citizen regulations is not eligible for assistance.

Non-contending Member. Individuals who do not contend that they have eligible status. If one or more members of a family elect not to contend that he/she has eligible immigration status and the other members of the family establish their citizenship or eligible immigration status, the family may be considered for assistance despite the fact that no declaration or documentation eligible immigration status is submitted by one or more members of the family. The family, however,

must identify in writing to the Housing Authority, the family member(s) who will elect not to contend that he/she has eligible immigration status.

If the Housing Authority determines that a family member has knowingly permitted an ineligible non-citizen (other than any ineligible non-citizens listed on the lease) to permanently reside in their unit, the family's lease will be terminated. Such family should not be eligible to be readmitted to public housing for a period of 24 months from the date of termination.

D. Transfers

Transfers within the public housing program shall take preference over admissions of applicants from the waiting list. Transfer situations may include:

1. Emergencies (health and safety, inhabitable);
2. Demolition, disposition rehabilitation of unit;
3. Reasonable accommodation;
4. Occupancy Standards; and
5. Incentive to residents with good tenant histories

Residents on the transfer list may refuse transfer offers for the "good cause" reasons without losing their position on the transfer list. Residents, who refuse a transfer offer without "good cause", may be removed from the transfer list. However, tenants whose transfers are mandatory and refuse a transfer offer are subject to lease termination.

Transfer of a resident from one dwelling unit owned by the Housing Authority to another shall be at the sole discretion of the Housing Authority and shall take precedence over admittance of applicants from the waiting list.

3.4 INTERVIEW FOR ADMISSIONS

The Housing Authority utilizes the full application interview to discuss the family's circumstances in greater detail, to clarify information which has been provided by the family, and to ensure that the information is complete. The interview is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process, as well as to advise the family of other Housing Authority services or programs which may be available.

- A. The head of household, co-head, and/or spouse and all adult members are required to attend the interview, complete the application and certify by signature that all the information is complete and accurate.
- B. It is the applicant's responsibility to reschedule the interview if he/she misses the appointment. If the applicant does not reschedule or misses the scheduled meeting without

“good cause”, the Housing Authority will reject the application as indicated in the appointment letter.

- C. Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to provide some information, but only with permission of the person with a disability.
- D. All adults must sign the HUD Form-9886, Consent for Release of Information, the declarations and consents related to citizenship/immigration status and any other documents required by the Housing Authority. Applicants may be required to sign specific verification forms for information which is not covered by the HUD-9886. Failure to sign all required verification forms for information will cause the denial of the application for the failure to provide necessary certifications and releases as required by the Housing Authority.
- E. Information provided by the applicant will be verified, including information related to family composition, income, allowances and deductions, assets, eligible immigration status, full time student status and other factors related to preferences, eligibility and rent calculation.
- F. If the Housing Authority determines at or after the interview that additional information or document(s) are needed, the Housing Authority will request the document(s) or information in writing. The family will be given up to seven (7) working days to supply the information.
- G. If the information is not supplied in this time period, the Housing Authority will provide the family a written notification of denial for assistance.
- H. The Housing Authority management and staff will utilize various methods and practices to prevent program abuse, noncompliance, and willful violations of program rules by applicants and participating families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

3.5 APPLICANT SCREENING PROCESS FOR RESIDENT SUITABILITY [24 CFR 960.204, 960.2095]

A. Applicant Screening of Initial Eligibility

The Housing Authority shall rely upon sources of information which may include, but not be limited to, Housing Authority records, personal interviews with the applicant or tenant, information and/or interviews with previous landlords, employers, family social workers, parole officers, criminal and court records, clinics, physicians or the police department, and home visits for persons who have had negative landlord reference(s) for poor housekeeping habits.

Determination of initial eligibility for the public housing program does not guarantee the acceptance of applicants as residents. Applicant's suitability for admission shall also be evaluated on the basis of the following information and criteria:

1. The applicant's history of meeting all financial obligations, especially the payment of rent. The Housing Authority will complete a rental history check on all applicants. A family will not be admitted to the program if any member of the family has been evicted from housing for serious violations of the lease within the past three (3) years.
2. Applicants who, by definition of the HUD 1996 "Extender Act" have a history of any drug or alcohol abuse or related activity, or criminal activity, whether or not they have been convicted on criminal charges.
3. Provision of evidence that any and all prior criminal activity on the part of any member of the household does not constitute a present danger to other Housing Authority residents or to Housing Authority staff. Criminal history background shall be evaluated on the basis of:
 - a) The seriousness of any and all crimes committed.
 - b) The number of offenses.
 - c) Recommendations from parole officers or other representatives of the criminal justice system.
 - d) Certification of completion of rehabilitation program(s).
 - e) Court records, police records, physicians' reports, social workers' reports, etc.
 - f) Evidence of criminal or malicious activity while a visitor on the Housing Authority's property or as a former member of a resident family of the Housing Authority.
 - g) The illegal manufacture, sale, distribution, use, or possession of a controlled substance by any member of the prospective resident household.
 - h) Any individual convicted of manufacturing or producing methamphetamine (commonly referred to as "speed") will be permanently denied admission into any public housing unit according to Section 428 of the FY 1999 HUD Appropriations Act, Section 16, Subsection (f).
4. Violent criminal activity also includes any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.
5. Adult individuals who are registered in the State's lifetime sex offender registrations program, including live-in aides will not be admitted to public housing.

6. Applicants who, by definition of the HUD 1996 “Extender Act”, have a history of behavior that would threaten the health, safety or peaceful enjoyment of the premises by other residents.
7. Unfavorable reports of prior landlords indicating the resident’s rent payment history, maintenance of property, and the behavior of resident’s guests and family members.
8. Reports from Housing Authority staff, based on a home visit to the applicant’s current residence. If reports from Housing Authority staff, based on home visit to the prospective resident, show any of the following, the applicant may be deemed unsuitable:
 - a) Poor housekeeping habits/failure to maintain the dwelling
 - b) Destruction of the dwelling unit caused by the resident
 - c) Infestation of the unit caused by resident’s failure to clean properly
9. Lack of complete disclosure of family members’ income and assets or indications that the applicant is deliberately obstructing efforts to obtain said information may jeopardize the applicant’s acceptability for housing, since it is indicative of a pattern which may persist once the person becomes a resident. Such behavior may be interpreted as attempted fraud and may result in the determination that the applicant is unacceptable in a federal program where assets and income determine the rent and eligibility.
10. If the family is determined not suitable for tenancy, they shall be denied admission and removed from Housing Authority waiting list and given written reason(s) for rejection. Those denied admission will be informed in writing of the right to an informal conference.

3.6 INCOME AND ASSETS VERIFICATION

To determine annual income, the Housing Authority counts the income of all family members. Once the annual income is determined, the Housing Authority subtracts all allowable deductions as allowances to determine the TTP (Total Tenant Payment).

All sources of income must be verified third party in writing by individuals’ representatives, or from organizations providing such income. In addition, the applicant or participant will be required to sign a Consent for Release of Information form as designed by the Housing Authority to be used in obtaining verifications of any and all sources of income and assets, (including wage or benefit information from the California State Employment Development Department).

The following are examples of income sources:

- A. Written statements from employers, the Social Security Administration, pension administrators, TANF, General Relief Assistance, Unemployment benefits, Social Security Disability, State Disability, Worker’s Compensation, severance payments, insurance payments, alimony, child support, and regular contributions from family members not residing within the household may be used to verify an applicant’s/ tenant’s income.

- B. All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family or spouse, or who is considered a member of the family is counted toward determination of eligibility and continued occupancy. Excluded from such consideration is special pay to a family member of the Armed Forces who is exposed to hostile fire.
- C. For self-employed applicants, the provision of income tax records or a summarized book of accounts reflecting the gross and net income from a business or profession must be provided by the applicant. For this purpose, expenditures for business expansion or amortization of capital indebtedness and an allowance for the depreciation of capital assets shall not be deducted to determine the net income. Such applicants shall also be required to sign the Consent for Release of Information form.
- D. Determination of income shall reflect the gross and not the adjusted income after deductions for taxes, Social Security, pension contributions, etc. In addition, wages shall include tips, overtime pay, bonuses, commissions, etc.
- E. Documentation shall also be required from the applicant's bank, fund manager, real estate manager, of all assets, of the value thereof and interest thereon, and of the dividends, or other net income derived from such capital indebtedness and an allowance for depreciation of capital assets shall not be deducted to determine the net income from real or personal property.
- F. TANF Income. If the amount of TANF is reduced due to an act of fraud by a family member or because of any family member's failure to comply with requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the TANF requirements and/or had not committed an act of fraud.
- G. If the amount of the TANF assistance is reduced as a result of a lifetime time limit, the reduced amount is the amount that shall be counted as income.

3.7 INCOME EXCLUSIONS

- A. Annual income does not include casual or sporadic gifts, amounts specifically for or in reimbursement of the cost of medical expenses, or lump sum additions to family assets such as inheritances, insurance payments, or settlements for personal or property losses.
- B. Annual income does not include payments received for the care of foster children or foster adults.
- C. 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.
- D. Income from employment of children (including foster children) under the age of 18.

- E. Annual income does not include the income of a live-in aide.
- F. Annual income does not include special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
- G. Adoption assistance payments in excess of \$480 per adopted child.
- H. Annual income does not include the full amount of student financial assistance paid directly to the student or the educational institution.
- I. Earnings in excess of \$480 for each full-time student 18 years or older (excluding the head of household, co-head, and/or spouse).
- J. Annual income does not include incremental earnings and benefits from participation in a state or local employment training program. Amounts excluded by the provision must be received under employment training programs with clearly defined goals and objectives and are excluded only during participation in the program.
- K. Annual income does not include modest amounts (not exceeding \$200 per month) received by a resident as a stipend for performing a service to the Housing Authority on a part-time basis that enhances the quality of life in the development. No resident may receive more than one such stipend during the same period of time.
- L. Annual income does not include amounts received by a participant in other public assistance programs that are specifically by reimbursement of out-of-pocket expenses incurred solely to allow participation in a specific program. (e.g. special equipment, clothing, transportation, childcare, etc.)
- M. For family members who are enrolled in employment training and supportive services programs which are funded by the Federal, State or local government; are operated or administered by a public agency; and have the objective to assist participants in acquiring employment skills.
- N. Income received from these programs are excluded only for 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 after completion of such program. If the family member is terminated from employment with “good cause”, the exclusion period shall end.

3.8 EARNED INCOME DISREGARD

A. Qualified Family for Disregard

For qualified families, this excludes earned income of family members who start work or self-sufficiency programs or have increases in employment income. For these families, the increase in income is phased in.

A “Qualified Family” is a family:

1. Whose annual income increases as a result of employment of a family member who was unemployed for one or more years prior to employment? Includes a person who has earned in the previous 12 months no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.
2. Whose 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
3. Whose annual income increases, as a result of new employment or increased earnings of a family member, during or within 6 months after receiving temporary assistance for needy families (TANF).
 - a) The total amount of TANF received over the six-month period must be at least \$500.
 - b) For this purpose TANF includes monthly income maintenance plus one-time payments, wage subsidies, transportation assistance or other such benefits and services.
4. HUD’s definition of an “economic self-sufficiency program” is any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families.
5. Programs can include: job training, employment counseling, work placement, basic skills training, education, English proficiency, work fairs, financial or household management, apprenticeship, or any other program necessary to ready a person for work (such as substance abuse or mental health treatment).
6. Exclude from annual income of a qualified family any increase in employment income of a family member over prior income of that family member.
7. Begins on the date the family member is first employed or family first experiences an increase in annual income due to employment.
8. During a cumulative 12-month period (may have breaks in earned income)?

3.9 INCOME DEDUCTIONS

The following are HUD allowed deductions from Annual Income:

- A. **Dependent Allowance:** \$480 for each family member (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled.

- B. **Elderly/Disabled Allowance:** \$400 per family for families whose head or spouse is 62 or over or disabled.
- C. **For families with an elderly, disabled, or persons with disabilities,** head of household, co-head, or spouse, there shall be a deduction of any un-reimbursed medical expenses exceeding 3% of the tenant's or applicant's gross Annual Income.
- D. **For families, there shall be a deduction for reasonable child care expenses** (other than reimbursed expenses) for children under the age of 13 when such care is necessary to enable the parent(s) to attend school full-time, full-time vocational training or employment. Reasonable expenses are those that do not exceed average child care expenses as determined by the Housing Authority's survey of local child care costs. Foster children are also qualified in the deductions for reasonable child care expenses.

Deductions, as mentioned above, from the gross Annual Income shall result in an Adjusted Annual Income. Such Adjusted Annual Income shall be calculated on a monthly basis and the 30% factor applied, which shall result in the monthly TTP. In instances where a resident is required to pay for utilities (gas, electric, water, garbage or sewer), an adjustment shall be made in the TTP in accordance with the utility allowance schedule. The resulting figure shall be called the Tenant Rent (TR).

3.10 VERIFICATION OF ELIGIBILITY [24 CFR 5.617, 24 CFR 960.206]

A. Methods of Verification and Time Allowed

HUD regulations require that the factors of eligibility be verified by the Housing Authority. Housing Authority staff will obtain written verification from independent sources whenever possible and will document resident files whenever third-party verifications are not possible. The Housing Authority will obtain proper authorization from the family before requesting information from independent sources.

The Housing Authority will verify information through the following methods of verification:

1. **Third-Party Written**—The Housing Authority's first choice is written third party verification to substantiate claims made by and applicant or resident.
2. **Third-Party Oral**—The Housing Authority may also use telephone verifications.
3. **Review of Documents**—The Housing Authority will review documents, when relevant, to substantiate the claim of an applicant or resident.
4. **Notarized Statement**—A notarized statement will be accepted when no other form of verification is available.

Verification of information must be dated within ninety (90) days of certification. The Housing Authority will not delay the processing of an application beyond 15 calendar days because a third-party information provider does not return the verification in a timely manner.

1. 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 directly from the source are considered third-party written verifications. Where allowed by HUD, and/or State or local agencies, computer matching will be used.

The Housing Authority will accept verifications delivered by the family as third-party from the following agencies: Social Security Administration, Veterans Administration, TANF Assistance-San Joaquin Human Services Agency, California State Employment Development Department, City or County Courts, pharmacies for prescription drugs and Child Support Services.

2. Third-Party Oral Verification:

Third-party oral 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, noting with whom they spoke, the date of the conversation, and the facts provided. If third-party oral verification is not available, the Housing Authority will compare the information to any documents provided by the family. If provided by telephone, the Housing Authority must originate the call.

3. Review of Documents:

In the event that third-party written or oral verification is unavailable, or the information has not been verified by the third party within two weeks, the Housing Authority will note the file accordingly and utilize documents provided by the family as the primary source if the documents provide complete information. If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, the Housing Authority will utilize the third-party verification.

All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopies, staff viewing the document(s) will complete a Certification of Document Viewed or Person Contacted form.

The Housing Authority will accept the following documents from the family provided that the document is such that tampering would be easily noted: Printed wage stubs, Computer printouts from the employer, Signed letters (provided that the information is notarized or confirmed by phone) or Other documents noted in this Chapter as acceptable verification.

The Housing Authority will accept faxed documents and photocopies.

4. Notarized Statement:

A notarized statement will be accepted when verification cannot be made by third-party verification or review of documents. Self certification means affidavit / certification / statement under penalty of perjury.

B. Items/Documents to be Verified:

The Housing Authority is required to verify documents relating to eligibility, assets, income, and local admission preferences, deductions from income and compliance with applicant selection criteria. Examples include:

1. **Eligibility for admission, such as:**
 - a) **Income, assets and asset income [24 CFR 5.609];**
 - b) **Family composition [24 CFR 5.403];**
 - c) **Social Security numbers [24 CFR 5.216];**
 - d) **Citizenship or Eligible Immigration Status [24 CFR 5.508]; and**
 - e) **Required Criminal History Review [24 CFR 960,204].**
2. **Local Preferences, such as:**
 - a) **Residency preference;**
 - b) **Working preference;**
 - c) **Disability preference; and**
 - d) **Veteran's preference.**
3. **Deductions [24 CFR 5.617], such as:**
 - a) **Family members (other than head or spouse) under age 18;**
 - b) **Age, or disability of family head or spouse;**
 - c) **Disability of family members other than head or spouse;**
 - d) **Full time student status of family members other than head or spouse;**
 - e) **Child care costs;**
 - f) **Disability assistance expenses (working families only); and**
 - g) **Un-reimbursed medical costs (Elderly and Disabled families only).**
4. **Standards for Applicant Selection Criteria (24 CFR 960.203), such as:**
 - a) **Documented ability to abide by Housing Authority lease requirements;**
 - b) **Landlord references;**

- c) **Home visits;**
- d) **Credit checks;**
- e) **Utility history; and**
- f) **Criminal history of all adult family members.**

1. Documents Relating to Eligibility for Admission:

a) Income, Assets and Asset Income:

I. Employment Income:

Verification forms request the employer to specify the:

- i. Dates of employment
- ii. Amount and frequency of pay
- iii. Date of the last pay increase
- iv. Likelihood of change of employment status and effective date of any know salary increase during the next 12 months
- v. Year to date earnings
- vi. Estimated income from overtime, tips, bonus pay expected during next 12 months.

Acceptable methods of verification include, in this order:

- i. Employment verification form completed by the employer
- ii. Check stubs or earning statements which indicate the employee's gross pay, frequency of pay or year to date earnings
- iii. W-2 forms plus income tax return forms
- iv. Income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

Applicants and program tenants may be requested to sign an authorization for release of information from the Internal Revenue Service (IRS) for further verifications of income. In cases where there are questions about the validity of information provided by the family, the Housing Authority will require the most recent federal income tax statements.

Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

II. Social Security, Pensions, Supplementary Security Income (SSI), Disability Income:

Acceptable methods of verification include, in this order:

- i. Benefit verification form completed by agency providing the benefits

- ii. Computer report electronically obtained or in hard copy
- iii. Award or benefit notification letters prepared and signed by the providing agency
- iv. Bank statements for direct deposits.

III. Unemployment Compensation:

Acceptable methods of verification include, in this order:

- i. Computer report electronically obtained or in hard copy, stating payment dates and amounts
- ii. Verification form completed by the California State Employment Development Department
- iii. Payment Stubs

IV. TANF or General Assistance:

Acceptable methods of verification include, in this order:

- i. Housing Authority verification form completed by payment provider
- ii. 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
- iii. Computer-generated Passport Notice of Action
- iv. Computer-generated list of recipients from San Joaquin County Human Services Agency (HSA)

V. Alimony or Child Support Payments:

Acceptable methods of verification include, in this order:

- i. Copy of separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules
- ii. A notarized letter from the person paying the support
- iii. Copy of latest check and/or payment stubs from Court Trustee. Housing Authority must record the date, amount, and number of the check
- iv. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.
- v. Computer generated payment history from District Attorney's office.

If payments are irregular, the family must provide:

- i. A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules
- ii. A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement

- iii. A notarized affidavit from the family indicating the amount(s) received
- iv. A TANF Passport Notice of Action showing amounts received by the agency for child support
- v. A written statement from an attorney certifying that a collection or enforcement action has been filed.

VI. Net Income from a Business:

In order to verify the net income from a business, the Housing Authority will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification, in this order, include:

- i. IRS Form 1040, including: Schedule C (Small Business); Schedule E (Rental Property Income) and Schedule F (Farm Income). If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.
- ii. Audited or un-audited financial statement(s) of the business.
- iii. Credit report or loan application.
- iv. Documents such as manifests, appointment books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.²
- v. Family's self-certification/notarized statement as to net income realized from the business during previous years.

VII. Child Care Business:

If an applicant/tenant is operating a licensed day care business, income will be verified as with any other business.

If the applicant/tenant is operating a "cash and carry" operation (licensed or not), the Housing Authority will require the applicant/tenant to complete a form for each customer giving: name of person(s) whose child (ren) 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.

² The HACSJ may request the documentation identified, regardless of the verification used.

If child care services were terminated, third-party verification will be sent to the parent whose child was cared for.

The Housing Authority will conduct interim reevaluations every 120 days and require the tenant to provide a log with the information about customers and income.

VIII. Recurring Gifts:

The family must furnish a Notarized Statement which contains the following information: The person who provides the gifts, the value of the gifts, the regularity (dates) of the gifts, and the purpose of the gifts.

b. Family Composition:

I. Family Members Identity:

Birth certificates, marriage licenses, guardianship papers, California Department of Motor Vehicles (DMV) identification cards, California DMV licenses, naturalization papers, U.S. Passport, and U.S. Military discharge (DD 214) shall be photo-copied and placed in the applicant's file in order to verify identity of all adult family members.

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following: Birth certificates, adoption or guardianship papers, custody agreement, San Joaquin County Human Services Agency (HSA) Identification Card, and School Records.

II. Verification of Marital Status:

- i. Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.
- ii. Verification of a separation may be a copy of court-ordered maintenance or other records.
- iii. Verification of marriage status is a marriage certificate.

III. 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.

The following verifications will be required if certification is insufficient:

- i. Verification of relationship is:
 - Official identification showing name
 - Birth certificates

- Baptismal certificates
- ii. Verification of guardianship is:
 - Court-ordered assignment
 - Affidavit of parent
 - Verification from a social services agency
 - School records
- iii. Evidence of an established family relationship is:
 - Joint bank accounts or other shared financial transactions
 - Leases or other evidence of prior cohabitation
 - Credit reports showing relationship

IV. Split Households—Domestic Violence:

Verification of domestic violence when assessing applicant split households includes:

- i. Shelter for battered persons
- ii. Police reports
- iii. District Attorney’s Office

V. Verification of Permanent Absence of Adult Member:

If an adult member who was formerly a member of the household is reported permanently absent by the family, the Housing Authority will consider any of the following as verification:

- i. Husband or wife institutes divorce action
- ii. Husband or wife institutes legal separation
- iii. Order of protection/restraining order obtained by one family member against another
- iv. Proof of another home address, such as utility bills, cancelled checks for rent, drivers’ license, or lease or rental agreement, if available.
- v. Statements from other agencies such as social services that the adult family member is no longer living at that location

- vi. If no other proof can be provided, the Housing Authority will accept a Notarized Statement from the family
- vii. If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

VI. Verification of Change of Family Composition:

The Housing Authority may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources.

VII. Verification of Pregnancy:

Verification of pregnancy is required when it is the sole basis for qualifying a family's eligibility. In cases where an immediate determination cannot be made, the Housing Authority may require a physician's certification.

VIII. Verification of Live-in Aide:

Verification of the necessity for a live-in aid must be supported by written certification from a reliable, knowledgeable professional such as a doctor or social worker. Verification must include the hours the care should be provided (full-time or part-time basis). Live-in aide is not treated as a program participant and their income will not be counted for the purpose of determining eligibility. However, a live-in aide is subject to screening for suitability requirements and shall not be considered as remaining family member with residual rights to public housing. Relatives, as well as Live-in Aide, are not automatically excluded. The relative must meet the requirements to qualify and who otherwise would not be living in the unit except to provide necessary supportive services.

c) Social Security Numbers:

The family must disclose the Social Security numbers for all family members six (6) years of age or older and provide verification by presenting the Social Security cards as issued by the Social Security Administration (or other acceptable verifications as determined by the Housing Authority).

Failure to furnish verification of social security numbers is grounds for denial or termination of assistance.

Persons who have not been issued a social security number must sign a certification that they have never been issued a social security number. The certification shall:

- State the individual's name and state that the individual has not been issued a social security number;
- State that the individual will disclose the social security number, when they obtain one at a later date;
- Be signed and dated.

Persons who discloses their social security number but cannot provide verification must sign a certification and provide verification within sixty (60) days. Elderly persons must provide verification within one hundred twenty (120) days. Failure to comply within the specified time period will result in application denial, removal from the waiting list, tenancy termination or termination from the process.

d) Citizenship or Eligible Immigration Status:

Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization (INS). Each family member must declare their status only once.

- I. Citizens or Nationals of the United States is required to sign a declaration under penalty of perjury. The Housing Authority will not require citizens to provide documentation of citizenship.
- II. Eligible Immigrants who were participants and 62 or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.
- III. Non-citizens with Eligible Immigration Status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The Housing Authority verifies the status through the INS SAVE system. If this primary verification fails to verify status, the Housing Authority must request within ten days, that the INS conduct a manual search.
- IV. 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, co-head, or spouse.
- V. Non-citizen Students on Student Visas are ineligible members even though they are in the country lawfully. They show a student visa but their status will not be verified and they do not sign a declaration but are listed on the statement as ineligible members.
- VI. Non-contending Members are individuals who do not contend that they have eligible status. If one or more members of the family elect not to contend that he/she has eligible immigration status and the other members of the family establish their citizenship or

eligible immigration status, the family may be considered for assistance despite the fact that no declaration or documentation of eligible status is submitted for one or more members of the family. The family, however, must identify, in writing, to the Housing Authority the family member(s) who will elect not to contend that he/she has eligible immigration status.

- VII. **Failure to Provide.** If an applicant or participant family member fails to sign a required declaration 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 admission for failure to provide required information. Once verification has been completed, it need not be repeated.

The regulations stipulate that one of the following documents is acceptable unless changes are published in the Federal Register:

- Resident Alien Card (I-55)
- Alien Registration Receipt Card (I-151)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified.

e) **Required Criminal History Review:**

The Housing Authority will complete a criminal background check of all applicants, including other adult members in the household, or any member for which criminal records are available. See this **Chapter—Section 3.5 on Initial Applicant Screening.**

2. **Documents Relating to Local Preferences:**

(Also See Chapter 2—Section 2.3 Waiting List Local Preferences)

a) **Residency preference:**

To verify that an applicant is a resident, a minimum of three of the following documents are required:

- I. Rent receipts
- II. Leases
- III. Utility bills

- IV. Employer or Agency records
- V. School records
- VI. Drivers Licenses
- VII. Voters registration records
- VIII. Credit reports

b) Working preference:

To verify that an applicant is working, at least one of the following is required:

- I. Written statement from employers or copies of current check stubs
- II. Written statement from current job training programs or trade school
- III. State Unemployment verification
- IV. Income Tax records

c) Disability preference:

The Housing Authority will require the at least one of the following documents or written verification of each disabled family member from a government agency, social service or medical provider using the HUD language as the verification format:

- I. Written documentation from the Social Security Administration
- II. Written documentation from the California State Department of Rehabilitation
- III. Statement from medical provider or
- IV. State Disability card

The disabled family member must be receiving SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 4001(7)).

d) Veterans preference:

The Housing Authority will require U.S. government documents which include that the applicant qualifies as a current member of the U.S. Armed Forces, veteran or surviving spouse of veteran such as:

- I. DD-214

- II. Discharge papers
- III. Current military document showing military status or
- IV. Written documentation from the Veteran's Administration

3. Documents Relating to Deductions:

a) Family Members (other than head or spouse) Under Age 18:

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

- I. Birth certificates,
- II. Adoption or guardianship papers,
- III. Custody agreement,
- IV. San Joaquin County Human Services Agency (HSA) Identification Card, and
- V. School Records.

b) Age, or Disability of Family Head or Spouse:

Documents considered acceptable may be one or more of the following and shall be photocopied and placed in the applicant's file in order to verify adult family members:

- I. Birth certificates,
- II. Marriage licenses,
- III. California Department of Motor Vehicles (DMV) identification cards,
- IV. California DMV licenses,
- V. Naturalization papers, or
- VI. U.S. Passport

For disability verification, see this **Chapter—Section 3.10 B.2) c) Disability Preference.**

c) Disability of Family members Other Than Head or Spouse:

For disability verification, see this **Chapter—Section 3.10 B.2) c) Disability Preference.**

d) Full time Student Status of Family Members (other than head or spouse):

A written verification is required from the Registrar's office or other school official. School records indicating enrollment for sufficient number of credits equal to full time status to be considered a full-time student by the educational institution.

e) Child Care Costs:

Documents verifying child care expenses, including foster children (other than reimbursed expenses), which enable adult family members to attend school full-time, full-time vocational training, or employment (children cared for must be under 13 years of age), are required to determine the tenant's rent.

f) Disability Assistance Expenses (working families only):

- I. Working families who claim expenses to assist a disabled person(s) is required to submit a certification documenting the disability assistance, in all cases, is as follows:
 - i. A reliable, knowledgeable professional's certification, and third party verification that the assistance of an attendant is necessary and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.
 - ii. Family's certification or third party verification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.
- II. Documentation verifying Attendant care is as follows:
 - i. Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.
 - ii. Certification of family and attendant and/or copies of cancelled checks family used to make payments.
- III. Documentation verifying Auxiliary Apparatus is as follows:
 - i. Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.
 - ii. In the cases where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

g) Un-reimbursed Medical Costs (elderly and disabled families only):

Families who claim medical expenses for an elderly or disabled person 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:

- I. Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of:
 - i. the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and
 - ii. the extent to which those expenses will be reimbursed by insurance or a government agency.
- II. Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
- III. Written confirmation from the Social Security Administration's of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

4. Documents Relating to Standards for Applicant Selection Criteria:

a) Documented Ability to Abide by Housing Authority Lease Requirements:

Sources to be used to determine suitability include but are not limited to:

- I. Criminal History Reports
- II. Prior Landlord references (see below), up to the past three (3) years
- III. Physicians, social workers, and other health professionals and
- IV. Housing Authority and other Public Housing Authority's to whom the family may owe a debt.

Also see this **Chapter—Section 3.5 A. on Applicant Screening Process for Resident Suitability.**

b) Landlord References:

A narration of a landlord's response to the Housing Authority's inquiry concerning an applicant's behavior as a resident, up to the past three (3) years, shall be placed in the applicant's file. Similar information concerning other individuals who will be members of the applicant's household is to be obtained and kept with the applicant's file.

Also see this **Chapter—Section 3.5 A. on Applicant Screening Process for Resident Suitability.**

c) **Home Visits:**

A pre-admission home visit may be completed to determine the acceptability of the family's housekeeping habits. If a home visit is made, the applicant should be notified 48 hours in advance of the scheduled home visit. [CFR 966.4 (j) 1]

d) **Credit Checks:**

Applicants will be screened with a credit history check to determine past rent paying ability. Based upon these verifications, the Housing Authority will determine if the applicant was chronically late with rent payments, was evicted at any time for non-payment of rent, or had other legal action initiated against him/her for debts owed. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the applicant had over the situation.

A lack of or a derogatory credit history will not disqualify a family, but a poor credit history based on late rent payments or evictions may be grounds for an ineligibility determination. Also see this **Chapter—Section 3.5 A. on Applicant Screening Process for Resident Suitability.**

e) **Utility History:**

The Housing Authority will check with Pacific Gas & Electric Company (PG&E) to determine whether the applicant family has been current and timely on their payments. Based on this verification, the Housing Authority will determine if the applicant was chronically late, shut-off for non-payment or had other legal action initiated against him/her. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the applicant had over the situation.

f) **Criminal History of All Adult Members:**

The Housing Authority will complete a criminal background check of all applicants, including other adult members in the household, or any member for which criminal records are available. Also see this **Chapter—Section 3.5 A. on Applicant Screening Process for Resident Suitability.**

3.11 EVALUATION OF INFORMATION

All information assembled with regard to a potential resident is to be reviewed by the Housing Authority staff for completeness and accuracy. Where necessary, a follow-up for information shall be obtained.

After collection and documentation of information, and the review for completeness and accuracy, it must be possible to make all of the following determinations concerning the applicant:

A. Eligibility as a "family".

- B. Eligibility of the family with respect to income limits.
- C. Eligibility of the family with respect to its suitability as a resident. A suitable resident family is one that, in the estimation of the Housing Authority staff, would not have a detrimental effect on other Housing Authority residents or on the environment of the complex.
- D. Eligibility of the family with respect to its having no outstanding balance on the Housing Authority's records, or for any other federally-subsidized housing program.
- E. Determination of the appropriate size unit.
- F. Determination of the family's Adjusted Income and Total Tenant Payment (TTP).

Also see this **Chapter—Section 3.5 A. on Applicant Screening Process for Resident Suitability.**

3.12 DETERMINATION OF TOTAL TENANT PAYMENT [24 CFR 5.603, 5.609, 5.611]

This section defines the allowable expense 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 24 CFR Part 6, Subparts E and F, and further instructions set forth in HUD Notices and Memoranda. The formula for the calculation of TTP is specific and not subject to interpretation. The Housing Authority's policies in this section address those areas which allow the Housing Authority 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.

In general, the Total Tenant Payment (TTP) of the applicant shall be determined in accordance with the following guidelines and formulas. There may be other special factors impacting on Tenant Rent (TR) calculations, and Housing Authority staff will review pertinent federal regulations and definitions prior to making a final determination.

A. Family Choice:

At admission and each year in preparation for their annual re-certification, each family is given the choice of having their rent determined under the formula method or having their rent set at the flat rent amount. Residents can only request the change from flat rents to income-based rents, or vice versa, in a 6 month period, if they can show a hardship.

1. Families who opt for the flat rent, the Housing Authority will conduct a re-certification of the family's composition at least annually, and will conduct a re-certification of the family's income at least once every three years, rather than the annual review they would otherwise undergo. Family is responsible to report income changes within ten (10) days of the occurrence.
2. Families who opt for the flat rent may request to have a re-certification and return to the formula based method at any time for any of the following reasons:

- a) The family's income has decreased;
- b) The family's circumstances have changed increasing their expenses for child care, medical care, etc.;
- c) Other circumstances creating a hardship on the family such that the formula method would be more financially feasible for the family.

B. Formula Method:

Families who pay an income-based rent, the Housing Authority will conduct a re-certification of the family income and composition at least annually and will make appropriate adjustments in the rent after consulting with the family and upon verification of the information. The TTP shall be established based on one of the following calculations, whichever is the highest. The result shall be rounded to the nearest dollar.

1. 30% of Monthly Adjust Income
2. 10% of Monthly Income
3. If the family receives General Relief or any other temporary assistance from San Joaquin Human Services Agency, and a part of the assistance payment is specifically designated by such agency to meet the family's housing cost, that monthly portion shall be determined as the TTP.
4. \$50.00 (minimum rent)

The family will pay the greater of the Total Tenant Payment (TTP) or the minimum rent of \$50, but never more than the flat rent.

In the case of a family who has qualified for the income exclusion described in this **Chapter—Section 3.7**, upon the expiration of the 12-month period described in that section, an additional rent benefit accrues to the family. If the family member's employment continues, then for the 12-month period following the 12-month period of disregard, the resulting rent increase will be capped at 50 percent of the rent increase the family would have otherwise received.

C. Minimum Rent:

Minimum rent refers to minimum Total Tenant Payment (TTP) and not a minimum Tenant Rent (TR). Families subject to a utility allowance could still be entitled to a utility reimbursement if the utility allowance is greater than the TTP. The amount, if any, by which the utility allowance for a unit exceeds the TTP for the family occupying the unit must be provided a utility reimbursement, either directly to the family or to the utility supplier on the family's behalf each month. Payment of utility reimbursements directly to the utility company involves less bookkeeping for the Housing Authority.

Regardless of whether the family chooses to pay a flat rent or income-based rent, the family must pay at least the minimum rent except as described in 24 CFR 5.630 (b), Financial hardship exemption from minimum rent.

The Housing Authority has set the minimum rent at \$50. However, if the family requests a hardship exemption, the Housing Authority will immediately suspend the minimum rent for the family until the Housing Authority can determine whether the hardship exists and whether the hardship is of a temporary or long-term nature. A hardship exists in the following circumstances:

1. When the family has lost eligibility for or is waiting on an eligibility determination for a Federal, State, or local assistance program;
2. When the family would be evicted as a result of the imposition of the minimum rent requirement;
3. When the income of the family has decreased because of changed circumstances, including loss of employment;
4. When the family has an increase in expenses because of changed circumstances, for medical costs, child care, transportation, education, or similar items;
5. When a death has occurred in the family.

No hardship. If the Housing Authority determines there is no qualifying hardship, the minimum rent will be reinstated, including requiring back payments of minimum rent for the time of suspension.

Temporary hardship. If the Housing Authority reasonably determines that there is a qualifying hardship but that it is of a temporary nature, the minimum rent will not be imposed for a period of 90 days from the date of the family's request. At the end of the 90-day period, the minimum rent will be imposed retroactively to the time of suspension. The Housing Authority will offer a repayment agreement in accordance with this policy for any rent not paid during the period of suspension. During the suspension period, the Housing Authority will not evict the family for nonpayment of the amount of Tenant Rent (TR) owed for the suspension period.

Long-term hardship. If the Housing Authority determines there is a long-term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists.

Appeals. The family may use the grievance procedure to appeal the Housing Authority's determination regarding the hardship. No escrow deposit will be required in order to access the grievance procedure.

D. Flat Rent:

The Housing Authority has set a flat rent for each public housing unit. In doing so, it considered the size and type of the unit, as well as its condition, amenities, services, and neighborhood. The Housing Authority determined the market value of the unit and set the rent at the market value. The amount of the flat rent will be reevaluated annually and adjustments applied. Affected families will be given a 30-day notice of any rent change. Adjustments are applied on the anniversary date for each affected family. If a flat rent is selected, a utility allowance is NOT deducted.

E. Rent for Families under the Non-Citizen Rule

The family's assistance is prorated in the following manner:

1. Determine the 95th percentile of gross rents (Tenant Rent (TR) plus utility allowance) for the Housing Authority. The 95th percentile is called the maximum rent.
2. Subtract the family's Total Tenant Payment (TTP) from the maximum rent. The resulting number is called the maximum subsidy.
3. Divide the maximum subsidy by the number of family members and multiply the result times the number of eligible family members. This yields the prorated subsidy.
4. Subtract the prorated subsidy from the maximum rent to find the prorated Total Tenant Payment (TTP). From this amount, subtract the full utility allowance to obtain the prorated Tenant Rent (TR).
5. Mixed families may also qualify for the Minimum Rent.

F. Proration of Rent "Mixed Families"

Proration of rent must be offered to any "mixed" applicant family seeking admission into public housing. A household is considered a "mixed" family when some family members have eligible immigration or citizen status, while other members do not. The amount of housing assistance, for the purpose of calculating the rent, is based upon the number of family members with eligible immigration status and the Housing Authority's maximum rent (flat rent—must be prorated rent for assistance).

G. Utility Allowance

The utility allowance will be subtracted from the family's formula rent to determine the amount of the Tenant Rent (TR). The Tenant Rent (TR) is the amount the family owes each month to the Housing Authority. The amount of the utility allowance is then still available to the family to pay the cost of their utilities, except if a flat rent is selected, then a utility is not deducted. Any utility

cost above the allowance is the responsibility of the resident. Any savings resulting from utility costs below the amount of the allowance belongs to the resident.

H. Excess Utility Payments

Residents in units where the Housing Authority pays the utilities may be charged for excess utilities, if additional appliances or equipment are used in the unit. This charge shall be applied as specified in the lease. [24 CFR 966.4(b)(2)]

I. Income Changes Resulting From TANF Program Requirements [24 CFR 5.618, Sec 512]

If the amount of TANF is reduced due to an act of fraud by a family member or because of any family member's failure to comply with requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the TANF requirements and/or had not committed an act of fraud. The Housing Authority may only deny a reduction in rent after obtaining verification from the San Joaquin County Human Services Agency (HSA).

If the amount of TANF assistance is reduced as a result of a lifetime time limit, the reduced amount is the amount that shall be counted as income.

3.13 NOTIFICATION TO APPLICANTS

- A. Each Applicant shall be informed in writing concerning his/her income and asset eligibility.
- B. For all other criteria which may adversely affect an applicant's eligibility or placement on the waiting list, the applicant shall be notified and either denied (if ineligible) or placed back on the waiting list with the appropriate rank (if eligible).
- C. The applicant is to be informed in writing of the reason for a determination of ineligibility. In addition, the applicant shall be informed that he/she has seven (7) working days in which to make a request for an informal conference in order to contest a determination of ineligibility.
- D. Upon determination of eligibility for admission to the program, each applicant shall be advised of the expected date of vacancy.
- E. If it becomes necessary to defer a decision concerning eligibility, the applicant shall be so advised.

Chapter 4—Dwelling Lease Agreement [24 CFR Part 966]

4.0 INTRODUCTION

This Chapter defines execution of the dwelling lease as a condition of occupancy for public housing. The Housing Authority's dwelling lease must be structured to and in conformance with this Admission and Continued Occupancy Policy, the Lease (**See Appendix IX**) and Grievances Procedures outlined in 24 CFR, Section 966.4 and California State laws.

This chapter describes the Housing Authority's policies pertaining to lease execution, security deposits, other charges and additions to the lease.

4.1 SPECIAL LEASE PROVISION

The initial term of the lease will be for 12 months. The lease will be renewable, contingent on re-certification at the end of the 12-month term, with the following exception:

The Housing Authority will not renew the lease if the family has violated the community service requirement [24 CFR 966.4]. The lease provides for termination and eviction at the end of any 12-month lease term for non-compliance with the community service requirements at 24 CFR Part 960, Subpart F and in the **Chapter 5—Section 5.5 Community Service, of this policy.**

4.2 NEW LEASE

Once a family has been determined eligible for admission to public housing, they are ready for occupancy. Housing Authority staff will provide a lease orientation to the family head and spouse. The orientation may be conducted with more than one family. The family must attend an orientation before taking occupancy of the unit. To ensure accurate communication, any family requiring special accommodations will be provided such services upon request.

A. Orientation Agenda

When families attend the lease orientation, they will be provided a Resident Packet with a copy of each of the following:

- 1) The Lease
- 2) The Housing Authority's lease and grievance procedure
- 3) The Inventory sheet (after Unit walkthrough with Tenant)
- 4) The Resident Handbook
- 5) The Zero Tolerance Policy & Resident Agreement

- 6) The Privacy Act
- 7) The Lead Based Paint Notice & Certification Form
- 8) EPA Mold Prevention Tips Flyer
- 9) The HVAC Handbook
- 10) Community Service Notice
- 11) Megan's Law Notice & Agreement
- 12) Paint & Remodel Policy & Agreement
- 13) Meter Reading Schedule
- 14) Emergency After-Hour Service Information
- 15) Curbside Pick-up Schedule
- 16) Conservation Tips
- 17) Resident Council Flyer
- 18) Safety for Tenants Pamphlet
- 19) Family Self-Sufficiency (FSS) Flyer (if applicable)

Topics to be discussed will include, but are not limited to:

- 1) Applicable deposits and other charges
- 2) Provisions of the Lease
- 3) Resident Handbook
- 4) Orientation to the Community
- 5) Unit Maintenance and Work Orders
- 6) Explanation of Occupancy
- 7) Pet Ownership Policy
- 8) Housing Authority's roles & responsibilities
- 9) Families roles & responsibilities
- 10) Orientation acknowledgement signed document form

As part of the Lease Orientation, a Unit walkthrough, with the Tenant, will be conducted. At this time, the Inventory Sheet will be completed and signed by both the Housing Authority and Tenant.

The head of household and co-head of each family shall be required to sign a lease prior to moving into the unit. All pro-rated rent amounts and security deposits shall be paid during initial execution of the lease. A copy of the lease, along with other pertinent documents, is to be provided to the resident family and a copy placed in the Housing Authority's permanent file of the family.

If for any reason a signatory to the lease ceases to be a member of the family, the old lease shall be voided and a new lease executed (provided that the family is still eligible for housing).

If at any time during the life of the lease there are changes in the family status or the Housing Authority wishes to amend the lease, the lease is to be canceled and a new one executed, or changes shall be effected through the use of an amendment and thus made part of the existing lease.

The remaining member of a family is a family member listed on the lease who continues to live in the unit after all other family members have left. If the remaining member signed the lease, the person could continue in the program under the lease. If the remaining member did not sign the lease, the Housing Authority would determine whether it would be willing to enter into a new lease with that person (considering factors such as suitability for tenancy and their ability to uphold a lease).

4.3 RENTAL PAYMENTS & ACCOUNTS

A. Rental Payments & Location:

Rent and other charges can be paid at the resident's site office specified in the Residential Lease.

1. The monthly rental amount shall be due and payable in advance on the first day of each month.
2. A late payment charge of \$20 will be assessed after the fifth working day.
3. Housing Authority will accept cash under \$20.00.
4. Residents who have submitted a check that is returned for insufficient funds will be charged the appropriate NSF Bank fee and if applicable late fee, for a period of one year shall be required to make all future payments by cashier's check or money order.
5. Charges in addition to rent are due no sooner than two weeks after Resident receives Housing Authority's written notice of the charge.

B. Statement of Payment Policy:

As a courtesy, a statement of account listing the current month's rent and other charges, plus any amounts past due is prepared and mailed to each Resident in time to arrive on or before the first day of each month. The total amount due and payable and the date due are shown on the statement. Since the Resident also receives notices of adjustments to rent and other charges following the date on which the adjustment was determined or the charge was incurred, failure to receive a statement of account does not relieve the Resident of his/her obligation to pay rent and other charges currently due on the first day of each month.

C. Establishment of Payment Due Dates:

Payments for rent and other charges are due payable as follows:

1. Rent:

- a) Initial Rent: Initial rent will be prorated for so much of the month as remains on the effective date of the lease and is due and payable at the time the lease is executed.
- b) Monthly Rent: The full monthly rent is due and payable in advance of the first day of each month.
- c) Retroactive Rent: All retroactive rent is due and payable on the first day of the month following receipt of the "Notice of Review Determination".

2. Other Charges:

- a) Maintenance and Repair Charges: All maintenance and repair charges are due and payable on the first day of the second month following the month in which the charge is incurred.
- b) Excess Utility Usage Charges: All excess utility usage charges are due and payable on the first day of the second month following the month in which the charges are incurred.
- c) Sales and Services Charges: All charges for resident-purchased items; i.e., trash liners, hoses, sprinklers, etc., or services, labor and material provided by the Authority, for the accommodation of the resident, are due and payable on the first day of the month following the month in which the charges are incurred.
- d) Court Costs and Legal Fees: All court costs and legal fees are due and payable on the day of the month in which the cost or fee is incurred.

D. Determination of Delinquency:

Any amounts for rent and other charges due on the first of the current month will be considered delinquent if the full amount is not paid by the opening of business on the sixth (6th) working day of the month, except as set forth below or in the case of habitual delinquents as set forth in this **Chapter subsection E. Determination of Habitual Delinquency**. Payments received on account will be applied first to the oldest rent or other charge owing in determining status.

An account shall not be considered delinquent if payment of rent or other charges is guaranteed by the San Joaquin County Human Services Agency (HSA) or other community agency, providing written verification of such guarantee is on file. However, the Resident remains responsible for payment of any rent or other charges not included in such guarantee.

An account shall be considered delinquent if, prior to the sixth (6) working days, the Resident has requested and the Housing Services Manager has approved an alternate payment date or approved rent extension request.

E. Determination of Habitual Delinquency:

Resident who has been delinquent in payment three (3) or more times during any consecutive five-month (5) period shall be considered habitual delinquents. A warning letter will be issued and any subsequent late payments within a year's period will be served a 30 day notice to vacate unit.

F. Responsibility for Collections:

The Housing Services Manager is responsible for determining whether an account is delinquent and is responsible and accountable for collection of all amounts of rent and other charges due and payable. The Housing Services Manager may delegate this function; however, such delegation does not relieve the Housing Services Manager of his/her responsibility and accountability for such determinations and collections.

The Housing Services Manager is empowered to determine the appropriate remedy necessary to bring the delinquent accounts to current status. In determining the appropriate remedy, due consideration will be given to the Resident's rent payment history.

G. Action to be Taken following Determination of Delinquency:

The Housing Services Manager will make every possible effort to collect the delinquent amount and improve promptness of payment informally by working directly with the Resident; i.e., personal visits, telephone calls, correspondence, etc., prior to initiating legal action to resolve the rent delinquency. In the event that all possible efforts to collect the delinquent account amounts have been exhausted, the Housing Services Manager shall prepare and serve the Resident a Notice to Pay Rent or Quit and will take the following action:

If the amount owing is paid in full, or a rent extension agreement is approved within the period stated in the Notice, the action may be rescinded, except in the case of habitual delinquency, the action will proceed through recovery of the premises.

H. Extended Payment Agreements:

If good cause is evidenced, the Housing Services Manager may approve payment of current rent and other charges past the current due date or in installments provided that if the Resident fails to pay as agreed, such extension will be revoked and the account will be considered delinquent. Extended payment agreements shall not be granted to allow Residents to pay other creditors.

I. Current Accounts:

Approval to pay current rent and other charges past the current due date or in installments within the current month may be granted for good cause; such as:

1. Emergent family problems involving illness, injury or death of a family member of the Resident's household or other relatives for whom the Resident is legally responsible.
2. Delayed receipt of allotment, public assistance or pension checks, when there is not other income available, providing such delay is through no fault to the Resident.
3. Other unforeseeable circumstances where there is conclusive evidence that an extension is warranted.

J. Delinquent Accounts:

In the event a Resident's account is delinquent and in lieu of termination of tenancy an extended payment agreement is approved, the agreement shall provide for the payment of the current month's rent and other charges currently due PLUS partial payment of the amount past due in amounts sufficient to repay the past due rent and/or other charges within a reasonable time.

K. Retroactive Rent Charges:

An extended payment agreement for retroactive rent may be approved providing the Resident's current month's rent is not delinquent. In such cases, the Resident will be required to pay the current rent and other charges due PLUS a partial payment of the retroactive rent charged as follows:

1. Amounts of \$50.00 or less must be repaid within ninety (90) days.
2. Amounts over \$50.00 may be repaid over a maximum six-month (6) period, except that when evidence of extreme hardship exists, the repayment may be extended to twelve (12) months.

4.4 **SECURITY DEPOSITS**

Upon signing a lease agreement and in addition to the monthly rent, a resident shall pay a security deposit as follows:

- A. 0-1 Bedroom Units: a minimum Security Deposit of \$150 or one month's Total Tenant Payment (TTP) rent, whichever is higher. The Security Deposit is not to exceed \$500
- B. 2(+) Bedroom Units: a minimum Security Deposit of \$300 or one month's Total Tenant Payment (TTP) rent, whichever is higher. The Security Deposit is not to exceed \$500.
- C. The Security Deposit for elderly residents only, which includes persons with disabilities or disabled families, is a minimum Security Deposit of \$75 or one month's Total Tenant Payment (TTP) rent, whichever is higher. The Security Deposit shall not exceed \$350.

The Security Deposit shall be applied by management at the time of termination of the Lease toward any rent or other charges owed by the resident in the following order:

- 1. Rent
- 2. Late Payment fee
- 3. Legal fees
- 4. Resident-caused maintenance repairs

Management agrees to return the Security Deposit within 30 days after Resident moves out, if any, to Resident when he/she vacates, less any deductions for any costs indicated above, so long as the Resident furnishes Management with a forwarding address. Management will give resident a written itemized statement of any such costs for damages and/or charges deducted from the Security Deposit.

The Security Deposit may not be used to pay rent or other charges while resident occupies the dwelling unit. No refund of the Security Deposit will be made until Resident has vacated, and Management has inspected the dwelling unit.

4.5 **PET POLICY (Appendix VI, Pet Ownership Policy & Addendum to Lease) [24 CFR 5.390]**
& POOL POLICY (Appendix X, Pool Policy & Addendum to Lease)

- A. **Appendix VI** defines established rules which govern permitted domesticated pets in and/or on properties owned and operated by the Housing Authority. These rules do not apply to animals that are used to assist the handicapped, nor small caged pets, such as hamsters, turtles, birds, fish, etc. The pet must be pre-approved and registered with the Housing Authority. Upon signing a Pet Ownership Agreement (**See Appendix VI—Addendum to Lease for Pets**) and in addition to the monthly rent, a resident shall pay a pet deposit as follows:

1. Resident shall pay a \$200.00 (per pet) on or prior to the date the pet is properly registered with the Housing Authority and brought into their unit, (\$100.00 of which is a non-refundable fee) and; \$100.00 (per pet) if the resident is elderly (\$50.00 of which is a non-refundable fee).
2. Resident's who own a pet and are physically handicapped as defined in Sections 54.1 and 54.2 of the California Revenue and Taxation Code, are not required to pay a pet deposit. All other provisions of the Pet Policy are applicable for keeping a pet on the premises.

The Housing Authority will conduct the move-out inspection after the resident vacates to assess the condition of the unit and determines responsibility for any needed repairs. When possible, the resident is notified of the inspection and is encouraged to be present. This inspection becomes the basis for any claims that may be assessed against the pet deposit.

B. Pool Policy. See Appendix X—Pool Policy & Addendum to Lease

4.6 TERMINATION OF LEASE

A. Termination By Resident

The resident may terminate the lease at any time upon submitting a 30-day written notice. If the resident vacates prior to the end of the thirty (30) days, they will be responsible for rent through the end of the notice period or until the unit is re-rented, whichever occurs first.

B. Termination by the Housing Authority

The Housing Authority will not renew the lease of any family that is not in compliance with the community service requirement or an approved agreement to cure. (See Chapter 5—Section 5.5 Community Service)

The Housing Authority will terminate the lease for serious or repeated violations of material lease terms. Such violations include, but not limited to the following:

1. Nonpayment of rent or other charges due under the Lease;
2. A history of chronically late rental payments;
3. Failure to provide timely and accurate information regarding family composition, income circumstances, assets, expenses, or other information related to eligibility or rent at Admission, Interim, Special or Annual Rent Recertification;
4. Failure to allow inspection of the unit;
5. Failure to maintain the unit in a safe, sanitary manner.
6. Failure to abide by applicable building and housing codes materially affecting health and safety;
7. Failure to dispose of garbage waste and rubbish in a safe and sanitary manner;

8. Assignment or subletting of the premises or providing accommodation for boarders or lodgers;
9. Use of the premises for purposes other than as a dwelling unit (other than for Housing Authority approved resident businesses);
10. Destruction of property, defacement or removal of any part of the premises or failure to cause guest or other members of the household to refrain from such acts;
11. Failure to abide by necessary and reasonable rules made by Housing Authority for the benefit and well being of the Housing Authority staff, site and the tenants;
12. Any criminal activity on the property or drug-related criminal activity on or off the premises. Any individual convicted of manufacturing or producing methamphetamine (commonly referred to as “speed”) on Housing Authority premises will be immediately and permanently terminated of their tenancy in public housing according to Section 428 of the FY 1999 HUD Appropriations Act, Section 16, Subsection (f). Premises are defined as the building or complex, including common areas and grounds as defined in the HUD Federal Register.
13. Harboring fleeing felon
14. Other good cause.

The Housing Authority will take immediate action to evict any household that includes an individual who is subject to a lifetime registration requirement under a State sex offender registration program.

In the event a resident is absent from the dwelling unit for 14 consecutive days, while in default of rent, the resident shall be deemed to have abandoned the unit according to California State law. Any remaining personal property or belongings of resident shall be considered abandoned and may be disposed of by the Housing Authority according to state law.

In the event of the untimely and unexpected death of the resident and there are no other adults in the household, the Housing Authority shall contact the next of kin as designated in the resident file. The Housing Authority will make arrangements with the resident’s designated representative regarding the resident’s personal property and belongings.

C. Notification Requirements

The Housing Authority’s written Notice of Lease Termination will state the reason for the proposed termination, the date that the termination will take place, and it will offer the resident all of the rights and protections afforded by the regulations and his policy. **(See Chapter 7 on Tenant Grievance Procedures)**

Notices of lease termination shall be in writing and delivered to tenant or adult member of the household or sent by first class mail properly addressed to tenant return receipt requested. The

return of the certified mail receipt, whether signed or unsigned, shall be considered to be proof that the resident received proper notification. The notice shall contain a statement describing the resident's right to meet with the manager to determine whether a reasonable accommodation would eliminate the need for a lease termination.

D. Timing of the Notice

If the Housing Authority terminates the lease, written notice will be given as follows:

1. At least fourteen (14) calendar days prior to termination in the case of failure to pay rent;
2. A reasonable time, according to State law, considering the seriousness of the situation when the health and safety of other residents or Housing Authority employees is threatened;
3. At least thirty (30) days prior to termination in all other cases.

The Housing Authority shall notify the U.S. Post Office that mail should no longer be delivered to the person who was evicted for criminal activity, including drug-related criminal activity.

4.7 INSPECTION REQUIREMENTS

The Housing Authority and an adult member of the family will inspect the unit prior to moving into the dwelling. A written inventory listing the condition of the unit and furnished equipment will be signed by both parties and a copy provided to the resident.

The Housing Authority will inspect each unit annually to ensure that the unit remains safe, decent, sanitary, and meets local housing quality standards. If deficiencies are noted, which require maintenance, a work order will be issued to correct those deficiencies.

Other inspections may be conducted by the Housing Authority to check on preventative or cycle maintenance items. The Housing Authority's preventative maintenance is covered in greater detail in **Chapter 6.2** of this policy.

Also, at any given time during the year, a special inspection may be scheduled to enable HUD or HUD's designated contractors to inspect a sample of the Housing Authority housing stock.

For the aforementioned inspections, the Housing Authority shall provide the resident with reasonable notice or at least two (2) days notice to the scheduled entry.

Upon proper notice for scheduled entry for the aforementioned special inspections and the resident is not present at the time scheduled, the Housing Authority can enter the unit and leave a written "Notice of Entry" for the resident.

If any Housing Authority employee has reason to believe that an emergency exists within the housing unit, the unit can be entered leaving a written "Notice of Entry" for the resident.

Move-Out Inspections

The Housing Authority conducts the move-out inspection after the resident vacates to assess the condition of the unit and determines responsibility for any needed repairs. When possible, the resident is notified of the inspection and is encouraged to be present. This inspection becomes the basis for any claims that may be assessed against the security deposit.

Chapter 5—Continued Occupancy & Eligibility—Re-certification

[24 CFR 5.617, CFR 960.209]

5.0 INTRODUCTION

In accordance with HUD requirements, the Housing Authority must conduct a re-examination of the family income and household composition of all families at least annually. The families who choose flat rents are to be recertified at least every three years. The results of the re-examination determine the rent amount the family will pay and whether the family is housed in the appropriate size unit. Re-certifications and interim examinations will be processed in a manner that ensures families are given a minimum of 30 days notice of any rent increases.

It is a HUD requirement that families report all income and household composition changes to the Housing Authority within ten (10) working days of occurrence.

Income limits are not applicable for continued occupancy.

5.1 ANNUAL RE-CERTIFICATION TENANT NOTIFICATION

The Housing Authority will send a notice to the family scheduling an appointment for an annual re-certification at least 120 days in advance of the anniversary date. This will include notification of the intent to re-examine family composition, community service requirement, and incomes of all resident families.

Families on the flat rent will only be required to have a re-certification and return to the formula based method at any time for any of the following reasons:

- A. The family's income has decreased;
- B. The family's circumstances have changed increasing their expenses for child care, medical care, etc.;
- C. Other circumstances creating a hardship on the family such that the formula method would be more financially feasible for the family.

Once a family switches to income-based rent due to financial hardship, the family must wait until its next annual re-certification to select the type of rent.

If the family fails to respond to the letter and fails to attend the interview, a second notice will be mailed. The second notice will advise the family of a new date/time for the re-exam interview. In addition, the second notice will further advise the family that failure to attend the scheduled interview will result in eviction proceedings against the family.

5.2 **RE-CERTIFICATION**

During the interview, the family will provide all information regarding income, assets, expenses, deductions and other information necessary to determine the family's share of rent. The Housing Authority will provide a Lease re-orientation session as part of the recertification interview. The family will sign the Personal Declaration Form and other consent forms that later will be mailed to the sources that will verify the family circumstances. Residents can only request the change from flat rents to income-based rents, or vice versa, in a 6 month period, if they can show a hardship.

Upon receipt of verification, Housing Authority will determine the family's annual income and will calculate their rent as follows:

- A. 30% of Monthly Adjusted Income
- B. 10% of Monthly Income
- C. If the family receives General Relief or any other temporary assistance from San Joaquin County Human Services Agency, and a part of the assistance payment is specifically designated by such agency to meet the family's housing cost, that monthly portion shall be determined as the TTP.
- D. \$50.00 (minimum rent)
- E. Flat Rent

During the appointment, the Housing Authority will determine whether family composition may require a transfer to a different bedroom size unit, and if so, the family's name will be placed on the transfer list.

The Housing Authority will follow **screening and verification** guidelines described in **Chapter 3—Eligibility for Admission—Tenant Selection Criteria**.

5.3 **RENT ADJUSTMENTS**

The new rent will generally be effective upon the anniversary date with thirty (30) days notice of any rent increase to the family.

If the rent determination is delayed, any rent increase will be effective the first of the month after the month in which the family received a 30-day notice of the amount. If the new rent is a reduction, the rent will be effective as scheduled on the anniversary date.

5.4 **INTERIM RE-CERTIFICATIONS**

During an interim re-certification, only the information affected by the changes being reported will be reviewed and verified.

Families are required to report the following changes to the Housing Authority between regular re-certifications. If the family's rent is being determined under the formula method, these changes will trigger an interim re-certification. The family shall report the following changes within 10 working days of their occurrence:

- A. There is a loss of lessee through death, divorce or continuing circumstances;
- B. A member has been added to the family through birth or adoption or court-awarded custody;
- C. A household member is leaving or has left the family unit.

In order to add a household member, other than through birth or adoption (including a live-in aide), the family must request that the new member be added to the lease. Before adding the new member to the lease, the individual must complete an application form stating their income, assets, and all other information required of an applicant. The individual must provide their Social Security number if they have one and must verify their citizenship/eligible immigrant status. Housing Authority will determine the eligibility of the individual before adding them to the lease. If the individual is found to be ineligible or does not pass the screening criteria, they will be advised in writing and given the opportunity for an informal review. At the same time, if the family's rent is being determined under the formula method, the family's annual income will be recalculated taking into account the circumstances of the new family member.

Families are not required to, but may at any time, request an interim re-certification based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances.

If the family's income is too unstable to project for twelve (12) months, including families that temporarily have no income or have a temporary decrease in income, the Housing Authority may schedule special re-certifications every sixty (60) days until the income stabilizes and an annual income can be determined.

Any rent increase will be effective on the first day of the second month after the month in which the family receives notice of the new amount.

If the new rent is a reduction, the change will be effective on the first day of the month after the rent amount is determined. No retro-rent adjustment will be given for failure to provide all documentation in a timely manner.

5.5 COMMUNITY SERVICE [24 CFR 960.603-960.611, SECTION 512 OF 1998 ACT AMENDING SECTION 12 OF 1937 ACT

In order to be eligible for continued occupancy, each adult family member must either: (1) contribute eight hours per month of community service within the community in which the public housing development is located, or (2) participate in an economic self-sufficiency program unless they are exempt from this requirement, or (3) perform eight hours per month of combined activities (community service and economic self-sufficiency program).

A. Exemptions

The following adult family members of resident families are exempt from this requirement:

1. Is 62 years of age or older;
2. Has a disability that prevents him/her from being gainfully employed;
3. Is the caretaker of a disabled person;
4. Is working at least 20 hours per week or who meets the requirements for being exempted from having to engage in work activity under the State of California; or
5. Is participating in welfare to work program.
6. "Work activities" defined under Social Security Act, 42 U.S.C. 407(d), which includes:
 - a) Unsubsidized employment;
 - b) Subsidized private sector employment;
 - c) Subsidized public sector employment;
 - d) Work experience (including work associated with the refurbishing of public assisted housing) if sufficient private sector employment is not available;
 - e) On-the-job training;
 - f) Job search and job readiness assistance;
 - g) Community service programs;
 - h) Vocational educational training (not to exceed 12 months with respect to any individual);
 - i) Job skills training directly related to employment;
 - j) Education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;
 - k) Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate; and
 - l) The provision of child care services to an individual who is participating in a community service program;
 - m) Receiving assistance and in compliance with State or TANF requirements.

The Housing Authority shall notify all public housing residents of the community service requirement and of the categories of individuals who are exempt from the requirement. The notification will provide the opportunity for family members to claim and explain an exempt status. During annual re-certification, exemption status will be re-verified except in the case of an individual who is 62 years of age or older. Residents will be permitted to change exemption status during the year if status changes.

The notification will advise families that their community service obligation will begin upon the effective date of their first annual re-certification.

Community service includes performing work or duties in the public benefit that serve to improve the quality of life and/or enhance resident self-sufficiency, and/or increase the self-responsibility of the resident within the community. The Housing Authority will ensure that all community service programs are accessible for persons with disabilities and the work performed will not be hazardous, labor that would be performed by the Housing Authority employees responsible for essential maintenance and property service, and work that is not otherwise unacceptable.

An economic self-sufficiency program is one that is designed to encourage, assist, train or facilitate the economic independence of participants and their families or to provide work for participants. These programs may include job training, work placement, basic skills training, education, English proficiency, work fare, financial or household management, apprenticeship, and any program necessary to ready a participant to work (such as substance abuse or mental health treatment). The Housing Authority shall give residents the greatest choice possible.

The family's head of household may voluntarily participate in the Family Self-Sufficiency Program and be current in the steps outlined in the Individual Training and Services Plan.

The Housing Authority will coordinate with social service agencies and local schools in identifying a list of volunteer community services.

B. Non-compliance with Community Service Requirement

The Housing Authority will notify any family found to be in non-compliance of the following:

1. The family adult member(s) determined to be in non-compliance;
2. That the determination is subject to the grievance procedure; and
3. 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 family member(s) the opportunity to enter into an agreement prior to the anniversary of the lease. The agreement shall state that the family member(s) agrees to enter into an economic self-sufficiency program or agrees to contribute to community service for as many hours as needed to comply with the requirement over the past 12-month period. The cure shall occur over the 12-month period beginning with the date of the agreement and the

resident shall at the same time stay current with that year's community service requirement. The first hours a resident earns goes toward the current commitment until the current year's commitment is made.

If any applicable family members does not accept the terms of the agreement and does not fulfill their obligation to participate in an economic self-sufficiency program, the Housing Authority shall take action to terminate the lease.

C. Annual Determinations

For each public housing resident subject to the requirement of community service, the Housing Authority shall, at least 30 days before the expiration of each lease term, review and determine the compliance of the resident with the community service requirement. Such determination shall be made in accordance with the principles of due process and on a nondiscriminatory basis.

The Housing Authority will verify compliance annually. If qualifying activities are administered by an organization other than the Housing Authority verification will be obtained of family compliance from such third parties. Family members will not be permitted to self-certify that they have complied with community service requirements.

5.6 TRANSFERS

Families may be transferred to another housing unit to avoid overcrowding and assist as many families as possible in available housing units. The Housing Authority will determine that the family may require a transfer to a different size unit as the result of family composition changes (increase or decrease). The Housing Authority will advise the family that their name will be placed on a "transfer waiting list" and be required to move when the appropriate bedroom size unit becomes available. The transfer waiting list will be maintained in rank order by: emergency, medical hardship, unit too large or small, date of approval, and all other reasons.

The Housing Authority may also require a family to transfer to another unit if the unit they are occupying is an accessible unit and is needed by another family with disabilities. The Housing Authority may also require a family to transfer to another unit because the unit has become unsafe or uninhabitable.

Transfer of a resident from one dwelling unit owned by the Housing Authority to another shall be at the sole discretion of the Housing Authority and shall take precedence over admittance of applicants from the waiting list.

A resident may request a transfer to another unit at any time, after a one year minimum residency, by completing a "transfer request form" except those families who select a smaller unit at admissions. The Housing Authority will review the request and may contact the resident to better understand the need for a transfer and explore possible alternatives. After review of the situation, the Housing Authority will either deny or approve the residents transfer request and send a written notice to the family. If the transfer is approved, the family's name will be added to the transfer waiting list. If the transfer is denied, the notice will advise the family of their right to an informal conference.

The provisions listed above are to be used as a guide to insure fair and impartial means of assigning units for transfers. It is not intended that this policy will create a property right or any other type of right for a resident to transfer or refuse. (See **Chapter 3 Section 3.2 F Exceptions to Occupancy Standards**)

Persons with disabilities—accessible units

- A. The accessible dwelling shall be first offered to current residents who are in need of the accessible unit and second, to applicant families with disabilities in need of such dwelling.
- B. Residents in need of special medical equipment or requiring special accommodations due to medical conditions shall be offered transfers when such units become available.

After admission, a person with disabilities who “recovers” can remain in assisted housing, but is no longer considered a “disabled family”, and cannot qualify for deductions allowed family members with disabilities. The Housing Authority may also require a family to transfer to another unit if the unit they are occupying is an accessible unit and is needed by another family with disabilities.

In the event of transfer, the family will provide all information regarding income, assets, expenses, deductions and other information necessary to determine the family’s share of rent. The Housing Authority will provide a Lease re-orientation session as part of the transfer interview. The family will sign the Personal Declaration Form and other consent forms that later will be mailed to the sources that will verify the family circumstances. Residents can only request the change from flat rents to income-based rents, or vice versa, in a 6 month period, if they can show a hardship.

Upon receipt of verification, Housing Authority will determine the family’s annual income and will calculate their rent as follows:

- A. 30% of Monthly Adjusted Income
- B. 10% of Monthly Income
- C. If the family receives General Relief or any other temporary assistance from San Joaquin County Human Services Agency, and a part of the assistance payment is specifically designated by such agency to meet the family’s housing cost, that monthly portion shall be determined as the TTP.
- D. \$50.00 (minimum rent)
- E. Flat Rent

The Housing Authority will follow screening and verification guidelines described in **Chapter 3—Eligibility for Admission—Tenant Selection Criteria**.

The old lease shall be voided and a lease for the new unit shall be signed under the condition that any balance owed on the old unit shall become an obligation under the new lease. The family will be required to pay a new Security deposit upon acceptance of a unit and reflect the current Security

deposit amounts in effect. If the new deposit will create a financial hardship for the family the Housing Authority may enter into a payment agreement with the family. The Security deposits will always be transferred from the losing development to the gaining development minus any damage or cleaning charges applicable to the losing unit. The resident will be billed for any charges that occur as a result of the move out of the unit.

Chapter 6—Maintenance

6.0 INTRODUCTION AND OBJECTIVES

The Housing Authority is responsible for managing the maintenance of the public housing units in the most cost effective manner while maximizing the useful life of the properties and providing the best responsible service to residents.

It is the objective of the Housing Authority to maintain its housing inventory stock and equipment in a decent, safe and sanitary condition. Comprehensive and consistent application of a maintenance program is intended to protect the overall integrity and viability of public housing in the most economical way possible.

All maintenance charges that are deemed chargeable to the resident of unit shall be in accordance with charges for materials and labor as outlined in Appendix 6—Schedule of Maintenance Charges.

6.1 MAINTENANCE PRIORITY SYSTEM

A computerized automated Work Order tracking system will be enacted to track and streamline the prioritizing and completion of work orders for the Housing Authority Property & Facilities Management Department. The work priorities adopted by the Housing Authority exemplify its philosophy of delivering maintenance services. This priority system ensures that the most important maintenance work is done at a time it can be performed most cost-effectively. Minimizing vacancy loss is part of the cost-effectiveness calculation. The maintenance priorities of the Housing Authority are as follows:

A. Emergencies

Requests for maintenance service that involve an immediate threat to life or property, such as gas leaks, broken water pipes, inoperable plumbing and sewer facilities, etc., the Housing Authority will respond to such requests as soon as possible within 24 hours.

If an elderly, disabled person or family with infants is locked out of their unit, the Housing Authority maintenance staff will respond as an emergency call.

B. Routine Maintenance

Requests for services which involve no particular urgency allow the Housing Authority some discretion in scheduling the work order to gain efficiency. Although usually generated by resident request, such work orders may be initiated by the Housing Authority.

C. Resident Routine Request

Placing planned maintenance and vacancy preparation work ahead of resident work requests does not indicate that resident requests are unimportant. It emphasizes the importance of maintaining control of the maintenance work by performing scheduled routine and preventative work first. By

doing so, the Housing Authority will decrease on-demand work and maintain the property in a manner that will keep and attract good residents.

6.2 PREVENTATIVE MAINTENANCE

Preventative maintenance is performing tasks on a systematic routing basis. These tasks are predetermined and scheduled on an annual, semi-annual or quarterly basis, depending upon the priority, manufacturer's specifications and seasonal considerations. The proposed maintenance planned is structured around a calendar year, with assigned tasks strategically scheduled to correspond with normal seasonal requirements. It is imperative that the tasks include all Housing Authority properties to insure consistency. Strict adherence to designated time frames is important to prevent overlap into another task's time period.

There are six (6) major areas that are addressed in the initial preventive maintenance cycle. These items presently dominate routine service requests and include:

- A. Wall heaters and forced air furnaces
- B. Plumbing and water heaters
- C. Electrical
- D. Air conditioning
- E. Locks and hardware
- F. Appliances (stoves and refrigerators)

Each of these major areas has a task list which identifies specific items to be serviced, calibrated or repaired. These areas will be checked off as they are completed for that particular unit.

Information recorded will include complex number, unit number and signature block for Housing Authority personnel. This will ensure accountability for work performed and uniformity of service.

To ensure integrity of the preventative maintenance program, it is routinely monitored by Housing Authority staff. During normal operating hours, the Housing Authority will handle these requests with assigned Housing Authority staff. However, weekends, holidays or after hours, the Housing Authority may either assign staff or require the services of a local vendor to perform the emergency maintenance task.

6.3 PREVENTATIVE PEST CONTROL

This service is to provide treatment for the elimination and control of all the usual types of household vermin and insects, including but not limited to, roaches, beetles, silverfish, ants, crickets, mice and rats in the partitions or woodwork of the Housing Authority properties. Termites and other flying insects that require specialized treatment programs are to be determined by a licenses pest control contractor. This service is to be provided by the Housing Authority trained personnel or by an outside licensed pest control contractor.

Once it has been determined by either the resident or the Housing Authority that a pesticide program should be initiated, an effort should be made to have the adjoining unit scheduled for treatment of the same pest, if the building is a multi-unit dwelling. Once the Housing Authority has scheduled a treatment, the resident should be notified in writing no later than 48 hours prior to scheduled treatment. Each resident is required to sign and receive appropriate written instructions prior to the scheduling of pest control service that stipulates the following:

- A. The importance of entry for scheduled work.
- B. The preparation of the unit for treatment of pesticides, (the removal of all articles from kitchen and bathroom cabinets, shelving and counters).
- C. The clearing of walls, floor and shelving in all closets, bedrooms, bathrooms, kitchen, living room, laundry area and hallways.
- D. The covering of all removed items with plastic, (food, utensils, clothing, bedding, personal hygiene items and fish tanks).
- E. The removal of all pets.
- F. The refrigerator is to be left closed.
- G. Entry back into the unit and replacement of removed items may start no sooner than 4 hours of application of pesticides, (unless otherwise stated by a Housing Authority personnel or a pest control contractor).
- H. The Housing Authority will notify the tenant of the type of chemical(s) and scheduled services. A copy of the manufacturer's instructions (MSDS) sheet is available at the Housing Authority office.

All grounds and buildings should be inspected a minimum of once a year. If an extraordinary infestation of pests is located and application of pesticide is required, a program should be established for treatment every 16-18 days corresponding with egg hatching cycles (with a minimum of two treatments). All buildings including, offices, maintenance shops, storage areas, laundry areas, community rooms and occupied dwellings are to be included in the inspections.

The pest control service primarily involves crack and crevice treatment of baseboards, closets, cabinets, shelves, medicine cabinets and appliances, and or with a fogging of the general area. The perimeter of the treated unit along with doorways and windows, are to be treated also. Where rodent activity is present, appropriate eradication methods are to be used with regular monitoring of sites.

Housing Authority staff must comply with all state and local regulations, as well as manufacturers instructions (MSDS). The Housing Authority is required to maintain records of pesticides used with a copy of the pesticides used in the file or each Housing Authority employee applying pesticides and location of pesticide application. If a pesticide application is applied in an occupied unit, a copy of pesticides used should be placed in the file. For the safety and well-being of Housing Authority employees, a respirator program for pesticide application shall be followed, if applicable.

Chapter 7—Tenant Grievance Procedures

7.0 INTRODUCTION AND OBJECTIVES

The purpose of this grievance procedure is to assure that residents are afforded an opportunity for a hearing if the resident disputes, within a reasonable time, the Housing Authority's action or failure to act involving the resident's lease with the Housing Authority's regulations which adversely affect the individual resident's rights, duties, welfare or status. This grievance procedure is incorporated in the dwelling lease and is part thereof.

7.1 APPLICABILITY

This grievance procedure is applicable to all individual grievances as defined **Section 7.2** between the resident and the Housing Authority, except that this procedure shall not apply to any grievance concerning an eviction or termination of tenancy based upon a resident's creation or maintenance of a threat to the health or safety of other residents or Housing Authority employees.

This grievance procedure shall not be applicable to disputes between residents not involving the Housing Authority or to class grievances, nor is this procedure intended to be a forum for initiating or negotiating policy changes between a group or groups of residents and the Housing Authority Board of Commissioners.

This grievance procedure is not applicable to cases involving termination of tenancy for any person registered as a sex offender or any person involved in any drug related activity, on or off such premises, and for any resident who is involved in any activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or employees of the Housing Authority.

7.2 DEFINITIONS

For the purpose of this procedure, the following definitions are applicable:

- A. "Grievance" shall mean any dispute which a resident may have with respect to the Housing Authority's action or failure to act in accordance with the individual residents rights', duties, welfare or status.
- B. "Complainant" shall mean any resident whose grievance is presented to the Housing Authority in accordance with **Section 7.4 and 7.5**.
- C. "Housing Authority" shall mean the Housing Authority of the County of San Joaquin.
- D. "Hearing Officer (s)" shall mean a panel selected in accordance with **Section 7.4** of this procedure to hear grievances and render a decision with respect thereto.

- E. “Resident” shall mean any lessee or the remaining head of household of any family member residing in low income public housing accommodations operated by the Housing Authority.

7.3 INFORMAL SETTLEMENT OF GRIEVANCES

Any grievance shall be personally presented either orally or in writing (telephone calls will not be accepted), to the Housing Authority’s main office or to the site office of the housing complex in which the complainant resides so that the grievance may be discussed informally and settled without a hearing. The grievance must be presented within five (5) working days of the Housing Authority’s act or failure to act, which is the basis of the grievance.

The purpose of the initial discussion is to discuss and to resolve the grievance without the necessity of a formal hearing. A written summary of such discussion shall be prepared within five (5) working days of the meeting, and one copy shall be given to the resident and one shall be retained in the Housing Authority’s resident file. The summary shall specify:

- 1. The names, addresses and phone number of the participants;
- 2. Date(s) of the meeting(s);
- 3. The nature of the proposed disposition of the complaint;
- 4. The specific reasons therefore; and
- 5. The procedures by which a formal hearing under **Section 7.5** may be obtained if the complainant is not satisfied with the proposed disposition.

7.4 PROCEDURES TO OBTAIN A HEARING

Request for Hearing. The complainant shall submit a written request for a formal hearing (telephone calls will not be accepted) to the Housing Authority’s main office or to the site office of the housing complex in which the complainant resides, within ten (10) working days after receipt of the summary of discussion. The written request shall specify:

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

Selection of Hearing Officer. Grievances shall be presented before a hearing officer. A hearing officer shall be selected by the Housing Authority and be an impartial, disinterested person who is not an employee of the Housing Authority.

Failure to Request a Hearing. If the complainant does not request a hearing in accordance with this Section, then the Housing Authority’s disposition shall become final. Failure to request a hearing does not constitute a waiver by the complainant of his/her right thereafter to contest the Housing Authority’s action in disposing of the complaint in an appropriate judicial proceeding.

Hearing Prerequisites. All grievances shall be personally presented either orally or in writing pursuant to the informal procedure as a condition precedent to a hearing under this section. However, if the complainant shall show good cause why he/she failed to proceed in accordance with this Section to the hearing officer, the provisions of this subsection may be waived by the hearing officer.

Escrow Deposit. Before a hearing is scheduled in any grievance involving the amount of rent which the Housing Authority claims is due, the complainant shall pay to the Housing Authority an amount equal to the amount of the rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. The complainant shall thereafter deposit the same amount of the monthly rent in an escrow account monthly until the complaint is resolved by decision of the hearing officer. These requirements may be waived by the Housing Authority in extenuating circumstances. Unless so waived, the failure to make such payments shall result in termination of the grievance procedure. However, the failure to make such payments shall not constitute a waiver of any right the complainant may have to contest the Housing Authority's disposition of his/her grievance in any appropriate judicial proceeding.

Scheduling of Hearing. Upon complainant's compliance with the above paragraphs of this Section, and unless there are extenuating circumstances, a hearing shall be scheduled by the hearing officer for no more than fourteen (14) days after the complaint is received by the hearing officer and for a place reasonably convenient to both the complainant and the Housing Authority. A written notification specifying the time, place and procedures governing the hearing shall be delivered to the complainant and the appropriate Housing Authority official.

7.5 FORMAL GRIEVANCE HEARING PROCEDURES

The hearing shall be held before a hearing officer. The complainant shall be afforded a fair hearing providing the basic safeguards of due process which shall include:

- A. The opportunity to examine before the hearing and, at the expense of the complainant, to copy all documents, records, and regulations of Housing Authority that are relevant to the hearing;
- B. The Housing Authority shall also have the opportunity to examine and to copy, at the expense of the Housing Authority all documents, records, and statements that the family plans to submit during the hearing to refute Housing Authority's inaction or proposed action. Any documents not so made available to Housing Authority may not be relied upon at the hearing.
- C. The right to be represented by counsel or other person chosen as his or her representative;
- D. The right to a private hearing unless the complainant requests a public hearing;
- E. The right to present evidence and arguments in support of his or her complaint, to controvert evidence relied on by the Housing Authority, and confront and cross-examine all witnesses on whose testimony or information the Housing Authority relies; and

- F. A decision based solely and exclusively upon the facts presented at the hearing.
- G. The hearing officer may render a decision without proceeding with the hearing if the hearing officer determines that the issue has been previously decided in another proceeding.

If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the Housing Authority within twenty-four (24) hours, excluding weekends and holidays. The Housing Authority will reschedule the hearing only if the family can show good cause for the failure to appear.

At the hearing, the complainant must first make a showing of an entitlement to the relief sought, and thereafter the Housing Authority must sustain the burden of justifying the Housing Authority's action or failure to act against which the complainant is directed.

The hearing shall be conducted informally by the hearing officer and oral of documentary evidence pertaining to the facts and issues raised by the complaint must be received without regard to judicial proceedings. The hearing officer shall require the Housing Authority, the complainant, counsel and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the hearing officer to obtain order may result in exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate.

The complainant or the Housing Authority may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing.

7.6 DECISION OF HEARING OFFICER

The hearing officer shall prepare a written decision, together with the reason therefore, within ten (10) business days after the hearing is concluded. A copy of the decision shall be sent to the complainant and the Housing Authority who shall retain copy of the decision in the resident's folder. The hearing finding shall include:

- A clear summary of the decision and reasons for the decision;
- If the decision involves money owed, the amount owed; and
- The date the decision goes into effect.

A copy of such decision, with all names and identifying references deleted, shall also be maintained on file by the Housing Authority and make available for inspection by a prospective complainant, his/her representative, or a hearing officer.

The decision of the hearing officer shall be binding on the Housing Authority which shall take all actions, or refrain from any actions, necessary to carry out the decision unless the Housing Authority's Board of Commissioners determine within a reasonable timeframe, and promptly notifies the complainant of its determination, that:

- A. The grievance does not concern the Housing Authority’s action or failure to act in accordance with or involving the complainant’s lease or Housing Authority regulations, which adversely affect the complainant’s rights, duties, welfare or status.
- B. The decision of hearing officer is contrary to applicable federal, state or local law, HUD regulations or requirements of the Annual Contributions Contract (ACC) between HUD and the Housing Authority.

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

7.7 HOUSING AUTHORITY EVICTION ACTIONS

If a resident has requested a hearing in accordance with **Section 7.4** on a complaint involving a Housing Authority notice of termination of tenancy, and the Hearing officer upholds the Housing Authority's action to terminate the tenancy, the Housing Authority shall not commence an eviction action in a state or local court until it has served a notice to vacate to the resident. In no event shall the notice to vacate be issued prior to the decision of the hearing officer having been mailed or delivered to the complainant. Such notice to vacate must be in writing and specify that, if the resident fails to quit the premises within the applicable statutory period, or on the termination date stated in the notice of termination, whichever is later, appropriate action will be brought against him/her and he/she may be required to pay court costs and attorney fees.

Chapter 8—Program Integrity [24 CFR 792.101 to 792.204, 982.54]

8.0 INTRODUCTION

The U.S. Department of Housing and Urban Development (HUD) conservatively estimates that 600 million dollars is paid annually to program participants who falsify or omit material facts in order to obtain housing that than they are not entitled to under the law. HUD further estimates that 12% of all HUD-assisted families either are totally ineligible or are receiving benefits that exceed their legal entitlement.

The Housing Authority is committed to assuring that the proper level of public housing is provided to all participating families and that housing resources reach only income-eligible families so that program integrity can be maintained.

The Housing Authority will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This chapter outlines the Housing Authority's policies for the prevention, detection, and investigation of program abuse and fraud.

8.1 CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will the Housing Authority undertake an inquiry or an audit of a resident family arbitrarily. The Housing Authority's expectation is that resident families will comply with HUD requirements and other program rules. The Housing Authority staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, the Housing Authority has a responsibility to HUD, the community, and eligible families in need of housing assistance to monitor residents for compliance and indicators/indications of possible abuse come to the Housing Authority's attention, to investigate such claims.

The Housing Authority will initiate an investigation of a resident family only in the event of one or more of the following circumstances:

A. Referrals, Complaints, or Tips. The Housing Authority will follow up on referrals received by mail, by telephone, or in person from other agencies, companies or persons alleging that a family is in noncompliance with or otherwise violating the family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.

B. Internal File Review. A follow-up will be made if Housing Authority staff discovers (as a function of a certification or recertification, an interim re-determination, or a quality control

review) information or facts that conflict with previous file data, the Housing Authority's knowledge of the family, or statements made by the family.

C. Verification of Documentation. A follow-up will be made if the Housing Authority receives independent verification or documentation that conflicts with representations in the family's file (such as public record information or reports from credit bureaus or other agencies).

8.2 STEPS TO PREVENT PROGRAM ABUSE AND FRAUD

The Housing Authority management and staff will utilize various methods and practices (listed below) to prevent program abuse, noncompliance, and willful violations of program rules by applicants and resident families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

A. Things You Should Know (HUD-1140-OIG). This program integrity bulletin (created by HUD's inspector general) will be furnished and explained to all applicants to promote understanding of program rules and to clarify the Housing Authority's expectations for cooperation and compliance.

B. Lease Orientation Session. Mandatory orientation sessions will be conducted by the Housing Authority staff for all prospective residents, either prior to or upon admission. At the conclusion of all lease orientation sessions, the family representative will be required to sign a lease orientation acknowledgement form to confirm that all rules and pertinent regulations were explained to them. (See Chapter 4—**Dwelling Lease Agreement**)

C. Lease Re-orientation Session. The Housing Authority will routinely provide lease re-orientation as a part of every recertification interview in order to clarify any confusion pertaining to public housing rules and lease requirements.

D. Review and Explanation of Forms. Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

E. Use of Instructive Signs and Warnings. Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

F. Family Certification. All family representatives will be required to sign a Personal Declaration form.

8.3 STEPS TO DETECT PROGRAM ABUSE AND FRAUD

The Housing Authority staff will maintain a high level of alertness to indicators of possible abuse and fraud by assisted families.

A. Quality Control File Reviews. Prior to initial certification and at the completion of all subsequent re-certifications, each resident file will be reviewed. At a minimum, such reviews shall examine:

1. Verification of all income and deductions
2. Changes in reported Social Security numbers or dates of birth
3. Authenticity of file documents
4. Ratio between reported income and expenditures
5. Review for consistency of signatures with previously signed file documents
6. For dates and signatures on all documents

B. Observation. The Housing Authority management, occupancy, and maintenance staff will maintain high awareness of circumstances that may indicate abuse or fraud, such as unauthorized persons residing in the household and unreported income. Observations will be documented in the family's file.

C. Public Record Bulletins. These bulletins may be reviewed by management and staff.

D. State Wage Data Record Keepers. Inquiries to state wage and employment record-keeping agencies, as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits.

E. Credit Bureau Inquiries. Credit bureau inquiries may be made (with proper authorization by the participant) in the following circumstances:

1. At the time of final eligibility determination
2. When an allegation is received by the Housing Authority wherein unreported income sources are disclosed
3. When a resident's expenditures exceed his/her reported income and no plausible explanation is given

8.4 HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

The Housing Authority staff will encourage all resident families to report suspected abuse to Housing Service Manager and/or Housing Compliance Supervisor. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the resident's file. All allegations, complaints, and tips will be carefully evaluated to determine whether they warrant follow-up. The Housing Service Manager and/or Housing Compliance

Supervisor will not follow up on allegations that are vague or otherwise nonspecific. They will only review allegations that contain one or more independently verifiable facts.

A. File Review. An internal file review will be conducted to determine whether the subject of the allegation is a resident of the Housing Authority and, if so, whether or not the information reported has been previously disclosed by the family.

The Housing Authority will then determine whether it is the most appropriate authority to do a follow-up (as compared to police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

B. Conclusion of Preliminary Review. If at the conclusion of the preliminary file review there are facts contained in the allegation that conflict with file data and that are independently verifiable, the Housing Service Manager and/or Housing Compliance Supervisor will initiate an investigation to determine if the allegation is true or false.

8.5 INVESTIGATION OF ALLEGATIONS OF ABUSE AND FRAUD

If the Housing Authority determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file; the Housing Services Manager or Housing Compliance Supervisor will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include the items listed below. In all cases, the Housing Authority will secure the written authorization from the resident for the release of information.

A. Credit Bureau Inquiries. In cases involving previously unreported income sources, a credit bureau inquiry may be made to determine whether the financial activity of a family conflicts with the family's reported income.

B. Verification of Credit. In cases where the financial activity conflicts with file data, a verification of credit form may be mailed to the creditor to determine the source of unreported income.

C. Employers and Ex-Employers. Employers or ex-employers may be contacted to verify wages that may have been previously undisclosed or misreported.

D. Neighbors/Witnesses. Neighbors and/or other witnesses who are believed to have direct or indirect knowledge of facts pertaining to the Housing Authority's review may be interviewed.

E. Other Agencies. Investigators, caseworkers or representatives of other benefit agencies may be contacted.

F. Public Records. The Housing Authority will review any relevant public records kept in a jurisdictional courthouse. Examples of public records that may be checked are real estate records, marriage and divorce records, uniform commercial code financing statements, voter registration rolls, judgments, court or police records, state wage records, utility records, and postal records.

G. Interviews with Head of Household or Family Members. The Housing Authority will discuss the allegation (or details thereof) with the head of household or family members by scheduling an appointment at the appropriate Housing Authority office. A high standard of courtesy and professionalism will be maintained by the Housing Authority staff person who conducts such interviews. Under no circumstances will inflammatory language, accusations, or any unprofessional conduct or language be tolerated by the management. If possible, an additional staff person will attend such interviews.

8.6 PLACEMENT OF DOCUMENTS, EVIDENCE, AND STATEMENTS

Documents and other evidence obtained by the Housing Authority during the course of an investigation will be considered "work product" and will be kept either in the resident's file or in a separate "work file." Such cases under review will be discussed only among Housing Authority staff that are involved in the process or have information that may assist in the investigation.

8.7 CONCLUSION OF THE INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Housing Services Manager or designee. It will then be determined whether the facts are inconclusive or whether a violation has or has not occurred.

8.8 EVALUATION OF THE FINDINGS

If it is determined that a program violation has occurred, the Housing Authority will review the facts to determine:

- A. What type of violation has occurred (procedural noncompliance or fraud)
- B. Whether the violation was intentional or unintentional
- C. What amount of money (if any) is owed by the family
- D. Whether the family is eligible for continued occupancy

8.9 ACTION PROCEDURES FOR DOCUMENTED VIOLATIONS

Once a program violation has been documented, the Housing Authority will propose the most appropriate remedy based upon the type and severity of the violation.

A. Procedural Noncompliance. This category applies when the family "fails to" observe a procedure or requirement of the Housing Authority but does not misrepresent a material fact and there is no financial restitution owed by the family.

Examples of noncompliance violations are:

- Failure to appear at a prescheduled appointment.
 - Failure to return verification in the time period specified by the Housing Authority.
1. **Warning Letter to the Family.** In such cases a notice containing the following will be sent to the family:
 - a) A description of the noncompliance and the procedure, policy, or obligation that was violated
 - b) The date by which the violation must be corrected or the procedure complied with
 - c) The action that will be taken by the Housing Authority if the procedure or obligation is not complied with by the date specified by the Housing Authority
 - d) The consequences of repeated (similar) violations
 2. **Procedural Noncompliance - Overpaid Assistance.** When the family owes money to the Housing Authority for failure to report changes in income or assets, the Housing Authority will issue a notice of overpayment of assistance. This notice will contain the following:
 - a) A description of the violation, date(s), and source of unreported income
 - b) The amount owed to the Housing Authority
 - c) Ten (10) working days in which a response must be received
 - d) The family's right to disagree and to request an informal hearing along with instructions for requesting such a hearing

Resident Fails to Comply with Housing Authority's Notice. If the Resident fails to comply with the Housing Authority's notice and a family obligation has been violated, the Housing Authority will initiate lease termination. (See Chapter 4—Section 4.6-Termination of Lease)

Resident Complies with Housing Authority's Notice. When a family complies with the Housing Authority's notice, the staff person responsible will meet with him/her to explain and discuss the family obligation or program rule that was violated. The staff person will complete a Resident counseling report, give one copy to the family, and retain a copy in the family's file.

B. Intentional Misrepresentations.

When a resident falsifies, misstates, omits, or otherwise misrepresents a material fact which results (or would have resulted) in an inaccurate tenant total payment (TTP) by the Housing Authority, the Housing Authority will evaluate whether or not:

1. The participant had knowledge that his/her actions were wrong
2. The resident willfully violated the family obligations or the law

3. Knowledge. This will be evaluated by determining whether the resident was made aware of program requirements and prohibitions. The resident's signature on various certifications and the personal declaration are adequate to establish knowledge of wrongdoing.
4. Willful Intent. Any of the following circumstances will be considered adequate to demonstrate willful intent:
 - a) An admission by the resident of the misrepresentation
 - b) Repetition of the misrepresentation
 - c) Use of a false name or Social Security number
 - d) Resident admission of the illegal action or omission to others
 - e) Resident omission of material facts known to the resident (e.g., employment of the participant or other household member)
 - f) Resident falsification, forgery or altering of documents
 - g) Resident uttering and certifying to statements at an interim (re)determination that are later independently verified to be false

C. Dispositions of Cases Involving Misrepresentations.

In all cases of misrepresentations involving efforts to recover monies owed, the Housing Authority may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

1. **Criminal Prosecution.** If the Housing Authority has established criminal intent and the case meets the criteria for prosecution, the Housing Authority will:
 - a) Refer the case to the local state or district attorney,
 - b) Notify HUD's Regional Inspector General for Investigation (RIGI),
 - c) Terminate public housing residency.
2. **Administrative Remedies.** The Housing Authority will:
 - a) Terminate public housing residency and demand payment of restitution in full
 - b) Terminate public housing residency and execute an administrative repayment agreement in accordance with the Housing Authority's repayment policy—**See Chapter 4 Section 4.3k**
 - c) Terminate public housing residency and pursue restitution through civil litigation

- d) Continue public housing residency at the correct level upon payment of restitution in full within 30 days

D. The Informal Review for Serious Violations and Misrepresentations. When the Housing Authority has established that a material misrepresentation has occurred, an informal review will be scheduled with the family representative and the Housing Authority staff person who is most knowledgeable about the circumstances of the case.

1. This informal review will take place prior to any proposed action by the Housing Authority. The purpose of such an informal review is to review the information and evidence obtained by the Housing Authority with the resident and to give the resident an opportunity to explain any document findings that conflict with representations in the family's file. Any documents or mitigating circumstances presented by the family will be taken into consideration by the Housing Authority. The family will be given five (5) working days to furnish any mitigating evidence.
2. A secondary purpose of the informal review is to assist the Housing Authority in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the Housing Authority will consider:
 - a) The duration of the violation
 - b) The number of false statements
 - c) The family's ability to understand the rules
 - d) The family's willingness to cooperate and to accept responsibility for the family's actions
 - e) The amount of money involved
 - f) The family's history
 - g) The presence or absence of criminal intent

Notification to Participant of Proposed Action. The Housing Authority will notify the family of the proposed action no later than five (5) working days after the informal review by certified mail.

Chapter 9—HOMEOWNERSHIP PROGRAM [24 CFR 906]

9.0 INTRODUCTION [24 CFR Part 906]

The Quality Housing and Work Responsibility Act (QHWRA) permits the Housing Authority through Section 32 of the U.S. Housing Act of 1937, to make public housing dwelling units available for purchase by low-income families as their principal residence. Under Section 32, a Housing Authority may (1) sell all or a portion of a public housing development to eligible public or non-public housing residents, or (2) provide Capital Fund assistance to public housing families to purchase homes, and (3) provide Capital Fund assistance to acquire homes that will be sold to low-income families. Section 32 generates an exception, allowing the Public Housing Capital Fund to be used to acquire units for sale that will not be put under public housing ACC contracts. This does not apply to the use of the Capital Fund by the Housing Authority to build or substantially rehabilitate units that are not public housing for sale under Section 32. Although public housing units that are newly constructed or substantially rehabilitated may be sold under Section 32, such construction and rehabilitation by the Housing Authority is not covered under this section, but rather is governed by the public housing development and modernization regulations. The final Section 32 rule replaces the Section 5(h) rule.

9.1 PROGRAM SUMMARY [24 CFR 906.5]

A. Eligible Program Activities. The Housing Authority will implement a Section 32 program and will use their funds to provide the following services:

1. **Subsidy to public housing residents** (using Capital Funds or program income) or other low income families (using only program income) in the forms of (a) down payment or closing cost assistance, (b) subordinate mortgages, and/or (c) below-market financing;
2. **Acquisition of existing homes** (or homes built for the Housing Authority by a third party 24 CFR 906.41(2)) using Capital Funds for the purpose of sale to income-eligible purchasers without adding these units to the Annual Contributions Contract (ACC);
3. **Sale of public housing rental (ACC) units** to income-eligible purchasers; and
4. **Operation of a lease-purchase program.**

B. Key Program Features

1. **Housing Authority must use Davis-Bacon wages for all construction activity.** Except in specific cases of non-routine maintenance, Davis-Bacon prevailing wage rates apply to all construction activities under the program.

2. **Section 32 can be implemented in conjunction with the Section 8(y) program.** The Section 8(y) program is described separately in the Housing Authority Section 8 Administration Plan. See the Housing Choice Voucher (Section 8) homeownership program in the Housing Authority Administrative Plan for details regarding implementation of a voucher homeownership program. 8(y) can only be used in connection with units that are not currently under ACC or that are released from the ACC as a result of the sale of the unit. Lease to purchase programs would not be eligible for 8(y) during the lease phase.
3. **Non-purchasing public housing residents may be displaced.** In selling a public housing unit under a homeownership program, the Housing Authority or Purchase and Resale Entity (PRE) must initially offer the unit to the resident occupying the unit if they meet the eligibility requirements. The current residents of the public housing units have the option of applying to the program in order to purchase their unit, relocating to another comparable unit, or receiving tenant-based assistance. The Housing Authority must provide the resident with notice 90 days prior to the date of the sale of their unit, counseling, relocation expenses, and comparable replacement housing options. The right of first refusal does not extend to residents in nonpublic housing units.
4. **Marketing Strategy**—The homeownership plan permits the purchase of vacant units by persons not currently in public housing, receiving Section 8, or on the existing Housing Authority waiting list, the “S32HOP” must include an affirmative fair housing marketing strategy that reaches out to members of underrepresented groups. **24 CFR 906.39(d) (See Chapter 2.1 Marketing & Outreach)**

9.2 ELIGIBILITY REQUIREMENTS OVERVIEW [24 CFR 906.11 & 906.13]

A. Eligibility Requirements

1. **Eligible purchasers may earn up to, but not exceed 80% of Area Median Family Income (AMI).** Except in the case of a Housing Authority’s offer of first refusal to a resident occupying the unit, the Housing Authority must certify that the applicants’ income is not over 80% of AMI at the time the contract to purchase the property is executed.
2. **The Housing Authority may sell units to a PRE.** The Housing Authority must demonstrate that the PRE has the necessary legal capacity and practical capability to carry out its responsibilities under the program and sell the units within five years from the date of acquisition; otherwise the PRE must transfer ownership of the units back to the Housing Authority. The Housing Authority’s homeownership program also will contain a written agreement and the applicable legal documentation that specifies the respective rights and obligations of the Housing Authority and the PRE.

3. **Affordability standards must be met for the purchaser.** On an average monthly basis, the estimate of the sum of the applicant's payments for mortgage principal and interest, insurance, real estate taxes, utilities, maintenance and other recurring homeownership costs will not exceed the sum of 35% of the applicant's adjusted income and any subsidy that will be available for such payments.
4. **Principal residence requirement.** The dwelling unit sold to an eligible family must be used as the principal residence of the family.
5. **Housing Authority will require purchasers to pay a minimum down payment.** Each household purchasing housing must use its own resources to contribute an amount of the down payment that is not less than one percent of the purchase price of the housing.
6. **Other eligibility restrictions.** The Housing Authority will establish additional limitations for households to purchase housing. Such requirements are to include employment, no past criminal activity, participation in homeownership counseling programs, or other requirements.

B. Recapture and Anti-Speculation Restrictions

1. **Anti-speculation.** The Housing Authority policy provides for retaining all or a portion of the gain from appreciation generated by the resale of the property to the extent that there are net proceeds if the house is sold within five years after purchase. The Housing Authority may not recapture gains from appreciation if the home is resold over five years from the initial purchase. Gains from appreciation is defined as financial gain solely attributable to the home's appreciation over time and not attributable to below-market financing or government-provided assistance (recapture of that subsidy is discussed in recapture below). The anti-speculation provision must be recorded as a deed restriction or a restrictive covenant. The recapture amount can be one that the Housing Authority considers appropriate under the guidelines in this section.
2. **Recapture of subsidy.** The Housing Authority policy is to recapture upon resale government-provided assistance and/or below-market financing made to the purchaser to the extent that there are net proceeds. This includes the Housing Authority down payment, closing cost assistance, subordinate mortgage financing, or below-market financing (i.e., sale the unit for less than appraised value of the home). The Housing Authority may recapture a portion or its entire subsidy provided to the purchaser even for a period of longer than five years.
3. **Resale.** Section 32 regulations do not require the Housing Authority to implement a resale provision limiting resale to low-income buyers.

9.3 GENERAL PROVISIONS

All Housing Authority public housing residents are eligible applicants in the Section 32 Homeownership Option Program (“S32HOP”). Housing Authority public housing units occupied by residents will first offer the unit to the resident occupying the unit. If the public housing resident is not interested in purchasing the unit or are not eligible, are entitled to a 90-day notice, counseling, relocation expenses, and comparable housing. Participants in the Family Self Sufficiency (“FSS”) program shall receive a priority for participation in the Section 32 Homeownership Option Program (“S32HOP”).

Eligible applicants for the “S32HOP” must:

- Complete an initial Public Housing lease term (See Appendix IX) of at least one year,
- Not owe the Housing Authority or any other Housing Authority an outstanding debt
- Meet the eligibility criteria set forth herein.

A. Family Eligibility Requirements

Participation in the Section 32 Homeownership Option program “S32HOP” is voluntary. Each “S32HOP” participant must meet the general requirements for admission to the Public Housing Program as set forth in this Housing Authority Admissions & Continued Occupancy Plan (ACOP). Such public housing family also must be “eligible” to participate in the home ownership program “S32HOP”. The additional eligibility requirements for participation in “S32HOP” include that the family must:

1. Be Income-eligible even though they have owned a home
2. Meet a minimum income requirement without counting income from “welfare assistance” sources with the exception of elderly and disabled households
3. Meet the requisite employment criteria requirements with the exception of elderly and disabled households
4. Have completed an initial lease term of one year in the Housing Authority public housing
5. Have fully repaid any outstanding debt owed to the Housing Authority or any other Housing Authority
6. Have not defaulted on a mortgage securing debt to purchase a home under the home ownership option “S32HOP”
7. Preference for Family Self Sufficiency (“FSS”) participants
8. Not have any member who has a present ownership interest in a residence at the commencement of home ownership assistance except for cooperative members who

have acquired cooperative membership shares prior to commencement of “S32HOP” assistance

B. Minimum Income Requirement [24 CFR 906.15 (a)]

Public or non-public housing residents earning up to 80% AMI are eligible to purchase a home. There is an exception to this low-income restriction for current public housing residents offered the right of first refusal. The applicants monthly payments for mortgage, Property taxes and insurance (PITI), maintenance, and other regularly recurring homeownership costs (e.g., condominium fees) may not exceed 35% of the applicants adjusted income as defined in 24 CFR 913 plus any other subsidy used for monthly payments.

C. Employment Requirements

With the exception of disabled and elderly households, each family must demonstrate the following:

- That one or more adult members of the family who will own the home at commencement of home ownership assistance is employed full-time (not less than an average of 30 hours per week)
- Has been continuously employed for one year prior to commencement of homeownership assistance for the family

The Housing Authority Chief Executive Officer may also consider whether and to what extent an employment interruption is considered permissible in satisfying the employment requirement. The Chief Executive Officer may also consider successive employment during the one-year period and self-employment in a business.

D. Completion of Initial Lease Term.

Applicants and new participants in the Housing Authority public housing program shall not be eligible for participation in the “S32HOP” until completion of an initial Housing Authority public housing program’s one year lease term and the participant’s first annual re-certification in the Housing Authority public housing program. Nothing in this provision will preclude families that have completed an initial lease term in another jurisdiction from participating in the “S32HOP”.

E. Repayment of Any Housing Authority Debts

Participants in the Housing Authority public housing program shall be ineligible for participation in the “S32HOP” in the event any debt or portion of a debt remains owed to Housing Authority or any other Housing Authority. Nothing in this provision will preclude families that have fully repaid such debt(s) from participating in the “S32HOP”.

F. Prior Mortgage Defaults

The family will be ineligible to participate in the “S32HOP” if an adult member of the family previously defaulted on a mortgage obtained through the “S32HOP”.

G. Preference for Participation in the FSS Program

Applicants for the home ownership program are not required to participate in the Housing Authority Family Self Sufficiency (“FSS”) program in order to participate in the “S32HOP”. However, “FSS” participants shall have a preference for participation in the “S32HOP”..

9.4 FAMILY PARTICIPATION REQUIREMENTS

A. Once a family is determined to be eligible to participate in the program, it must comply with the following additional requirements:

1. Complete a homeownership counseling program approved by the Housing Authority prior to commencement of homeownership assistance;
2. Locate the home it proposes to purchase within a specified time;
3. Submit a sales agreement containing specific components to the Housing Authority for approval;
4. Allow the Housing Authority to inspect the proposed unit to assure that the unit meets appropriate housing quality standards;
5. Obtain an independent inspection covering major” building systems”;
6. Obtain Housing Authority approval of the proposed mortgage (which must comply with generally accepted mortgage underwriting requirements); and
7. Enter into a written agreement with the Housing Authority to comply with all of its obligations under the Public Housing Program.

1. Homeownership Counseling Program [24 CFR 906.9]

A family’s participation in the homeownership program is conditional based on the family attending and successfully completing a homeownership and housing counseling program provided or approved by Housing Authority prior to commencement of homeownership assistance. The home ownership and counseling program will cover the following topics:

- Home maintenance
- Budgeting and money management
- Credit counseling
- Negotiating purchase price

- Securing mortgage financing
- Locating a home
- The advantages of purchasing and locating homes in areas that do not have a high concentration of low-income families

The Housing Authority omitted suggested topics regarding fair housing, RESPA obligations and predatory lending issues. These topics should also be included in the home ownership counseling program. The counseling agency providing the counseling program shall either be approved by HUD or the program shall be consistent with the home ownership counseling provided under HUD's Housing Counseling program. The Housing Authority may require families to participate in a Housing Authority approved home ownership-counseling program on a continuing basis.

2. Locating and Purchasing a Home

Upon approval for the Section 32 Homeownership Option Program, a family shall have 180 days to locate a home to purchase. A home shall be considered located if the family submits a proposed sales agreement with the requisite components to the Housing Authority. During an eligible participant's search for a home to purchase, their Public Housing shall continue pursuant to this Admission and Continued Occupancy Plan. If a Public Housing participant family is unable to locate a home within the time approved by the Housing Authority, their Public Housing shall continue pursuant to this Admission and Continued Occupancy Plan.

3. Type of Home

"S32HOP" may be used to purchase the following types of homes within the County of San Joaquin:

- New or existing single-family home
- Condominium
- Planned use development
- Cooperatives
- Lofts
- Live/work units
- A manufactured home to be situated on a privately owned lot or on a leased pad in a mobile home park.

The home must already exist, or be under construction at the time the Housing Authority determines the family eligible for homeownership assistance (to purchase the unit [24 CFR 906.8]).

4. Purchasing a Home

Once a home is located and a sales agreement approved by the Housing Authority is signed by the family, the family shall have up to 3 months, or such other time as is approved by the Housing Authority's Chief Executive Officer or set forth in the Housing Authority-approved sales agreement, to purchase the home.

5. Failure to Complete Purchase

If a Public Housing participant is unable to purchase the home within the three month period permitted by the Housing Authority, the Housing Authority shall continue the family's participation in the Public Housing Program. The family may not re-apply for the Section 32 Homeownership Option Program until it has completed an additional year of participation in the Public Housing Program following the initial determination of its eligibility for the homeownership option.

6. Sales Agreement

Prior to execution of the offer to purchase or sales agreement, the family must provide the financing terms to the Housing Authority for approval. The sales agreement must:

- Specify the price and other terms of sale by the seller to the purchaser
- Provide for a Housing Quality Standards (HQS) inspection by the Housing Authority
- Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser
- State that the purchaser is not obligated to purchase unless such inspections are satisfactory to the Housing Authority
- Provide that the purchaser is not obligated to pay for any necessary repairs without approval by the Housing Authority
- Provide that the purchaser is not obligated to purchase if the mortgage financing terms are not approved by the Housing Authority
- Contain a seller certification that the seller is not debarred, suspended, or subject to a limited denial of participation,

To assure the home complies with Housing Quality Standards "HQS" of the "S32HOP", homeownership assistance payments may not commence until the Housing Authority first inspects and passes the home.

7. Independent Initial Inspection Conducted.

The family must select an independent inspector who is qualified to report on property conditions, including major building systems and components. The independent inspection report must be provided to the Housing Authority for approval. The Housing Authority may disapprove the unit due to information contained in the report or for failure to meet federal housing quality standards. The Housing Authority will not pay for the independent inspection. The independent inspection report must cover major building systems and components including foundation and structure:

- Housing interior and exterior
- Roofing
- Plumbing
- Electrical
- Heating systems

8. Financing Requirements.

The proposed financing terms must be submitted to and approved by the Housing Authority or their designee prior to close of escrow. The Housing Authority will determine the affordability of the family's proposed financing. In making such determination. The Housing Authority or their designee may take into account other family expenses, including but not limited to child care, unreimbursed medical expenses, education and training expenses. Certain types of financing, including but not limited to, balloon payment mortgages, unless convertible to a variable rate mortgage, are prohibited and will not be approved by Housing Authority or their designee. Seller-financing mortgages shall be considered by Housing Authority or their designee on a case-by case basis. If a mortgage is not FHA-insured, Housing Authority or their designee will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/ FOA, Ginnie Mae, Fannie Mae, Freddie Mac, California Housing Finance Agency (CHFA), USDA Rural Housing Services, the Federal Home Loan Bank, or other private lending institution.

9. Compliance With Family Obligations.

The family must execute a "Statement of Homeowner Obligations" and agree, to comply with all family obligations under the Housing Authority Public Housing program and the "S32HOP" policies. These obligations include:

- Attending ongoing home ownership counseling, if required by the Housing Authority
- Complying with the mortgage terms;
- Not selling or transferring the home to anyone other than a member of the assisted family who resides in the home while receiving homeownership assistance. Upon death of a family member who holds title to the home or ownership of cooperative

membership shares for the home, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members.

- Not obtaining a present ownership interest in another residence while receiving home ownership assistance;
- Supplying all required information to the Housing Authority, including but not limited to annual verification of household income, notice of change in homeownership expenses, notice of move-out, refinancing, notice of transfer of any interest in the home and notice of mortgage default.

9.5 TERMINATION OF SECTION 32 HOMEOWNERSHIP OPTION PROGRAM (S32HOP)

A. Grounds for Termination of S32HOP participation:

Failure to Comply with Family Obligations under Public Housing Program or Housing Authority's Homeownership Policies. A family's homeownership assistance may be terminated if the family:

- Fails to comply with its obligations under the Housing Authority public housing program. The Housing Authority Section 32 home ownership policies including but not limited to failure to provide the family's household income and home ownership expenses on an annual basis;
- Defaults on the mortgage. If required, the family must attend and complete ongoing homeownership and housing counseling classes.
- Fails to comply with the terms of any mortgage incurred to purchase and/or refinance the home.
- Fails to provide the Housing Authority with written notice of any sale or transfer of any interest in the home or plan to move out of the home. Except as otherwise provided in this section, the family may not convey or transfer the home to any entity or person other than a member of the assisted family while receiving homeownership assistance.
- Fails to provide the Housing Authority any other notices which may be required pursuant to the Housing Authority Section 32 homeownership policies.

B. Occupancy of Home.

Homeownership assistance will only be provided while the family resides in the home. If the family moves out of the home, the Housing Authority will not continue homeownership assistance commencing with the month after the family moves out. Neither the family nor the

lender is obligated to reimburse the Housing Authority for home ownership assistance paid for the month the family moves out.

C. Procedure for Termination of Home Ownership Program.

A participant in the “S32HOP” shall be entitled to the same termination notice and informal hearing procedures as set forth in the Housing Authority Admissions & Continued Occupancy Plan (ACOP).

D. Maximum Term of Homeownership Assistance

Except in the case of elderly or disabled families, the maximum term of homeownership assistance is:

- a) 15 years, if the initial mortgage term is 20 years or longer, or
- b) 10 years in all other cases.

Families that qualify as elderly at the commencement of homeownership assistance are not subject to a maximum term limitation. If a disabled or elderly family ceases to qualify as disabled or elderly, the appropriate maximum term becomes applicable from the date homeownership assistance commenced; provided, however, that such family shall be eligible for at least 6 additional months of homeownership assistance after the maximum term becomes applicable. The time limit applies to any member of the household who has an ownership interest in the unit during any time that homeownership payments are made, or is a spouse of any member of the household who has an ownership interest.

9.6 CONTINUED PARTICIPATION IN PUBLIC HOUSING PROGRAM

A. Default on FHA-Insured Mortgage

If the family defaults on an FHA-insured mortgage, the Housing Authority may permit the family to move to Public Housing, pursuant to this Admissions & Continued Occupancy Plan (ACOP) guidelines, if the family demonstrates that it has (a) conveyed title to the home to HUD or its designee, as required by HUD; and (b) moved from the home within the period established or approved by HUD.

B. Default on Non-FHA-Insured Mortgage

Families have the option to sell the home and may return to Public Housing assistance, pursuant to this Admission and Continued Occupancy Plan, if at any time the family determines that it is unable to meet its responsibilities as a homeowner. If the family defaults on a mortgage that is not FHA-insured, the Housing Authority may permit the family to move to Public Housing, pursuant to this Admission and Continued Occupancy Plan, if the family demonstrates that it has (a) conveyed title to the home to the lender, to Housing Authority or to its designee, as may be

permitted or required by the lender; and (b) moved from the home within the period established or approved by the lender and/or the Housing Authority.

9.7 WAIVER OR MODIFICATION OF HOMEOWNERSHIP POLICIES

The Housing Authority Chief Executive Officer shall have the discretion to waive or modify any provision of the Section 32 Homeownership Option Program or policies not governed by statute or regulation for good cause or to comply with changes in HUD regulations or directives.

Chapter 10—Family Self-Sufficiency Program

10.0 INTRODUCTION

Families eligible for participation in the Family Self-Sufficiency Program (FSS) will include those families that are currently leased under the Public Housing Program. Participation in Family Self-Sufficiency is voluntary and for a maximum of a five (5) year Contract of Participation.

Families whose head of household is elderly, disabled, pregnant or a primary caregiver of children under the age of three will be allowed to participate in Family Self-Sufficiency if they are willing to seek and maintain employment or if there is someone in the household who is at least 18 years of age who can act as the Family Self-Sufficiency designated head of household who is willing to fulfill the requirements by seeking and maintaining employment.

10.1 FAMILY SELECTION

The Housing Authority will select FSS families from the Public Housing Program participants.

A. The Housing Authority will survey Public Housing participants to determine interest in the FSS program at least once. Other program marketing methods include:

1. Soliciting new families at the time they are admitted to the housing program
2. Soliciting families at annual reexamination
3. Conducting additional surveys of participants
4. Posting FSS information on the bulletin board of the Housing Authority office
5. Providing an FSS briefing packet to families upon request or at certification or recertification
6. Including FSS information in other mailings
7. Providing an FSS packet at the front desk for review by families
8. Holding meetings with other agencies and notifying them of the availability of FSS programs for Public housing participants
9. The Housing Authority may pursue additional allowable financial incentives.

B. The Housing Authority will utilize the following selection methodology for FSS participation:

1. The date and time a family expressed interest in participating in FSS

2. If a tiebreaker is needed, the date the family entered the Public housing Program as a participant will be used.
3. After the Housing Authority has tentatively selected families for the targeted and untargeted slots, the Housing Authority will use motivational screening factors to determine which families will actually be selected.

These factors include:

- a) Mandatory attendance at the Family Self-Sufficiency briefing;
- b) Mandatory attendance at the goals meeting.

Failure of the family to complete these tasks will result in the family not being selected to participate in the FSS program.

C. The Housing Authority will not use the following motivational screening factors:

1. Educational level
2. Educational or standardized motivational test results
3. Previous job history or job performance
4. Credit rating
5. Marital status
6. Number of children
7. Sensory or manual skills
8. Discriminatory factors

D. Reasonable Accommodation

Any motivational screening tasks must be easily accomplished by the family, based upon the family members' educational levels and any disabilities. Reasonable accommodations will be made for individuals with mobility, manual, sensory, speech impairments, mental or developmental disabilities. The Housing Authority may decide that an accommodation is not reasonable if it causes undue financial and/or administrative burdens.

E. Missing Supportive Services

If the Housing Authority determines, after reviewing the Needs Based Assessment with the family, that a missing service is valuable to the family's needs, the Housing Authority will skip those families and offer the FSS slot to the next family for which there are available services.

If a missing service or group of services is consistently needed by applicants, the Housing Authority will try to locate resources to deliver the missing services. The Housing Authority does not have to meet every need of a family if certain resources are not available and the service is not determined key to the family's needs.

If a family was skipped when it normally would have been selected because supportive services were unavailable, the Housing Authority will provide a non-targeted FSS slot selection preference to that family when the missing service becomes available.

10.2 DENIAL OF PARTICIPATION IN FSS

The Housing Authority may refuse to select a family for participation in the FSS program if the family previously participated and did not meet its FSS obligations or was terminated from the FSS program.

The Housing Authority may deny FSS participation to a family if the family owes the Housing Authority (or another HOUSING AUTHORITY) money in connection with the Public Housing program or Section 8.

10.3 PROGRAM COORDINATING COMMITTEE

The Housing Authority will use the collective coordinating body, comprised of representatives from community service providers. At least one FSS participant representative from each Public Housing development will be included on the committee.

10.4 ESTABLISHING INTERIM AND FINAL GOALS

The Housing Authority will work with the participating family members to devise an Individual Training and Service Plan for inclusion into the FSS Contract of Participation. Compliance and performance of these interim and final goals will be measured during progress reviews to be held at least once annually between each participating family member and the Housing Authority.

10.5 ESCROW ACCOUNTS

- A. **Earned Income.** If there is earned income received by an adult member of the family an escrow credit worksheet will be completed at every required reporting period for annual and interim reexamination, including reexamination. The Housing Authority will maintain a single depository account for all FSS families. These funds will be invested in one or more of the HUD approved investments.
- B. **Combined FSS account funds.** The total of the combined FSS account funds will be supported in the Housing Authority accounting records by a subsidiary ledger showing the escrow balance applicable to each FSS family. Investment interest shall be credited

quarterly to each participating family's FSS account, based on the balance in each escrow account at the end of the period for which the investment interest is prorated.

- C. **Non Payment.** If the family has not reimbursed the Housing Authority for special claims, has not paid rent at move-out, or has not reimbursed to the Housing Authority the amount due to unreported income, the balance in the family's FSS account shall be reduced by that amount prior to prorating the interest income. If there is unreported income, the Housing Authority will not credit the family's escrow account with any portion of the back rent.
- D. **Advance of the FSS Family Portion.** The Housing Authority will advance to the FSS family a portion of the escrow account prior to completion of the Contract of Participation if the Housing Authority determines that the family has fulfilled certain interim goals and the family needs the funds to complete the contract. The Housing Authority will advance to the FSS family a portion of the escrow account prior to completion of the Contract of Participation if the client requests to be converted to Homeownership payments. Such advance must be utilized to help pay the 3% down payment requirement of the Homeownership Program and/or non-recurring closing costs of the real estate purchase. The Housing Authority will allow the family to withdraw up to 50 % of the family's escrow funds under these conditions when the funds are needed for the completion of higher education or job training in accordance with the Individual Training and Service Plan of the family. The approval of the withdrawal is at the sole discretion of the Housing Authority and a limit of 2 disbursements per seven (7) year period will be allowed for extreme situations.
- E. **Leaving the FSS program.** Families that leave the FSS program without completing the contract, violate the contract, or fail to comply with other program requirements will forfeit their portion of the FSS savings account funds. If the family subsequently drops out of the FSS program without meeting its FSS obligations, the family will not owe the Housing Authority the amount of advanced escrow funds unless the advance payment was based on fraud or misinformation by the family.
- F. **Death of the Head of Household.** If the head of the family dies and the remaining members of the family choose not to continue participating in the program and the family's Contract of Participation obligations have not been met, the escrow account will be forfeited. If a family with two adults separates, the family member retaining the Public housing will receive the escrow, when applicable, if that family member was listed as head of household. If the family member retaining the Public housing was not listed as head of the FSS family, that family member may designate him or herself to receive the escrow as authorized by the FSS regulations.

10.6 CONTINUED REQUIREMENTS FOR FSS PARTICIPATION

- A. The Housing Authority will include the following tasks in the Individual Training and Service Plan as criteria to determine continued participation in the FSS program:

1. Attendance at FSS orientation sessions or pre-selection interviews
2. Completion of tasks, within the ability of the family to complete which indicate the family's willingness to undertake the obligations which may be imposed by the FSS Contract of Participation including:
 - a) Contacting job training services
 - b) Contacting educational referral services
 - c) Seeking and maintaining employment

B. Participating families in Family Self-Sufficiency will be required to attend at least 2 group activities or meetings for group support, group networking, guest speakers and learning opportunities (e.g. parenting skills, budgeting skills, self esteem enhancement etc.) a year. The family head must seek and maintain employment.

C. The Housing Authority will terminate the family from the FSS Contract of Participation if the head does not seek and maintain employment as specified in the FSS Contract.

Seek employment is defined as:

1. Looking for a job
2. Applying for work
3. Registering with the unemployment office
4. Going on job interviews
5. Following up on employment opportunities

D. The Housing Authority may terminate a family's FSS Contract of Participation if the family moved to a new location and was unable to fulfill its FSS obligations after the move.

The Housing Authority will terminate families from the FSS program if the family does not report all income as required. The Housing Authority will not terminate families from the FSS program if the only FSS Contract violation is noncompliance with their lease.

10.7 EXTENSION OF FSS CONTRACT

The Housing Authority may extend the FSS Contract under the following circumstances:

- A. Circumstances beyond the family's control such as serious illness, involuntary or loss of job.
- B. To allow families to meet the interim goal of remaining off TANF assistance for at least one year before the expiration of the contract.

- C. The Housing Authority will grant extensions in three (3) month increments with review and extensions will not exceed two years.

Termination of employment because of nonperformance by the head of the family will not be justification of a contract extension.

10.8 CONTRACT COMPLIANCE

The Family Self-Sufficiency Specialist or other designated Housing Authority representative will be responsible for evaluating the participating family members' compliance with the Family Self-Sufficiency Contract of Participation, including the Individual Training and Service Plan. When it is determined that the individual family members are not complying with any or all of the Contract of Participation, including the Individual Training and Service Plan, the Housing Authority will provide the family with a written letter advising the participate to contact the FSS Specialist within ten (10) working days.

- A. A follow-up evaluation will be done in 30 calendar days to determine compliance. If compliance is still not met, the Housing Authority will provide the family with a final written Violation Counseling Report again advising them of measures necessary to correct these actions.
- B. A final evaluation will be done in 30 calendar days. If compliance is still not met, the Housing Authority will process the family for termination of the FSS Contract of Participation and notify the coordinating service providers of the family's termination from the Family Self-Sufficiency Program.

10.9 INFORMAL HEARING RIGHTS

Public Housing FSS families are entitled to request an informal hearing for termination of FSS supportive services pursuant to the **Tenant Grievance Procedures outlined in Chapter 7**.

Appendix I—Definition of Terms

Accessible Dwelling Units — When used with respect to the design, construction or alteration of an individual dwelling unit, means that the unit is located on an accessible route, and when designed, constructed, or altered, can be approached, entered, and used by individuals with physical handicaps. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR 8.32 & 40, (the Uniform Federal Accessibility Standards) is “accessible” within the meaning of this paragraph.

Accessible Facility — All or any portion of a facility other than an individual dwelling unit used by individuals with physical handicaps.

Accessible Route — For persons with mobility impairment, continuous, unobstructed paths that comply with space and reach requirements of the Uniform Federal Accessibility Standards (UFAC). For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility.

Adaptability — Ability to change certain elements in a dwelling unit to accommodate the needs of handicapped and non-handicapped persons; or ability to meet the needs of persons with different types and degrees of disability.

Adjusted Income — Annual Income less the allowances as defined in 24 CFR 913.102, as defined as the Annual income minus any HUD allowable expenses and deductions.

Admission — Admission to the program is the effective date of the lease. The point at which a family becomes a resident.

Allocation Plan — The plan submitted by the Housing Authority and approved by HUD under which the Housing Authority is permitted to designate a building, or portion of a building, for occupancy by Elderly Families or Disabled Families.

Annual Income — Income defined in 24 CFR 913.106m is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income which has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.

Applicant (or Applicant family) — A family that has applied for admission to a program, but is not yet a participant in the program.

Assets — Income from assets has always been counted toward the gross annual income of families applying for public housing. However, now, for those families whose assets exceed \$5,000, a comparison must be made between the actual and imputed income from assets. The greater of the two is not added to annual income, and is not only used for the eligibility test, but is

considered with annual income in determining the rent calculation. Therefore, it is important to know what would be counted as an asset and what would not.

Include equity in land, houses, mobile homes, buildings, saving bonds, certificates of deposit, mutual funds, real estate investment trusts, money market funds, stocks, cash, savings accounts, IRA or Keogh accounts, gold or precious metals, business equipment, checking accounts to the degree where they reflect a larger amount than would regularly pass through the account in a month from usual sources of income.

Family assets do not include: furniture, antiques, automobiles, pickup trucks, wheelchairs, or other special equipment for the persons with disabilities, household goods including silver or oriental rugs, appliances, boats, recreational vehicles and campers. Like family composition, both income and assets must be verified.

Auxiliary Aids — Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs **and activities**.

Ceiling Rent — An amount that reflects the reasonable market value of the housing unit, but not less than the sum of the monthly per-unit operating costs and a deposit to a replacement reserve. The family pays the lower of the ceiling rent or the formula tenant rent.

Child — A member of the family, other than the family head or a spouse, who is under 18 years of age.

Child Care Expense — As defined in 24 CFR 913.102, are amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a family member to be gainfully employed or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care, and in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment.

Citizen — A citizen or national of the United States. Documents must be submitted as evidence of citizenship or eligible immigration status.

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

Contract Rent — Contract rent is the actual monthly rent amount charged the resident after the allowable deductions and the utility allowance.

Covered Person — A resident, any member of the resident's household, a guest or another person under the resident's control.

Dependent — As defined in 24 CFR 913.102, is a member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a disabled person or person with disabilities, or is a full-time student.

Designated Family — The category of family for whom the Housing Authority elects to designate a project (e.g. elderly family in a project designated for elderly families) in accordance with the 1992 Housing Act (24 CFR 945.105)

Disability Assistance Expense — Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and/or auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Disabled Family — A family whose head, spouse, or sole member is a person with disabilities, or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled Person —

1. A person who has a disability, as defined in 42 U.S.C. 423, and is determined, under HUD regulations, to have a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.
2. A person who has a developmental disability as defined in 42 U.S.C. 6001.
3. An “individual with handicaps”, as defined in 24 CFR 8.3, for purposes of reasonable accommodation and program accessibility for persons with disabilities.
4. Does not exclude persons who have AIDS or conditions arising from AIDS.
5. Does not include a person whose disability is based solely on any drug or alcohol dependence (for low income housing eligibility purposes).

Disallowance — Exclusion from annual income.

Displaced Family — A family in which each member, or who sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal Disaster relief laws.

Domicile — The legal residence of the household head or spouse as determined in accordance with State and local law.

Drug-related criminal activity — The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug (as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802)).

Drug Trafficking — The illegal manufacture, sale, distribution or the possession with intent to manufacture, sell or distribute a controlled substance (as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802)).

Earned Income Disregard — For qualified families, this excludes earned income of family members who start work or self-sufficiency programs or have increases in employment income. For these families, the increase income is in this ACOP Chapter 3 Section 3.8 for definition Earned Income Disregard qualifying families.

Educational Institution — is defined in Section 351 of the Social Security Handbook as follows:

“A school, college, or university is considered an ‘educational institution’ under the Act if:

1. It is operated or directly supported by the United States, by a state or local government, or by a political subdivision of the government unit.
2. It has been approved by a state-recognized or nationally-recognized accrediting agency.
3. It is unaccredited, but its credits are accepted on transfer by at least three accredited institutions on the same basis as if the credits had been transferred from an accredited institution.”

Under this definition are included public and private high schools, trade or vocational schools, and colleges and universities which meet the requirements of either a, b, or c above.

Elderly Family — A family whose head or spouse or whose sole member is at least 62 years, or two or more persons who are at least 62 years of age or a disabled person. It may include two or more elderly, disabled persons living together or one or more such persons living with one or more live-in aides.

Elderly Person — A person who is at least 62 years old.

Eligible Immigration Status — A non-citizen lawfully admitted to the U.S. either as a permanent or a temporary resident.

Excess Medical Expenses — Any medical expenses incurred by elderly families only in excess of 3% of Annual Income which are not reimbursable from any other source.

Extremely Low-Income Family — A family whose income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the

median income for the area if HUD finds that such variations are necessary because of unusually high or low family income.

Family — Includes but is not limited to:

1. A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);
2. An elderly family;
3. A near-elderly family;
4. A disabled family;
5. A displaced family;
6. The remaining member of a resident family;
7. A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a resident family; and
8. Other persons who live regularly as a part of the family group (including members of the family temporarily absent) whose income and resources are available for use in meeting the living expenses of the group may also be considered as part of a family.

Family of Veteran or Serviceperson — A family is a “family of veteran or serviceperson” when:

The veteran or serviceperson (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.

The veteran or serviceperson, unless deceased, is living with the family or is only temporarily absent unless she/he was (a) formally the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support she/he is legally responsible and the spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that she/he was a family member at the time of hospitalization and there remain in the family at least two related persons.

Family Self-Sufficiency Program (FSS Program) — The program established by a Housing Authority to promote self-sufficiency of assisted families, including the provision of supportive services.

Family Income — Total Gross Family Income means income before deductions from all sources of the head of household, co-head, or spouse, and each additional member of the family residing in the household who is at least 18 years of age, with the exception of full-time students who are not

employed. Total gross family income shall include that portion of the income of the head of household, co-head, or spouse temporarily absent which, in the determination of the Housing Authority, is (or should be) available to meet the family needs.

Total Gross Family Income includes, but is not limited to, the following:

1. The full amount, before any payroll deduction, of wages and salaries, including compensation for overtime and other compensation for personal services (such as commissions, fees, tips and bonuses from anyone 18 years of age or older).
2. Net income from operation of a business or profession. (Expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine net income from a business.)
3. Interest, dividends and net income of any kind from real or personal property.
4. The full amount received from annuities, periodic payments from insurance policies, retirement income, pensions, period benefits for disability or death, and other similar types of periodic receipts.
5. Payments in lieu of earnings such as unemployment and disability compensation, Social Security benefits, Workers' Compensation and dismissal wages.
6. TANF assistance payments.
7. Periodic and determinable allowances, such as alimony and regular contributions of gifts including amounts received from any persons not residing in the dwelling.
8. All regular pay, special payments and allowances (such as longevity, overseas duty, rental allowances, allowances for dependents, etc.) received by a member of the armed forces.
9. Actual income derived from assets valued over \$5,000, or a percentage of the value of assets based on the current passbook savings rate as determined by HUD.

Flat Rent — Rent for a public housing dwelling unit that is based on the market rent. The market rent is the rent charged for comparable units in the private, unassisted rental market at which the Housing Authority could lease the public housing unit after preparation for occupancy.

Foster Child Care Payment — Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

Full-Time Student — A person who is attending school or vocational training on a full time basis (Full-time basis is considered full time for day students under the standards and practices of the educational institution attended.)

Gross Rent (Total Tenant Payment) — The rent as determined by the Housing Authority after the proper deductions have been allowed (e.g., 30% of adjusted income).

Guest — A person temporarily stays in the unit with the consent of a resident or other member of the household who has expressed or implied authority to so consent on behalf of the resident.

Handicapped Assistance Expenses — Anticipated costs for care attendants and auxiliary apparatus for handicapped or disabled family members which enable a family member (including the handicapped family member) to work.

Handicapped Person — [Referred to as a Person with a Disability or Disabled Person]. A person having a physical or mental impairment which is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such a nature that such ability could be improved by more suitable housing conditions.

Head of household — The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

HUD — The Department of Housing and Urban Development or its designee.

Imputed Asset — Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

Imputed Income — HUD passbook rate times the total case value of assets, when assets exceed \$5,000.

Imputed Welfare Income — The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income. This amount is included in family annual income and, therefore, reflected in the family rental contribution based on this income.

Income — Includes all monetary amounts which are received on behalf of the family. For purposes of calculating the Total Tenant Payment (TTP) HUD defines what is to be calculated and what is to be excluded in the federal regulations.

Income-Based Rent — The tenant rent paid to the Housing Authority that is based on family income and the Housing Authority rental policies. The Housing Authority uses a percentage of family income or some other reasonable system to set income-based rents. The Housing Authority has broad flexibility in deciding how to set income-based rent for its tenants. However, the income-based tenant rent plus the Housing Authority's allowance for tenant paid utilities may not exceed the "total tenant payment" as determined by a statutory formula.

Income Deductions — Total Family Income less deductions and allowable exemptions specified below which are anticipated during the 12-month period for which Total Family Income is estimated. Deductions and allowable exemptions include:

1. A deduction for extraordinary medical expenses, defined for this purpose to mean medical expenses in excess of three percent (3%) of the total Family Income, **ONLY IF THE FAMILY QUALIFIES AS AN ELDERLY OR DISABLED FAMILY**, when such expenses are not compensated for or covered by insurance.
2. A family that has an individual member with disabilities or disabled member (other than the head or spouse, may deduct Persons with disabilities assistance expenses in excess of three percent (3%) of Annual Income. This allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the persons with disabilities or disabled person.
3. A deduction of amounts paid by the family for the care of children, including foster children, is available only for dependents that are under the age of 13, and where such care is necessary to further the education of a family member or for the employment of a family member.
4. An exemption of \$480 for each member of the family residing in the household (other than the head or spouse) who is under 18 years of age, or who is a dependent 18 years of age or older and is disabled, persons with disabilities, or a full-time student. No person in the family shall be entitled to more than one exemption.
5. A deduction of \$400 for an Elderly or Disabled Family. (See definition of Elderly or Disabled Families).

Income Exclusions — Annual Income does not include the following:

1. Income from employment of children (including foster children) under the age of 18.
2. Payments received for the care of foster children.
3. Temporary, non-recurring, or sporadic income and amounts which are specifically received for, or are a reimbursement of, the cost of illness or medical care.
4. Lump sum additions to family assets such as, but not necessarily limited to, inheritances, insurance payments, including payments under health and accident insurance and Worker's Compensation, capital gains, lottery proceeds, and settlements for personal or property losses.
5. Amounts of educational scholarships paid directly to the student or to the educational institution and amounts paid by the government to a veteran for use in meeting the cost of tuition, fees, books, supplies and transportations to the extent that such amounts are so used. (Any amounts available for subsistence are to be included in Total Family Income.) This exclusion is applicable to all part-time students and full-time students. Income from student loans, regardless of what such income is used for, is excluded in the computation of the Total Family Income.

6. Relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
7. The value of the coupon allotments for the purchase of food in excess of the amount actually charged an eligible household pursuant to the Food Stamp Act of 1964.
8. Payments received by participants or volunteers in programs pursuant to the Domestic Volunteer Service Act of 1973, National Volunteers Anti-poverty Programs, Vista, Service Learning Programs, University Year for Action, Special Volunteer Programs, National Older American Volunteer Programs, Retired Senior Volunteer Program, Foster Grandparent Program, Older American Community Service Programs, National Volunteer Programs to Assist Small Business and Promote Volunteer Service by Persons with Business Experience, Service Corps of Retired Executives (SCORE), Active Corps of Executive (ACE).

Income of Live-in Persons — Income of persons who “live in” to provide care for a sick or incapacitated family member shall be included if his or her income is available to the family, and if the person is expected to contribute toward the family’s support. In such cases, only that part of their income which is over and above wages paid by the family shall be included. If these wages are deducted by the family as an unusual medical expense, then the entire amount of income of the “live in” caretaker shall be included. In this type of situation, the “live-in” person is entitled to residual rights.

Conversely, if the person is not expected to, and does not, contribute to the family’s support; his or her income should not be counted. However, the Head of the Household must then submit a doctor’s certificate or such other certification as may be deemed necessary stating that this employment is necessary to the care and well-being of the sick or incapacitated family member, or to enable another family member to seek or obtain employment outside the home. If the family pays out of pocket for the care provided, such payments may be deducted as unusual expenses if family qualifies as an elderly family.

Income Targeting — The HUD admissions requirement that Housing Authority’s not admit less than the number required by law of families whose income does not exceed 30% of the area median income in a fiscal year.

INS — The U.S. Immigration and Naturalization Service or its designee.

Landlord — Either the legal owner of the property, or the owner’s representative or managing agent as designated by the owner.

Lease — A written agreement between an owner and an eligible family for the leasing of a 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:

1. Is determined to be essential to the care and well-being of the persons;

2. Is not obligated for the support of the persons; and
3. Would not be living in the unit except to provide the necessary supportive services. (Residents as a Live-In Aide are not automatically excluded. The relative must meet the requirements to qualify and who otherwise would not be living in the unit except to provide necessary supportive services.)

Local Preference — A preference used by the Housing Authority to select among applicant families without regard to their date and time of application.

Lower Income Family — A family whose annual income does not exceed 80% of median income as set by HUD's annual income limits for the area.

Market Rent — The rent HUD authorizes the owner of Housing Authority insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Public Housing Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Public Housing Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

Medical Expenses — Those total medical expenses anticipated during the period for which Annual Income is computed, and which are not covered by insurance. (Only Elderly Families qualify) The allowances are applied when medical expenses exceed 3% of Annual Income.

Military or Naval Services of the United States — Military or Naval Services of the United States means only the Army, Navy, Air Force, Marine Corps, and Coast Guard. Such service does not include Merchant Marine, Red Cross, or any other organization not actually part of the Military Naval Services of the United States.

Minimum Rent — Minimum Total Tenant Payment (TTP) and not a minimum Tenant Rent (TR). The Housing Authority has established \$50 as a minimum rent amount. A family paying its own utilities would be entitled to a utility allowance deduction only if the Utility Allowance were greater than \$50.

Minor — A person less than 18 years of age, except that a family head or spouse shall not be considered a minor. (An unborn child shall not count as a minor.)

Mixed Family — A family whose members include those with and/or without citizenship or eligible immigration status.

Monthly Adjusted Income — One-twelfth of Adjusted Income.

Monthly Income — One-twelfth of Annual Income.

National — A person who owes permanent allegiance to the United States; for example, as a result of birth in a United States territory or possession.

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

Net Family Assets — The net cash value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition.

Non-citizen — A person who is neither a citizen nor national of the United States.

Non-citizen Student Family — A non-citizen student who is admitted to the U.S. solely for the purpose of attending school. It includes the non-citizen spouse and children (regardless of the citizenship status of the children).

Non-contending Member — Individuals who do not contend that they have eligible status. If one or more members of family elect not to contend that he/she has eligible immigration status and other members of the family establish their citizenship or eligible immigration status, the family may be considered for assistance. The family must identify to the Housing Authority the family member(s) who will elect not to contend that he/she has eligible immigration status.

Occupancy Standards — [Now referred to as Subsidy Standards]—Standards established by a Housing Authority to determine the appropriate number of bedrooms for families of different sizes and compositions.

Participant — A family that has been admitted to the Housing Authority program, and is currently assisted in the program.

Person with Disabilities—See definition for Disabled Person.

Premises — The building or complex in which the dwelling unit is located including common areas and grounds.

Previously Unemployed — Includes a person who has earned, in the twelve months previous to employment no more that would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

Pro-rated Assistance — Assistance based upon the number of family members with eligible immigration status (i.e., given 2 families with equal members, a family with more eligible members would receive more assistance than a family with less eligible members).

Public Assistance — TANF or other payments to families or individuals based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

Public Housing Authority or Public Housing Agency (Housing Authority) — A state, county, municipality, or other governmental entity or public body authorized to administer and operate

Public Housing programs. The term “Housing Authority” includes an Indian housing authority (IHA).

Qualified Family — A family residing 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 increased earnings by a family member during participation in any economic self-sufficiency or on the job training program; or 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 the Housing Authority in consultation with the local TANF agency and Welfare to Work programs. TANF includes income, benefits and services such as one time payments, wage subsidies and transportation assistance, as long as the total amount over a six (6) month period is at least \$500.

Quality Housing and Work Responsibility Act of 1998 (QHWRA) — The Act which amended the U.S. Housing Act of 1937 and is known as the Public Housing Reform Bill. The Act is directed at revitalizing and improving HUD’s Public Housing and Public Housing assistance programs.

Recertification — Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if no interim changes are reported by the family.

Remaining Member of Tenant Family — Person left in assisted housing after other family members have left and become unassisted.

Resident — An individual or a family renting and occupying a public housing dwelling unit.

Residency Preference — A local preference for admission of persons who reside in a specified geographic area.

Residual Member of a Resident Family — An individual remaining in a unit when other member(s) of the family have moved or deceased, unless this individual was an unrelated member of the former, or who was necessary to care for the well-being of an elderly, disabled or persons with disabilities, head of household, co-head, or spouse, and whose income was not counted for eligibility purposes. The remaining member must have been included as a member of the family on the most recent certification. This designation applies more for continued occupancy than for eligibility.

Responsible Entity — For the public housing, Public Housing tenant-based assistance, project-based certificate assistance and moderate rehabilitation program, the responsible entity means the Housing Authority administering the program under an ACC with HUD. For use in the Non-citizens rule, a person or entity responsible for administering the restrictions on providing assistance to non-citizens with ineligible immigration status (the Housing Authority).

Security Deposit — A dollar amount which can be collected from the family by the owner upon termination of the lease and applied to unpaid rent, damages or other amounts owed to the owner under the lease according to State or local law.

Section 214 — Section 214 restricts HUD from making financial assistance available for non-citizens unless they meet one of the categories of eligible immigration status specified in Section 214.

Serviceperson — A person in the active military or naval service (including the active reserve) of the United States.

Single Person — A person living alone or intending to live alone who is not disabled, elderly, or displaced, or the remaining member of a tenant family.

Specified Welfare Benefit Reduction — Those reductions of welfare agency benefits (for a covered family) that may not result in a reduction of the family rental contribution. “Specified welfare benefit reduction” means a reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

Spouse — The marriage partner, either husband or wife, of the head of household. This marriage partner is someone who you need to divorce in order to dissolve the relationship. It does include the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or “co-heads”. “Co-head” is a term recognized by some HUD programs, but not by public and Indian housing programs.

Subsidized Project — A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which received the benefit in the form of:

1. Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or
2. Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or
3. Direct loans pursuant to Section 202 of the Housing Act of 1959; or
4. Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;
5. Payments under the Public Housing Assistance Payments Program pursuant to Public Housing of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Housing Authority;
6. A Public Housing Project.

Subsidy Standards — Standards established by a Housing Authority to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Tenant—(Synonymous with Resident) — The person or persons who executes the lease as lessee of the dwelling unit.

Tenant Rent — The amount payable monthly by the family as rent for the unit to the Housing Authority.

Total Tenant Payment (TTP) — The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

Unit/Housing Unit — Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero bedrooms to six bedrooms.

Utilities — Utilities are defined as water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

Utility Allowance — The Housing Authority’s estimate of the average monthly utility bills for an energy-conscious household. If all utilities are included in the rent, there is no utility allowance. The utility allowance will vary by unit size and type of utilities.

Utility Reimbursement Payment — The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

Very Low Income Family — A Low-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

Veteran — A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released there from under conditions other than dishonorable.

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 — A list of families organized according to HUD regulations and Housing Authority policy that are waiting for subsidy to become available.

Welfare Assistance — Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state, or local governments. “Welfare assistance” means income assistance from Federal or State welfare programs, and includes only cash maintenance payments designed to meet a family’s ongoing basic needs. The definition borrows from the Department of Health and Human Services’ TANF definition of

“assistance” and excludes nonrecurring short-term benefits designed to address individual crisis situations. For FSS purposes, the following do not constitute welfare assistance: food stamps; emergency rental and utilities assistance; and SSI, SSDI and Social Security.

Appendix II—Schedule of Income Limits [Effective January 28, 2004]

FAMILY SIZE	EXTREMELY-LOW INCOME (30% OF MEDIAN)	VERY-LOW INCOME (50% OF MEDIAN)	LOW INCOME (80% OF MEDIAN)
1	11,550	19,300	30,850
2	13,200	22,050	35,250
3	14,900	24,800	39,650
4	16,500	27,550	44,100
5	17,850	29,750	47,600
6	19,150	31,950	51,150
7	20,500	34,150	54,650
8	21,800	36,350	58,200
9	23,150	38,550	61,750
10	24,500	40,750	65,250
11	25,800	42,950	68,800
12	27,150	45,200	72,300

Appendix III—Guidelines for Determining Bedroom Size

NUMBER OF BEDROOMS	NUMBER OF PERSONS IN HOUSEHOLD	
	MINIMUM	MAXIMUM
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8
5	6	10

To avoid overcrowding and to assist as many families as possible, available housing units shall be issued in accordance with the occupancy standards set forth as follows:

- 1) Minimum and maximum standards may be adjusted based on unit design, to make temporary use of available units or to accommodate the medical needs of the family.
- 2) Dwelling units will be assigned so as not to require the use of the living room for sleeping, except in studio units.
- 3) Every family member is to be counted as a person in considering the appropriate bedroom size.
- 4) Families may have foster children or foster adults live with them if it would not result in overcrowding. Foster persons are counted for occupancy standards if they will be in the unit for more than 12 months, but do not qualify for the \$480 dependent allowance. Foster children are qualified in the deductions for reasonable child care expenses as long as the other eligibility criteria are met.
- 5) In the assignment of dwelling units, the Housing Authority will consider and advise the applicant or resident of the following guidelines:
 - a) No more than two persons would be required to occupy a bedroom.
 - b) Persons of different generations, persons of the opposite sex (other than spouse) and unrelated adults would not be required to share a bedroom.
 - c) Children, with the possible exception of infants, would not be required to share a bedroom with persons of different generations, including their parents over 4 years of age.

- d) In no event may any single person (who is not 62 years old or older, disabled, persons with disabilities, or the remaining member of resident family) be provided a housing unit with two bedrooms or more.
- e) If a single parent is pregnant, the unborn child will be counted as a person in considering the appropriate bedroom size. Third-party verification may be required to be provided by the applicant if the Housing Authority feels it is necessary. No allowance will be given for the unborn child and the income limit for one-person family is used.
- f) Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.
- g) Space may be provided for a child who is away at school but who lives with the family during school recesses.
- h) Space will not be provided for a family member who will be absent most of the time, such as a member who is away in the military.
- i) Single person families shall be allocated one bedroom.
- j) The living room will not be used as a bedroom.

See **Chapter 3, Section 3.2 Dwelling Occupancy Standards and Time of Selection**

Appendix IV—Schedule of Utility Allowance [Effective April 1, 2001]

Bedroom Size	New Amount	Old Amount
1	85	68
2	96	78
3	116	95
4	129	108
5	146	128

Appendix V—Schedule of Flat Rents [Effective February 1, 2001]

DEVELOPMENT	1 BR	2BR	3BR	4BR	5BR
Sierra Vista Duplex		\$451	\$534	\$617	\$700
Sierra Vista Quad		\$451	\$534	\$617	
Sierra Vista Triplex		\$451	\$534		
Conway Duplex (24-4)		\$451	\$534	\$617	
Conway Duplex (24-6)		\$451			
Tracy Duplex	\$368	\$451	\$534	\$617	
Tracy Quad		\$408			
Tracy Triplex	\$350	\$429			
Conway SF			\$731	\$856	\$981
Tracy SF			\$682	\$788	\$927
Thornton			\$718	\$829	

Appendix VI—Schedule of Maximum Rents [Effective September 10, 2002]

(For Use with Non-Citizen/Mixed Families)

Bedroom Size	Maximum Rent
1	\$506
2	\$595
3	\$744
4	\$833
5	\$958

Appendix VII—Schedule of Maintenance Charges

In an effort to keep costs in check and to continue to provide necessary services to our tenants, the following are the schedules and charges for Curbside Pickup, Services and Repairs, Items Purchased for Resale, Dwelling Equipment Replacement Costs, and Material Costs for tenant repairs:

A. Curbside Pick-up:

Trash and lawn clippings will be picked up on (Site schedule) only! All trash and lawn clippings must be in bags or boxes and set on the curb by 7:00 a.m., or charges will be made.

Large items should not be placed at the curb. Please call the office to arrange for these items to be picked up. The following are charges that represent the new dumping fees:

Refrigerators	\$37.50	Mattresses	\$15.00
Hide-a-beds	\$25.00	Box Springs	\$15.00
Couches	\$20.00	Dressers	\$15.00
Dryers	\$20.00	Love Seats	\$15.00
Washing Machines	\$20.00	TV's	\$25.00
Small Chairs	\$15.00	Misc. Items	\$12.50
Tires	\$ 3.00 (each)	Computer Monitor	\$25.00

THE FOLLOWING WILL NOT BE PICKED UP: Paint, oil, insecticides, batteries or hazardous waste. Call 1-800-449-4840 for dates/locations to dispose of these items.

B. Services and Repairs:

Charges will be assessed for services and repairs which are caused beyond normal wear and tear. Other than the standard charges shown, all charges for services and repairs will be based on the actual cost of materials plus labor including overhead, at the rates listed below. All labor will be charged to the nearest 15 minutes, subject to a minimum service charge for work performed, with the exception of fluorescent lights.

1. ALL OTHER CHARGES:

Materials: Based on actual current costs. (A listing is located in the site office)

Labor: Based on the following rates, subject to the minimum service charges listed.

2. DURING REGULAR WORKING HOURS:

Minimum Service Charged: For work performed for the first 30 minutes or less.

<u>Type of Service</u>	<u>Minimum</u>	<u>Charges 45</u>	<u>Min 1 Hour</u>	<u>% Increase</u>
Building Maintenance	\$13.25	\$19.89	\$26.52	6.6%
Grounds/Custodial	\$11.03	\$16.55	\$22.06	6.6%

3. AFTER REGULAR WORK HOURS, SATURDAYS, SUNDAYS, AND HOLIDAYS:

Minimum Service Charge: For work performed for the first hour or less.

Type of Service	Minimum Charge	Each Additional 30 min.	% Increase
Building Maintenance	\$53.04	\$26.52	6.6%
Grounds/Custodial	\$44.12	\$22.06	6.6%

ALL CHARGES FOR SERVICE AND REPAIRS WILL BE DUE AND PAYABLE ON THE FIRST DAY OF THE SECOND MONTH FOLLOWING THE MONTH IN WHICH THE CHARGE IS ASSESSED.

C. Items Purchased for Resale:

COST OF TENANTS FOR ITEMS PURCHASED FOR RESALE TO TENANTS (actual cost plus 10% handling charge)

ITEM	PRICE	% INCREASE
Fluorescent Lights	\$ 1.00	
Batteries for Smoke Alarms	\$ 1.98	

D. Dwelling Equipment Replacement Costs:

Charges to residents for dwelling equipment replaced due to loss through theft, damage or causes other than normal wear and tear shall be made on the following basis:

Age of the Dwelling Equipment:

DESCRIPTION	1-2 YEARS	3-5 YEARS	6-10 YEARS	OVER 10 YEARS
Appliances	Full Cost	80%	50%	\$35.00

E. Materials Cost for Tenant Repairs:

ITEM	PRICE	ITEM	PRICE
Angle Stop Chrome	\$ 3.92	Locks—Entry	\$ 20.90
Ball Glass only—4” opal	\$ 4.69	Locks—Passage	\$ 9.30
Ballast—Kitchen	\$ 15.28	Locks—Privacy	\$ 10.55
Batteries—9 volt	\$ 1.98	Medicine Cabinet	\$ 31.50
Bedroom—Glass only	\$ 5.65	Mirror Glass 16x20	\$ 14.16
Bolt Latch	\$ 3.49	Peep Hole Viewer	\$ 8.05
Cabinet Cutting Boards 13x24	\$ 24.25	Plastic Rollers	\$.29
Cabinet Drawer Knobs—1/12” Chrome	\$.99	Plastic Shelter	\$ 4.20
Cabinet Drawer Pull—4” Chrome	\$ 1.30	Plexi-Glass—Kitchen—2x4	\$ 13.75
Cabinet Drawer Slide & Rollers/Set	\$ 5.30	Porch Halogen Bulb	\$ 12.00*
Cabinet Hinges—3/8” Insert	\$ 2.94	Porch Light Fixture	\$ 9.10
Cabinet Hinges—Flush	\$ 2.99	Porch Light—Glass only	\$ 5.18
Cabinet Roller Catch	\$.85	P-trap—PVC White	\$ 1.69
Cabinet-End Cap—R.L/pr.	\$ 11.21	Receptacle Cover-Outdoor-Duplex	\$ 3.20
Ceiling Light Fixture-Bathroom-Round	\$ 21.25	Rubber Flapper-Fit all	\$ 2.89
Closet Bolt & Washers—1/4” x 2 x 1/2”	\$ 1.77	Safety Grab Bar 16”	\$ 19.90
Closet Door Pull—2 1/8”/Set	\$ 2.15	Screen Door Closer	\$ 5.99
Closet Door Rollers	\$.96	Screen Materials/Sq. Ft.	\$ 3.29
Closet Floor Guides	\$ 1.66	Shower Curtain—Vinyl—Wax Seal	\$ 15.89
Closet Pole Round (Hardwood)/Ft.	\$ 1.05	Shower Curtain Rings/Package	\$.91
Closet Pole Sockets	\$ 1.09	Shower Head	\$ 6.90
Closet Support Shelf	\$ 2.66	Shower Rod—60”	\$ 3.71
Closet Towel Bar—5/8” Sq. x 18”	\$ 1.48	Shower Rod Ends	\$ 2.49
Closet Tracks	\$ 5.43	Smoke Alarm/Battery (Plus \$13.25 min.)	\$ 6.30**
Curtain Rod—28 x 48 x 4 1/2	\$ 2.96*	Smoke Alarm/Wired	\$ 7.13
Curtain Rod—48 x 86 x 2 1/2	\$ 3.25*	Strainer Assembly Kit	\$ 9.82
Curtain Rod—48 x 86 x 4 1/2	\$ 3.94*	Strainer Basket Kit Only	\$ 2.34
Door—Bedroom H/C	\$ 40.10**	Strikes Plate	\$ 2.95
Door—Closet H/C	\$ 39.10	Switch Receptacle	\$ 6.85
Door—Security 32” R/L/H.C.	\$134.68	Tank Lever	\$ 2.17
Door—Security 36” R/L/H.C.	\$134.68	Tank to Bowl Bolt	\$ 4.58
Door Casing (2-1/2”)	\$ 5.95	Telephone Wall Jack Kit	\$ 2.49
Door Chain—Protection	\$ 3.05	Thresholds	\$ 13.00
Door Entry—Wood 32”	\$ 66.60	Toilet Ball Cock	\$ 15.81
Door Jam Trim—Door Sweep	\$ 14.00	Toilet Flex Lines—9”	\$ 2.85
Door Panel—Wood 35”	\$ 68.84	Toilet Roller Set/Chrome	\$ 4.25
Door Stop—Floor	\$ 4.55	Toilet Seal—Wax	\$ 1.79
Door Stop	\$.95	Toilet Set Elbows/Seat flongs	\$ 12.84
Door—Patio 30”	\$ 47.52	Toilet Tank Lids	\$ 26.38
Double Switch	\$ 5.25	Towel Bar Ends 5/8” or 3/4” Set	\$ 4.18
Drip Cap	\$ 7.85	Thermostat—Heat/Cool Wall (Plus \$13.25 min.)	\$ 21.68**
Duplex Receptacle	\$ 3.00	Wall Fixture—Bathroom 14”	\$ 15.79
Faucet Flex Lines 24”	\$ 2.91	Wall Fixture—Hallway 7”	\$ 10.50
Faucet Flex Lines 30”	\$ 3.92	Wall Glass Only—7 “	\$ 15.28
Fire Extinguisher	\$ 26.12	Wall Glass Only—14”	\$ 8.18
Fluorescent Light—Bathroom	\$ 2.52*	Wall Plate	\$.29
Fluorescent Tubes—34 Watt-48”—Kitchen	\$ 1.79*	Wall Protector—3 1/4”	\$ 1.78
G.F.C.I. Ground Fault	\$ 12.75	Wall Protector—5 1/2”	\$ 1.98
Globe Light Kit	\$ 9.75	Weather Stripping/Set	\$ 10.44
Hallway Threaded Glass—Opal	\$ 6.94	Window—Sliding Latch (1 lock)	\$ 3.91
House Number (Big)	\$ 2.10	Window—Drape—5 ‘	\$ 50.87
Kitchen Countertop/Linear Ft.	\$ 13.50	Window Glass/Sq. Ft.	\$ 3.25
Light Bulbs—60 watt	\$ 1.00*	Window Screen/Labor/hr.	\$ 11.65
Light Switch	\$ 1.88	Window Shade—37—1/4” x 6’	\$ 7.21
Lock—Windows & Thumbscrew w/Bolts	\$ 2.50	Window Shade—46—1/4” x 6’	\$ 8.68
Locks—Deadbolt Catch	\$ 5.26	Window Shade—55—1/4” x 6’	\$ 9.87
Locks-Deadbolt	\$ 17.38**	Window Shade—73—1/4” x 6’	\$ 17.06

*Indicates Price Change **Plus Labor

Effective February 1, 2002

Appendix VIII—Pet Ownership Policy [24 CFR 5.390]

The following rules are established to govern the keeping of a pet in or on properties owned and operated by the Housing Authority. In accordance with Federal regulations, these rules do not apply to animals that are used to assist the handicapped, nor small caged pets, such as, hamsters, turtles, birds, fish, etc. Permitted pets are domesticated dogs and cats only.

The pet must be pre-approved and registered with the Housing Authority. Residents must receive written permission to keep the pet on or about the premises. Visiting pets are not allowed. A picture of the pet will be kept in resident's file for proper identification. This privilege may be revoked at any time subject to the Housing Authority grievance procedure, if the pet becomes destructive or a nuisance to others, or if the resident/owner fails to comply with any one of the following:

1. Limit one (1) pet of either type per household (subject to the reasonable requirements set forth in the Pet Ownership Policy Addendum to the rental agreement).
2. The only permitted pet is a domesticated dog or cat, no livestock are permitted. The following breeds of dogs are prohibited: pit bulls, miniature Dobermans, bulldogs and Rottweilers. The pet shall be limited to a small breed, weighing less than 20 pounds at adulthood. The only exception to this rule is a service animal, as defined in Senate Bill No. 2046 that is utilized by a physically handicapped resident.
3. Dogs are to be licensed yearly with the proper authorities. A pet license should be visible at all times. Dogs and cats are to be vaccinated yearly for distemper and dogs must have a rabies booster. Proof of current licensing and vaccination shall be provided by resident on a yearly basis during resident's Re-examination for Eligibility of Continued Occupancy.
4. All cats and dogs are to be spayed or neutered before they reach six (6) months of age. If a female pet is not spayed and has offspring, resident will be in violation of this rule.
5. No pet may be kept in violation of humane or health laws.
6. A dog must be on a leash attended by the resident if outside the resident's unit. A cat must be kept indoors, unless being transported in a secured carrier. Cats and dogs are required to wear collars with identification of the owner at all times.
7. A cat is to use a litter box kept inside the resident's unit. Resident is not allowed to let waste accumulate. Waste is to be placed in a plastic bag, closed and disposed of properly.
8. Residents are responsible for promptly cleaning up their pet's droppings, and properly disposing of said droppings. Residents are also responsible for maintaining small caged animals, as referenced in the first paragraph, in a clean and sanitary environment.

9. Resident shall take adequate precautions to eliminate any pet odors within or around unit and maintain unit in a sanitary condition at all time.
10. Pets are to be kept flea, tick and lice free at all times. Residents will be responsible for flea and tick eradication in the event of infestation.
11. Resident shall not permit any disturbance by their pet which would interfere with the quiet enjoyment of other residents; whether by loud barking, howling, biting, scratching, chirping, or other such activities.
12. If a pet is left unattended for twenty-four (24) hours or more, the Housing Authority may enter the dwelling to remove the pet and transfer it to the proper authorities subject to the provisions of Section 1954 of the California Civil Code or Penal Code Section 597. The Housing Authority accepts no responsibility for the pet under such circumstances.
13. Residents shall not alter their unit, patio, or unit area to create an enclosure for an animal. No pet shelters shall be permitted outside the dwelling.
14. Resident is responsible for all damages caused by their pet.
15. Residents are prohibited from feeding stray animals. The feeding of stray animals shall constitute having a pet without permission of the Housing Authority.
16. Housing Authority Pet sign must be displayed at dwelling as to notify Housing Authority staff before entry.
17. Resident shall pay a \$200.00 (per pet) on or prior to the date the pet is properly registered with the Housing Authority and brought into their unit, (\$100.00 of which is a non-refundable fee) and; \$100.00 (per pet) if the resident is elderly (\$50.00 of which is a non-refundable fee).

NOTE: Resident's who own a pet and are physically handicapped as defined in Sections 54.1 and 54.2 of the California Revenue and Taxation Code, are not required to pay a pet deposit. All other provisions of the Pet Policy are applicable for keeping a pet on the premises.

18. Residents who violate these rules are subject to: (a) being required to remove the pet from the dwelling within thirty (30) days of notice by the Housing Authority; and/or (b) eviction.

I have read and understand the above regulations regarding pets and agree to conform to same.

Printed Resident Name

Date

Resident Signature

PET OWNERSHIP AGREEMENT
(Please complete a form for each pet)
ADDENDUM TO LEASE FOR PETS

This Addendum to Lease constitutes part of the Resident Dwelling Lease Agreement dated as of _____, between the Housing Authority of the County of San Joaquin, [as MANAGEMENT], and _____, [as RESIDENT(s)], residing at _____. The terms of the Addendum are incorporated in the Lease for all purposes. All capitalized terms not otherwise defined in this Addendum are defined by the terms of the Lease.

By my/our signature below, I/we hereby agree to abide by the attached "Pet Ownership Policy", to keep only pet(s) permitted by the Housing Authority and described below in my/our dwelling unit. I/We will hold the Housing Authority harmless in the event of any claim for liability that may arise from my/our keeping such pet(s).

Pet Owner's Name: _____

Pet Owner's Address: _____

Home Phone Number: _____ Work Phone Number: _____

Pet's Name: _____

Type or Breed: _____

Spayed or Neutered: _____

License or ID Number: _____

Veterinarian Utilized: _____

Address: _____ Phone Number: _____

Emergency Caregiver for the Pet: _____

Address: _____ Phone Number: _____

I have read and understand the rules governing pet ownership in the Housing Authority owned developments. I and all members of my household will fully comply.

Signature of Pet Owner: _____ Date: _____

Printed Name of Pet Owner: _____

Approved by: _____ Date: _____

Please attach the following to this form:

- 1) Picture of the Pet**
- 2) Rabies Certification**
- 3) Certification of Weight (now & approximate weight when full grown)**

Appendix IX—Resident Dwelling Lease Agreement

NAME OF RESIDENT(S)	NO. PERSONS	BEDROOMS
ADDRESS	EFFECTIVE DATE	MONTHLY RENT

The HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN (hereinafter “MANAGEMENT”), relying upon the written statements made in the RESIDENT’S application for housing which is hereby incorporated in and made a part of this lease, does hereby lease to

(hereinafter “RESIDENT”)

The address as generally described above (hereinafter the “dwelling unit”), under terms and conditions stated below:

1. **TERMS OF LEASE:** This lease shall be for a period of twelve months.
2. **RENEWAL OF LEASE: AUTOMATIC RENEWAL OF LEASE AND MONTHLY RENT:** THIS LEASE SHALL BE AUTOMATICALLY RENEWED FOR SUCCESSIVE TERMS OF TWELVE MONTHS, AT THE RENTAL OF \$ PER MONTH, OR AT SUCH RENTAL AS MAY HEREAFTER BE ESTABLISHED IN ACCORDANCE WITH PARAGRAPH 8 PAGE 2 OF THIS LEASE. AS A FURTHER CONDITION TO RENEWAL OF LEASE, RESIDENT MUST COMPLY WITH THE COMMUNITY SERVICE REQUIREMENTS AS MORE FULLY DESCRIBED HEREIN. THERE IS AN EXCEPTION TO THE AUTOMATIC RENEWAL OF THE LEASE FOR NONCOMPLIANCE WITH COMMUNITY SERVICE MONTHLY REQUIREMENTS. RENT IS PAYABLE IN ADVANCE ON THE FIRST DAY OF EACH CALENDAR MONTH UNLESS TERMINATED BY EITHER PARTY AS HEREIN PROVIDED.
3. **MEMBERS OF HOUSEHOLD:** This agreement is between RESIDENT(S) and MANAGEMENT. Occupancy under this lease is limited to the RESIDENT(S) named above and the following members of the household:
4. **RENTAL PAYMENTS:**
 - a. The monthly rental amount is \$ subject to the utility cost provisions in Paragraph 6 and shall be due and payable in advance on or before the first day of each month, beginning on the month following the date of this Lease.
 - b. Rent for the initial period under this Lease in the amount of \$ due and payable at the time this Lease is executed. Thereafter, the RESIDENT shall pay the full month’s

rental as provided above on the first day of each month. RESIDENT shall be personally responsible for rent payments which are due.

- c. LATE FEE – A late fee of \$20.00 (will be charged if rent is not paid by the 5th working day of each month. (*excluding weekends and holidays*) RESIDENT agrees that this Late Fee, which shall be considered “additional rent”, does not establish a grace period, is reasonable and is to reimburse MANAGEMENT for the administrative costs and expenses when the rent is not received on or before the first of each calendar month. As required by law, RESIDENT is hereby notified that a negative credit report reflecting upon the RESIDENT’S credit record may be submitted to a credit reporting agency if RESIDENT fails to pay rent on time at Managements discretion.
- d. In the event this Lease is terminated by RESIDENT as set forth in Paragraph 19 any rents paid or due shall be pro-rated daily after the date of expiration of the thirty (30) day notice period. In the event RESIDENT vacates without notice, he shall be charged with rent for the thirty (30) days after MANAGEMENT learns of the vacate. Rental credits or charges shall be based upon a uniform thirty (30) day month. This rent will remain in effect unless adjusted in accordance with the provisions of Paragraph 8 and/or 9.
- e. IT IS EXPRESSLY UNDERSTOOD AND AGREED that in the event the RESIDENT is transferring from another MANAGEMENT –operated dwelling unit, payment of any unpaid balance due under the previous lease shall become a part of the consideration for this Lease.

5. SECURITY DEPOSIT:

- a. Upon signing of this lease agreement, and in addition to the monthly rental payments required in Paragraph 4, the RESIDENT agrees to pay MANAGEMENT the sum of **\$ 300.00** as a security deposit. Upon termination of this lease, RESIDENT may request a move-out inspection if that request is made in writing and within 48 hours of the termination. The security deposit money may be applied by MANAGEMENT at the termination of this Lease toward:
 - 1. The cost of repairing any damage to the premises beyond ordinary wear and tear of the premises; and
 - 2. The cost of cleaning of the premises; and
 - 3. Any rent or other charges owed by RESIDENT.
- b. The security deposit may not be used to pay rent or other charges while RESIDENT occupies the dwelling unit.
- c. MANAGEMENT shall hold the security deposit in trust for RESIDENT during the term of this Lease. RESIDENT agrees that MANAGEMENT may use any interest earned on

the security deposit for RESIDENT services and activities and RESIDENT agrees to waive any right to claim a refund of such interest.

- 6. UTILITIES: Subject to the provisions of subparagraph 6.a hereof, the monthly dwelling rent includes the following utilities (if checked):

Gas () Electricity () Cable or TV Service ()
Water (x) Sewer (x) Refuse collection (x)

- a. In accordance with the Schedule of Utility Allowances in the STATEMENT OF POLICIES posted in MANAGEMENT’S office, RESIDENT agrees to pay for the excess use of utilities of such allowances. Excess utility bills shall become due and payable 14 days from written notice by MANAGEMENT to the RESIDENT or upon completion of the Grievance process, if timely requested. Said Notice shall provide that the RESIDENT has the right to ask for an explanation of the charges and, if RESIDENT does not agree with the explanation, the RESIDENT shall have the right to request a hearing under MANAGEMENT’S Grievance Procedure.

Excess Utility bills shall be included with the rental statements and shall constitute additional rent which are payable on the 5th working day (excluding weekends and holidays) of the following month upon receipt of statement from Management.

- b. RESIDENT agrees to maintain all other listed utility services which are not provided by MANAGEMENT during the entire term of this Lease. RESIDENT agrees to promptly pay for all such utilities furnished to the premises.

- 7. MAINTENANCE AND REPAIR CHARGES: RESIDENT shall keep and maintain the premises in a clean and good condition and shall not cause or permit any garbage, rubbish or debris to accumulate therein or upon the grounds surrounding the premises and shall not place or construct any structure or improvement of any kind whatsoever upon the building or grounds consisting of the premises or grounds surrounding the premises.

RESIDENT shall use reasonable care to keep his dwelling unit in such condition as to prevent health or sanitation problems from arising. RESIDENT shall immediately notify MANAGEMENT promptly of known need for repairs to his dwelling unit, and of known unsafe conditions in or about the dwelling unit, the common areas, and the grounds of the project which may lead to damage or injury.

RESIDENT shall pay MANAGEMENT for repairs and replacements beyond those made necessary by ordinary wear and tear, and for all cleaning made necessary by the acts or neglect of RESIDENT, members of the household, invitees, or guests, for failure to maintain fully the grounds assigned to RESIDENT for maintenance, for services in connection with lock-outs, pick-up of tools or garbage and for any services which are rendered for RESIDENT and not otherwise expressly provided for under the terms of this Lease.

MANAGEMENT shall make all necessary repairs, alterations, and improvements to the dwelling unit as promptly as possible and give special attention to cases involving damage affecting health or safety. The RESIDENT does hereby waive all rights to make repairs upon the Premises at the expense of MANAGEMENT, excepting only, and to the extent only, as expressly permitted by Section 1942 of the Civil Code of the State of California.

If MANAGEMENT uses an outside contractor to make repairs, the basis for charges to the RESIDENT shall be the bill submitted to MANAGEMENT plus a reasonable overhead as determined from time to time. If MANAGEMENT employees do the repair work, the basis for the charges to the RESIDENT shall be the Schedule of Charges for Services and Repairs maintained by MANAGEMENT. Said Schedule of Charges for Services and Repairs are posted in MANAGEMENT'S office and may be obtained upon request by the RESIDENT. Maintenance and repair charge bills shall become due and payable 14 days from written notice by MANAGEMENT to the RESIDENT, or upon completion of the Grievance process, if timely requested. Said notice shall provide that RESIDENT has the right to ask for an explanation of the charges and, if RESIDENT does not agree with the explanation, the RESIDENT shall have the right to request a hearing under MANAGEMENT'S Grievance Procedure.

RESIDENT is responsible for an operational, working smoke alarm in the dwelling unit. The lease may be terminated if the RESIDENT, RESIDENT'S or any guest or invitee removes, disconnects or unwires any smoke alarm.

8. ANNUAL REDETERMINATION OF RENT, DWELLING SIZE, AND ELIGIBILITY:

- a. RESIDENT shall have his/her choice of any applicable rent determination process as then available, and which presently include either the "Flat Rent" or "Income Based Rents".
- b. At least once each year RESIDENT agrees in a timely manner to furnish accurate and conclusive information as requested by MANAGEMENT about income, employment, and members of the family for use by MANAGEMENT in determining whether the rental amount should be changed, whether the dwelling size is still appropriate for RESIDENT'S needs, and whether RESIDENT is still eligible for low-rent housing. This determination shall be made in accordance with the provisions set forth in MANAGEMENT'S Statement of Policies governing leasing and occupancy posted in MANAGEMENT'S office.
- c. If the "Flat Rent" is chosen as a rent determination process, MANAGEMENT'S review of income and employment will only be completed once every 36 months. RESIDENT must, within ten (10) days, inform MANAGEMENT of any additions of a minor to the family composition. RESIDENT must request, in writing and in advance, for the addition of an adult to the family composition.

- d. Any change in rent required as a result of this redetermination shall be made effective the first of the month following the date of the re-examination.
- e. When a re-examination is completed, MANAGEMENT will, if necessary, prepare and execute a new lease or mail a written “Notice of Review Determination” to the RESIDENT showing the change in the amount of monthly rent including the amount of retroactive rent (determined in accordance with paragraph 10) due, if any, resulting from such re-examination or redetermination. The RESIDENT agrees to accept and execute such “Notice of Review Determination: as an amendment to this Lease.
- f. Should MANAGEMENT determine that a rent change (other than a utility allowance change) is necessary, RESIDENT shall have the right to an explanation of these changes. If RESIDENT does not agree with the explanation, the RESIDENT shall have the right to request a hearing under MANAGEMENT’S Grievance Procedure.
- g. Rents will not be reduced if Welfare Assistance (TANF) is reduced due to:
 - a. Fraud;
 - b. Failure to participate in economic self sufficiency programs or;
 - c. Failure to comply with work activities required.
- h. Community Service – All adults residents (18 and over) must:
 - a. Contribute 8 hours per month of community service or;
 - b. Participate in an economic self-sufficiency program for 8 hours per month.The exceptions of this Community Service requirement and condition to this lease are where RESIDENT is:
 - a. Elderly;
 - b. Blind or disabled defined under law and who are unable to comply with the community service requirement, or;
 - c. Caretaker or such an individual;
 - d. Working/ exempted from work by State; and
 - e. Receiving TANF and not in noncompliance with State or TANF requirements.

9. REPORTING INTERIM CHANGES IN INCOME AND FAMILY COMPOSITION:

- a. The RESIDENT agrees as an express condition to this lease, to report the following changes in family circumstances within ten (10) days of the change:
 - 1. A loss or addition to the family through marriage reconciliation, divorce, permanent separation, birth, death, desertion, or any other continuing circumstances.
 - 2. Unemployment or re-employment of any member for any reason.
 - 3. Any changes in the amount of type of public assistance received by any member of the family.
 - 4. Any changes in income for any member of the family.
 - 5. Commencement or discontinuance of General Relief.

- b. If these changes result in a decrease in the RESIDENT'S rent, the reduced rental rate shall become effective the first of the following month.
- c. If the reported changes result in an increase in the RESIDENT'S rent, the higher rate shall take effect the first of the second month following the mailing of the "Notice of Review Determination: except where the provisions of Paragraph 10 apply.
- d. Should MANAGEMENT determine that a rent change is necessary, RESIDENT shall have the right to an explanation of the change(s). If RESIDENT does not agree with the explanation, the RESIDENT shall have the right to request a hearing under MANAGEMENT'S Grievance Procedure.

10. RETROACTIVE RENT CHARGES: If the RESIDENT has failed to report changes in family circumstances as required in Paragraph 9 or misrepresented to MANAGEMENT the facts upon which rent is determined, and this misrepresentation or failure to report facts results in the RESIDENT paying less rent than he/she should have been charged, MANAGEMENT shall adjust the rent to the proper amount.

- a. The increase in rent may be made retroactive to the first day of the second month after the change in family circumstances occurred.
- b. The new increased rental rate and all retroactive rent shall be due and payable on the first of the month following receipt of the "Notice of Review Determination."
- c. Should MANAGEMENT determine that a rent change is necessary, RESIDENT shall have the right to an explanation of these changes. If RESIDENT does not agree with the explanation, the RESIDENT shall have the right to request a hearing under MANAGEMENT'S Grievance Procedure.

11. REQUIRED TRANSFER DUE TO CHANGE IN FAMILY COMPOSITION: If MANAGEMENT determines in its sole discretion, that the size of the dwelling unit is no longer appropriate to RESIDENT'S needs, RESIDENT shall be required to move to another unit of appropriate size within the community in which he/she lives, and giving RESIDENT a reasonable time in which to move. RESIDENT may ask for an explanation of the specific reason for the transfer. If RESIDENT does not agree with MANAGEMENT'S explanation, the RESIDENT shall have the right to request a hearing under MANAGEMENT'S Grievance Procedure. If RESIDENT rejects the offer of an appropriate size unit, MANAGEMENT shall not be obligated to offer any other unit, and MANAGEMENT may consider this as reasonable grounds for terminating this Lease in accordance with the provisions of Paragraph 19.

12. OCCUPANCY OF THE DWELLING UNIT:

- a. RESIDENT agrees not to assign this Lease; nor to sublet or transfer possession of the premises; nor to give accommodation to guests, roommates, boarders or lodgers without

the prior written consent of MANAGEMENT. Resident agrees not to allow persons to register with probation or parole at the address leased without the authorization of management. RESIDENT further agrees not to use or permit the use of the dwelling unit for any purpose other than as a private residential dwelling unit solely for the RESIDENT and members of his/her household as set forth in Paragraph 3 above, unless MANAGEMENT has given written approval for legal profit making activities by members of the household which do not interfere with the unit for residence. This provision does not exclude reasonable accommodation of RESIDENT'S guests or visitors, not to exceed two weeks without the prior written approval of MANAGEMENT. RESIDENT agrees to abide by all necessary and reasonable regulations of MANAGEMENT for the benefit and well being of the housing project and the RESIDENT. In the event RESIDENT(S) becomes ineligible for occupancy, he/she/they agree(s) to vacate the premises upon MANAGEMENT'S request.

- b. RESIDENT agrees to repay and indemnify MANAGEMENT for any and all liability arising before termination of this lease for personal injuries or property damage caused by negligent, willful, or intentional conduct of RESIDENTS and RESIDENT'S guests or invitees.
- c. RESIDENT may, at any time during tenancy, request permission for occupancy by a foster child or a live-in aide for a handicapped member of the household. Such request should be in writing and may or may not be granted in MANAGEMENT'S discretion but will be considered in accordance with MANAGEMENT'S Policy and Procedure Manual.

13. RESIDENT OBLIGATIONS: The RESIDENT shall:

- a. Comply with all obligations imposed upon tenants by applicable provisions of State and local building housing codes materially affecting health and safety;
- b. Report immediately to the appropriate Federal, State, or local governmental agency any case of infectious or contagious disease occurring in the family or among any person living or staying in the dwelling unit;
- c. Keep the premises and such other areas as may be assigned to him/her for his/her exclusive use in a clean and safe condition;
- d. Dispose of all ashes, garbage, rubbish, and other waste from the premises in a timely, sanitary and safe manner. Residents and other persons who are on the premises with his/her consent must not use common areas for disposal of any kind.
- e. Use only in a reasonable manner all electrical, plumbing, sanitary, heating, ventilation, air conditioning, and other facilities at the dwelling place and common areas;

- f. Promptly notify MANAGEMENT of the need for repairs to the dwelling unit and known unsafe conditions in the common areas and grounds of the project which may lead to damage or injury;
- g. Refrain from, and cause his/her household and guests to refrain from destroying, defacing, damaging, or removing any part of the premises or project;
- h. Pay for the repair of all damages, except for normal wear and tear, to the premises, project buildings, facilities, or common areas according to Paragraph 7;
- i. Conduct himself/herself and cause other persons who are on the premises with his/her consent to conduct themselves in a manner which will not disturb his/her neighbors' peaceful enjoyment of their dwelling units and will encourage the maintenance of the project in a decent, safe, and sanitary condition. RESIDENT and RESIDENT'S family, guests, and invitees may not play his/her/their television, stereo, radio or any other amplified electrical device, or any musical instrument that may disturb other tenants, neighbors or MANAGEMENT;
- j. Conduct himself/herself and cause other persons who are on the premises with his/her consent to Refrain from any illegal or criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or employees of the Housing Authority;
- k. Conduct himself/herself and cause other persons who are on the premises with his/her consent to Refrain from any drug-related criminal activity on or off the premises including, but not limited to, the growing manufacturing or producing of marijuana, methamphetamine or any illegal narcotic at the dwelling unit or any premises of MANAGEMENT'S Assisted Housing;
- l. RESIDENT agrees that premises are not to be used for any illegal purposes, not to display on or about the premises any signs without the prior written approval of MANAGEMENT, not to make any repairs or install any equipment without consent of MANAGEMENT;
- m. RESIDENT agrees that in the interests of sanitation and safety he/she may be allowed to keep or be permitted to keep a dog, cat, or other animal, in, on, or about the premises provided RESIDENT complies with the **Pet Ownership Policy** outlined in Appendix VIII of the Admission and Continued Occupancy Plan how or hereafter amended. Tenants that are permitted to the keeping of pets, with MANAGEMENT'S prior written consent will attach hereto, and make a part hereof, an addendum to lease, "**Pet Ownership Agreement**".
- n. RESIDENT shall observe and comply with and perform and execute all Federal, State, County, and Municipal statutes, ordinances, rules, and regulations and orders and any and all regulations and orders of any Federal, State, County, and Municipal Board of public authority or officer which in any way affect or relate to, or are in any way

applicable to the premises, or use or occupation thereof. RESIDENT shall also abide by necessary and reasonable regulations promulgated by MANAGEMENT for the benefit of the project and all RESIDENTS, which are posted in the project office and incorporated by reference in this lease.

- o. RESIDENT and other persons who are on the premises with his/her consent may not repair nor park automobiles, motorcycles, or other motor or electrical vehicles, or any heavy machinery anywhere at the dwelling unit, in the parking and/or undesignated parking areas, garage, lawns, driveways, or on another portion of the MANAGEMENT'S Assisted Housing,
- p. RESIDENT must maintain, at his/her expense, an operational Smoke Alarm.
- q. RESIDENT and the RESIDENT'S family members over the age of 18, who reside at the dwelling unit, must participate in Community Service or be involved in the Self Sufficiency Program.
- r. RESIDENT must maintain at his/ her expense gas and electrical service without interruption. Any interruption of service for non payment will be considered creation of a hazard to health and safety and RESIDENT shall be subject to Lease termination and costs of any reconnection and fees.
- s. RESIDENT agrees that in the interests of health and safety he/she may be allowed to have a mobile swimming pool that exceeds 10 inches high by 6 feet across about the premises provided RESIDENT complies with the **Pool Policy & Addendum to Lease** outlined in **Appendix X** of the Admission and Continued Occupancy Plan now or hereafter amended. Tenants that are permitted to the keep a pool, with MANAGEMENT'S prior written consent will attach hereto, and make a part hereof, an addendum to lease, "**Addendum to Lease for Pool**".

14. MANAGEMENT OBLIGATIONS: MANAGEMENT shall:

- a. Maintain the premises and the Development in decent, safe, and sanitary condition;
- b. Comply with the requirements of applicable State and local building codes, any housing codes, and HUD regulations materially affecting health and safety;
- c. Make necessary repairs to the premises, at its own expense, except as otherwise provided in this Lease Agreement;
- d. Keep Development buildings, facilities, and common areas otherwise not assigned to the resident for maintenance and upkeep, in a clean and safe condition;

- e. Maintain in good and safe working order and condition the electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances at the dwelling unit which are supplied or required to be supplied by MANAGEMENT;
- f. Provide and maintain receptacles and facilities for the deposit of ashes, garbage, rubbish, and other waste removed from the premises by the RESIDENT in accordance with Paragraph 13(d);
- g. Supply running water and reasonable amounts of hot water and heat at appropriate times of the year, except where heat and hot water are generated by an appliance within the exclusive control of the RESIDENT and supplied by a direct utility connection; and
- h. Make reasonable attempts to notify RESIDENT of the specific grounds for any proposed adverse action by MANAGEMENT.

15. DEFECTS HAZARDOUS TO LIFE, HEALTH, OR SAFETY: In the event the premises are damaged to the extent that conditions are created which are hazardous to life, health, or safety of the occupants, the RESIDENT must immediately notify MANAGEMENT of the damage and:

- a. MANAGEMENT shall make repairs within a reasonable time but the cost of said repairs shall be charged to the RESIDENT if the damage was caused by RESIDENT, members of his/her household, invitees or guests;
- b. In circumstances where necessary repairs cannot be made within a reasonable time MANAGEMENT shall offer, if available, standard alternative accommodations;
- c. In the event repairs are not made in accordance with (a.) above, alternative accommodations are not provided in accordance with (b.) above, abatement of rent shall occur in proportion to the seriousness of the damage and loss in value as a dwelling. **NO ABATEMENT OF RENT SHALL OCCUR IF THE RESIDENT REJECTS ALTERNATIVE ACCOMMODATIONS OR IF DAMAGE WAS CAUSED BY THE RESIDENT, RESIDENT'S HOUSEHOLD OR GUESTS.**

16. PRE-OCCUPANCY AND TERMINATION INSPECTIONS: When RESIDENT moves in, MANAGEMENT and RESIDENT, or his representative, shall jointly inspect the dwelling unit and all fixtures, appliances and furnishings, if applicable, and thereafter MANAGEMENT shall give RESIDENT a written inventory of the condition of the dwelling unit and said fixtures, appliances and furnishings therein. This inventory shall be signed by MANAGEMENT and RESIDENT. When RESIDENT moves out, MANAGEMENT (jointly with RESIDENT and/or his representative, if possible) will inspect the dwelling unit and give RESIDENT a written statement of the charges for damage, if any, for which RESIDENT is responsible.

17. ENTRY OF PREMISES DURING TENANCY:

- a. RESIDENT agrees that the duly authorized agent, employee, or representative of MANAGEMENT shall be permitted to enter RESIDENT'S dwelling unit, for the purpose of examining its condition or contents or for making improvements or repairs. Such entry may be made only during reasonable hours, after advance notice in writing to RESIDENT of the date, time, and purpose. However, MANAGEMENT shall have the right to enter RESIDENT'S dwelling unit without prior notice to RESIDENT if MANAGEMENT reasonably believes that an emergency exists that requires such entrance. MANAGEMENT must promptly notify RESIDENT in writing of the date, time, and purpose of such entry, and of the emergency which necessitated it.
- b. If RESIDENT requests a home call for any purpose, MANAGEMENT representative may enter without written notification being sent to RESIDENT.
- c. In the event that RESIDENT and all adult members of the household are absent from the premises at the time of entry, MANAGEMENT shall leave a written statement specifying date, time, and purpose of entry.
- d. RESIDENT is not to change or add locks on the premises. Resident agrees not to remove existing bedroom door knobs and install locksets on any interior doors.
- e. If the RESIDENT is visually impaired, all notices shall be in an accessible format.

18. **NOTICE PROCEDURE:** Except as provided in Paragraph 17, any notice to the RESIDENT shall:

- a. Be in writing and delivered personally to the RESIDENT or an adult member of the household residing in the dwelling unit: or
- b. Affixed to the door of the premises and sent by first class mail, properly addressed.

If the RESIDENT is visually impaired, all notices shall be in an accessible format. Notice given pursuant to the Lease shall be deemed to have been given or served at the time the same shall be deposited in the United States mail, postage prepaid in the manner aforesaid, or personally served.

19. **TERMINATION OF LEASE:** RESIDENT and MANAGEMENT consider each and every term, covenant, and provision of this lease to be material and reasonable such that any violation shall be grounds for termination in the manner as follows:

- a. This Lease may be terminated by RESIDENT at any time by giving thirty (30) days' written notice. RESIDENT agrees to move promptly and leave the unit in a clean and good condition (except for reasonable wear and tear), and to return the keys to MANAGEMENT when he/she vacates. Rent may continue until the keys are returned to MANAGEMENT'S office.

- b. This Lease shall terminate upon the death of the RESIDENT, or either of them. In the event there is a surviving adult RESIDENT, MANAGEMENT may, if it so elects, enter into a new lease with said surviving RESIDENT. In the event there is no surviving RESIDENT, MANAGEMENT may, if it so elects, enter into a lease with a person who is a member of the household if said person otherwise meets the requirements for occupancy as contained in the Statement of Policy of MANAGEMENT. A live-in aide is not considered a member of the household.
- c. Should the circumstances arise that there is no longer an adult family member in the unit, MANAGEMENT may, at its discretion, admit a relative or guardian to live in the unit and assume the obligation of the Lease as Head of Household.
- d. This Lease may be terminated by MANAGEMENT at any time by giving written notice pursuant to Paragraph 18 and Section 1162 of the Code of Civil Procedure. This Lease shall automatically terminate at, and RESIDENT shall vacate the premises no later than, the time of expiration of the period hereinafter set forth. Such notice terminating said Lease and RESIDENT'S tenancy thereunder, may only be given for reasonable cause, such as, but not limited to, the reasons stated below:
 - 1. Non-payment of rent. MANAGEMENT shall give fourteen (14) days' written notice of termination for such cause.
 - 2. Creation or involvement by resident(s) or their guests in criminal activity that threatens the health or safety of other persons or MANAGEMENT employees or the right to peaceful enjoyment of the premises of other RESIDENTS. Notice in such cases shall be limited to a reasonable time commensurate with the urgency of the situation, but not less than seven (7) days.
 - 3. Grounds for termination if RESIDENT, member of the RESIDENT'S household or guest is subject to a lifetime registration requirement under any State sex offenders registration program.
 - 4. Drug-related criminal activity by any RESIDENT, any member of the RESIDENT'S household, any guest or other person under the tenants control on or off the premises. Notice shall be given the same as 2. above.
 - 5. Where there are grounds for eviction for criminal or drug-related activity, the decision when and whether to evict is a discretionary MANAGEMENT judgment.
 - 6. Grounds for termination if RESIDENT, member of the RESIDENT'S household or guest is a "Fleeing Felon" or is harboring a "Fleeing Felon". The term "Fleeing Felon" shall include, but is not limited to, a person who seeks to avoid prosecution, custody, or confinement after conviction, for a felony, or violating a condition of probation or parole imposed under Federal or State Law.

7. If a RESIDENT is evicted for engaging in criminal activity, including drug-related criminal activity, MANAGEMENT shall notify the local post office servicing the community that the tenant no longer resides at the address. RESIDENT will not be allowed to return to public housing property for pickup of mail.
 8. This Lease and the Tenancy created thereunder, may be terminated by MANAGEMENT for reasonable cause, including but not limited to, any material misrepresentation or omission made by RESIDENT in his/her application, the violation of **any** provision of the Lease, the non-payment of rent and/or any other charge required of RESIDENT under this Lease Agreement or any prior Lease agreement between RESIDENT and MANAGEMENT for the premises described herein or any other tenants or MANAGEMENT, serious or repeated damage to the Premises, failure to maintain the Premises in good condition including grounds assigned for RESIDENT maintenance, creating physical hazards, creating a nuisance or disturbing the peace of the neighborhood, giving of any false or misleading statements of fact required by MANAGEMENT in connection with RESIDENT'S tenancy or being ineligible for occupancy of low-rent housing. MANAGEMENT shall give thirty (30) days' written notice of such causes.
 9. Noncompliance of Community Service Requirements.
 10. For persons determined to be registered with probation/parole department at the leased address without prior authorization by management will be reason for immediate termination of tenancy.
- e. Notices of termination to the RESIDENT shall state the reason or reason's for the termination, shall inform the RESIDENT of his/her right to make a reply and of his/her right to request a hearing in accordance with MANAGEMENT'S Grievance Procedure. RESIDENT shall also be informed of his/her right to examine MANAGEMENT documents that are directly relevant to termination of the Lease.
 - f. The failure of MANAGEMENT to insist, in any one or more instances, upon a strict performance of any of the covenants or agreements of this Lease or to exercise any option contained, shall not be considered as a future waiver or relinquishment of said covenants, agreements, or options, but the same shall continue and remain in full force and effect. The receipt by MANAGEMENT of rent with the knowledge of the breach of any covenant or condition hereof shall not be deemed a waiver of such breach, and no waiver by MANAGEMENT of any of the provisions hereof shall be deemed to have been made unless expressed in writing and signed by MANAGEMENT, its representatives or agents.
20. **ABANDONMENT OF DWELLING UNIT:** In the event that the monthly rental is unpaid and other facts exist tending to suggest that RESIDENT has moved from the premises, MANAGEMENT may presume that RESIDENT has abandoned the dwelling unit and the

contents thereof unless notified otherwise. This Paragraph does not relieve RESIDENT of his/her duty to pay rent until and unless MANAGEMENT determines that the dwelling has been abandoned.

21. **GRIEVANCE PROCEDURES:** All grievances or appeals arising under this Lease shall be processed and resolved according to the Grievance Procedure of MANAGEMENT which is in effect at the time such grievance or appeals arise. This procedure is posted in the MANAGEMENT office and attached hereto. All matters concerned by this Lease, including but not limited to rental payments, other charges, or any Lease violations, are subject to these Grievance Procedures, except that RESIDENTS whose tenancy is terminated based upon creation or involvement in a crime or of a criminal nature that threatens the health or safety of other persons or MANAGEMENT'S employees or the right to peaceful enjoyment of the premises of and by other RESIDENTS shall not be subject to the Grievance Procedure, nor shall persons involved in drug-related criminal activity be subject to the Grievance Procedure. MANAGEMENT'S determination that a drug-related activity or criminal activity that threatens the health or safety of other persons or MANAGEMENT employees, or peaceful enjoyment as herein provided exists, shall be final and immediate.
22. **CHANGES:** This Lease, together with any future adjustments of rent or dwelling unit, is the entire agreement between MANAGEMENT and RESIDENT. No changes herein shall be made except in writing, signed, and dated by both parties except as provided for above or hereafter. The Schedule of Charges, Conditions of Occupancy and other rules and regulations of MANAGEMENT, and Grievance Procedure may be modified from time to time by MANAGEMENT provided that RESIDENT(S) shall be given thirty (30) days written notice of such change including the reasons thereof, and further be given an opportunity to present written comments for consideration by MANAGEMENT. Notice advising of proposed changes, as hereinabove required, shall be deemed given when MANAGEMENT delivers directly or mails a notice to each RESIDENT as well as posts said notice in a conspicuous place in MANAGEMENT'S office.
23. A copy of the current Grievance Procedure adopted by MANAGEMENT is attached to this Lease Agreement.
24. If RESIDENT defaults in the performance of any obligation under this Lease, RESIDENT shall pay, in addition to any other sums owed, Owner's reasonable attorney's fees and other costs related to the enforcement of the obligation. This clause applies in any lawsuit, action, or proceeding brought by Owner to enforce RESIDENT's obligations under this Lease, whether or not the Lease is terminated and whether or not Owner files a formal lawsuit, action, or proceeding in court

CONDITIONS OF OCCUPANCY

- A. RESIDENT agrees to maintain fully the premises including but not limited to dwelling unit, fixtures, sidewalks, lawns, shrubbery and grounds (front, sides, and rear of dwelling) assigned to him or her in a clean and sanitary condition under terms of this Agreement and to report

immediately to MANAGEMENT any accident, injury, damage, loss or need of service or repairs of water or gas pipes, electric wiring, drains, toilets, fixtures, or any other property or equipment covered under this lease, including all breakage, damage, or loss of any kind such as damage from overflow of water from sinks, bathroom, toilets, or other basins.

- B. RESIDENT agrees to deliver and place all garbage, refuse and trash in proper containers at designated locations. RESIDENT further agrees where applicable that he or she will dispose of rubbish, garbage, and waste in the manner prescribed by MANAGEMENT and, additionally, to secure and maintain regulation trash cans for such purpose while residing in the dwelling unit. MANAGEMENT shall approve all trash cans.
- C. RESIDENT shall make no alterations or additions such as installing aerials or their guy wires, fences, shades, awnings or window guards, etc. to the premises. If any repairs or adjustments are necessary, the RESIDENT shall notify MANAGEMENT and shall make no repairs or adjustments or affix anything to the dwelling structure inside or out without the express permission therefore in writing first had and obtained from MANAGEMENT. In the event said permission is obtained and said alterations or additions are approved, they shall be considered permanently affixed to the property and shall remain on and in, and be surrendered with the said leased premises at the termination of this Lease unless otherwise provided in writing by MANAGEMENT.
- D. RESIDENT agrees to refrain from driving, repairing, or parking any vehicles on the lawn or sidewalks and to refrain from parking trucks, trailers, or non-operating vehicles on the lawn, driveway, or other areas of use provided under provisions of the Lease. Vehicles left in a non-operating condition for more than 72 consecutive hours without written permission of MANAGEMENT shall be deemed abandoned and MANAGEMENT may have them removed at the expense of the owner.
- E. RESIDENT agrees that a B-B gun, slingshots, firearms, or any other propellant device shall not be permitted or used on the premises.
- F. RESIDENT agrees that he will not make or cause to be made or permit any disturbance or unreasonably loud noises in or at the dwelling unit or on the premises.
- G. RESIDENT agrees to refrain from waste or excessive use of water, gas, electricity, or other fuel or utility service. MANAGEMENT may, at its discretion, monitor and regulate the use of the water, gas, and electricity which includes assessing surcharges for excessive use of the water, gas, electricity, or other fuel or utility service in accordance with the Schedule of Utility Allowances described herein.
- H. RESIDENT agrees to refrain from permitting his or her children from playing on roofs, in public halls and stairways, parking spaces, trees, and shrubbery.
- I. RESIDENT agrees to refrain from using plumbing or electrical equipment for any purposes other than those for which they were constructed or installed.

J. All personal property left on the premises upon termination of lease and all personal property removed from the premises by MANAGEMENT at the time of physical eviction of the RESIDENT for any cause whatsoever shall be deemed to be abandoned by the RESIDENT in the event it has not been claimed within thirty (30) days after physical eviction and may be disposed of by MANAGEMENT pursuant to Section 1988 of the Civil Code of the State of California. In the even of the RESIDENT’S death (Paragraph 19(b) of the Lease Agreement) MANAGEMENT may store or cause to be stored said property that has been left on the premises.

K. RESIDENT agrees to take every care to prevent fires, not to keep gasoline, solvents, or other inflammable materials or substances in the dwelling unit and to exercise particular caution with respect to children playing with matches.

L. Residents may not disconnect the smoke alarms in the dwelling unit.

I/WE, THE RESIDENT(S) WHOSE SIGNATURE(S) APPEAR(S) IMMEDIATELY BELOW, HAVE READ AND DO

UNDERSTAND AND HEREBY AGREE TO THE PROVISIONS OF THIS LEASE AND THE CONDITIONS OF OCCUPANCY SET FORTH IN THIS LEASE; AND I/WE HEREBY FURTHER AGREE THAT FAILURE TO OBSERVE AND FOLLOW SAID LEASE PROVISIONS AND CONDITIONS OF OCCUPANCY WILL BE JUST AND PROPER CAUSE FOR THE TERMINATION AND CANCELLATION OF THIS LEASE BY MANAGEMENT. I/WE HEREBY FURTHER AGREE THAT UPON EXPIRATION OF THE TIME LIMIT CONTAINED IN ANY WRITTEN NOTICE OF CANCELLATION FROM MANAGEMENT REPRESENTATIVE, I/WE WILL VACATE THE PREMISES COVERED BY THIS LEASE, WITHOUT DISTURBANCE OR DELAY. I/WE ALSO UNDERSTAND THAT THIS LEASE CONTAINS A PROVISION FOR THE AUTOMATIC RENEWAL FOR SUCCESSIVE TERMS OF ONE CALENDAR MONTH EACH, UNLESS TERMINATED BY TEN (10) DAYS’ PRIOR WRITTEN NOTICE BY RESIDENT, OR THIRTY (30) DAYS’ PRIOR WRITTEN NOTICE BY MANAGEMENT (OR AS OTHERWISE STATED HEREIN).

Executed in Duplicate

HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN

By _____

Title _____

RESIDENT(S)

Signature

Printed Name

Signature

Printed Name

Appendix X—Pool Policy & Addendum to Lease

The following rules are established to govern the keeping of a mobile swimming pool that exceeds ten (10) inches high by six (6) feet across, in size, on properties owned and operated by the Housing Authority. The swimming pool must be pre-approved and registered with the Housing Authority. Residents must receive written permission to keep the swimming pool on the premises. The Resident is required to obtain and keep in force during the term of the lease a Renter's Insurance Policy and a policy for risk insurance of said swimming pool. The insurance policy shall insure that Housing Authority against loss, damage or injury associated with the swimming pool in the amount of \$1,000,000.00 per occurrence and shall contain responsible deductibles.

This privilege may be revoked at any time subject to the Housing Authority grievance procedure, if the pool becomes destructive or a nuisance to others, or if the resident/owner fails to comply with any one of the following:

1. Resident is required to show proof of the above required insurance and complete the "Addendum to Lease for Pool". Resident must submit both documents within ten (10) working days of a request from the Housing Authority or prior to installation of the pool on the Housing Authority property.
2. Proof of current rental and risk insurance coverage shall be provided by resident on a yearly basis during resident's Re-examination for Eligibility of Continued Occupancy or at the request from the Housing Authority.
3. No pool may be kept in violation of environmental or health laws.
4. Gate to yard where pool is located must be secured and locked at all times with access available to the Housing Authority at all times.
5. Residents are responsible for proper maintenance of said pool to insure the health and safety of the residents and their guests. Pool must be kept in sanitary condition and emptied regularly.
6. Residents shall not alter their unit, patio, or unit area to create an enclosure for a pool.
7. Resident is responsible for all damages caused by their pool.
8. Residents who violate these rules are subject to: (a) being required to remove the pool from the dwelling ; (b) a thirty (30) day notice for lease violation by the Housing Authority will be issued; and/or (c) eviction.

ADDENDUM TO LEASE FOR POOL

This Addendum to Lease constitutes part of the Resident Dwelling Lease Agreement dated as of _____, between the Housing Authority of the County of San Joaquin, [as MANAGEMENT], and _____, [as RESIDENT(s)], residing at _____. The terms of the Addendum are incorporated in the Lease for all purposes. All capitalized terms not otherwise defined in this Addendum are defined by the terms of the Lease.

Pool Ownership Requirements

Any persons requesting to have a mobile swimming pool over the size of ten (10) inches high by six (6) feet across will be required to do the following:

1. Must show proof of purchase of renters insurance, which will include pool coverage for damage and accidents. (A copy to be attached).
2. Must show renewal and current payment of such renters insurance each year at recertification or at the request from MANAGEMENT.
3. Pool must be kept in sanitary condition and emptied regularly. When family moves out of the unit, the yard must be left in its original condition as when the family moved in except as set forth in this Lease. RESIDENT shall, at RESIDENT's own expense and at all times, maintain the swimming pool in good working order and repair, including all equipment, appliances, and fixtures. RESIDENT shall also surrender the Leased premises at termination of this Lease in as good condition received, normal wear and tear excepted. RESIDENT shall be responsible for damages caused by RESIDENT's negligence and that of other household members and guests. RESIDENT shall not commit or allow any person to commit an act resulting in the destruction, defacement, damage, impairment or removal of any part of the Leased premises, including land, wall, fences, and any fixtures or electrical outlets of the Leased premises.
4. Gate to yard where pool is located must be secured and locked at all times. MANAGEMENT will have the right to enter the Leased premises for the purposes of inspecting the swimming pool in accordance with the Lease except in the case of an emergency. In the case of an emergency or RESIDENT's abandonment or surrender of the Leased premises, MANAGEMENT or MANAGEMENT's agent may enter the Leased premises at any time without obtaining the RESIDENT's prior consent. RESIDENT agrees not to change the locks or add locks to the entrances of the Leased premises, including backyard fences without the prior consent of MANAGEMENT and without providing MANAGEMENT with key or combination to locks.
5. MANAGEMENT shall not be liable for an damage or injury to RESIDENT or any other persons, or to any property, occurring in the use of the swimming pool on the Leased premises or any part of the Lease premises, or in common areas, unless the damage is the proximate result of gross negligence or willful misconduct of MANAGEMENT, MANAGEMENT's agents, or MANAGEMENT's employees. RESIDENT agrees to indemnify, defend, and hold harmless MANAGEMENT for any liability, costs (including reasonable attorney fees), or claims for personal injuries or property damage caused by the negligent, will but or intentional

act or omission to act of RESIDENT or RESIDENT’s guest or invitees. Each party waives any rights of subrogation against the other party.

- 6. RESIDENT acknowledges that MANAGEMENT shall have no obligation to provide any guard service or other life guard or similar security measures to the Leased premises, and RESIDENT assumes all responsibility for the protection of RESIDENT, RESIDENT’s agents, invitees, and customers from injury or acts of third parties.
- 7. RESIDENT shall comply with all laws, statues, ordinances, and requirements of all city, county, state and federal authorities now or later in force that pertain to the use of the swimming pool on the Leased premises.

I/WE _____(Name of Head of Household)

Residing at _____ has/have read and agreed with the above pool ownership requirements.

RESIDENT shall, at RESIDENT’s expense, obtain and keep in force during the term of this Lease: a policy of risk insurance insuring MANAGEMENT against loss, damage or injury associated with the swimming pool. This policy of insurance shall provide insurance of \$1,000,000.00 per occurrence and shall contain responsible deductibles. RESIDENT and MANAGEMENT each release the other and waive the entire right to recovery against the other for any damage or liability arising out of or incident to the perils insured against, whether due to the negligence of the MANAGEMENT, RESIDENT, or their respective employees, agents, contractor, and invitees. Prior to obtaining the required policy of insurance, RESIDENT and MANAGEMENT shall notify their respective insurance carriers that the previous waiver of subrogation is in this Lease.

My Insurance policy number is _____

The name of my Insurance Company is _____

I also understand that the Housing Authority has the right to inspect the pool at anytime without prior notice to ensure compliance with the above requirements.

Unless modified by this Addendum, each term of the Lease remains unamended and in full force. The parties have executed this Addendum as of the date of the Lease.

Signed _____ Date _____

Signed _____ Date _____

Housing Authority Representative _____ Date _____

Title _____