OMB Approval No: 2577-0226
(exp. 02/28/2006

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

Housing Authority of the County of Monterey
File # CA033V01

PHA Plans

5 Year Plan for Fiscal Years 2001 - 2005
Annual Plan for Fiscal Year 2004

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

PHA Plan
Agency Identification

PHA Name: Housing Authority of the County of Monterey

PHA Number: CA033V01

PHA Fiscal Year Beginning: (07/2004)

Public Access to Information

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

☒ Main administrative office of the PHA
☐ PHA development management offices
☐ PHA local offices

Display Locations For PHA Plans and Supporting Documents

The PHA Plans (including attachments) are available for public inspection at: (select all that apply)

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

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

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

5-YEAR PLAN
PHA FISCAL YEARS 2001 - 2005
[24 CFR Part 903.5]

A. Mission

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

☐ The mission of the PHA is the same as that of the Department of Housing and Urban Development: To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.

☒ The PHA's mission is: *"To provide, administer and encourage quality affordable housing and related services to eligible residents of Monterey County."*

B. Goals

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

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

☒ PHA Goal: Expand the supply of assisted housing
Objectives:
- ☒ Apply for additional rental vouchers:
- ☒ Reduce public housing vacancies:
- ☒ Leverage private or other public funds to create additional housing opportunities:
- ☒ Acquire or build units or developments
- ☒ Other : *"As capacity allows and funding allows to develop partnerships with service providers that promote self-sufficiency of families and individuals."*

☒ PHA Goal: Improve the quality of assisted housing
Objectives:
- ☒ Improve public housing management: (PHAS score)
- ☒ Improve voucher management: (SEMAP score)
- ☒ Increase customer satisfaction:
- ☒ Concentrate on efforts to improve specific management functions: (list; e.g., public housing finance; voucher unit inspections)
  Improve Capital Planning and Property Management Reporting.
- ☒ Renovate or modernize public housing units:
- ☒ Demolish or dispose of obsolete public housing:

☐ Provide replacement public housing:
☒ Provide replacement vouchers: *As needed*
☒ Other: (list below)
"Dispose of public housing that is financially unfeasible to operate and maintain."

☒ PHA Goal: Increase assisted housing choices
Objectives:
☒ Provide voucher mobility counseling:
☒ Conduct outreach efforts to potential voucher landlords
☒ Increase voucher payment standards *(if possible)*
☒ Implement voucher down payment assistance homeownership program:
☒ Implement public housing or other homeownership programs:
☒ Implement public housing site-based waiting lists:
☒ Convert public housing to vouchers:
☒ Other: *"Implement Project Based Section 8 Housing Choice Voucher Program"*

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

☒ PHA Goal: Provide an improved living environment
Objectives:
☒ Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments:
☒ Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:
☒ Implement public housing security improvements:
☒ Designate developments or buildings for particular resident groups (elderly, persons with disabilities)
☒ Other: (list below)
"Analyze crime and determine site needs based upon analysis of crimes at sites."

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

☒ PHA Goal: Promote self-sufficiency and asset development of assisted households
Objectives:
☒ Increase the number and percentage of employed persons in assisted families:
☒ Provide or attract supportive services to improve assistance recipients' employability:

- ☒ Provide or attract supportive services to increase independence for the elderly or families with disabilities.
- ☒ Other: (list below)
  "Access the services of Central Coast Center for Independent Living and John XXIII Aids Ministry to increase services for elderly or families with disabilities."

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

☒ PHA Goal: Ensure equal opportunity and affirmatively further fair housing
Objectives:

- ☒ Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability:
- ☒ Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability:
- ☒ Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required:
- ☐ Other: (list below)

Other PHA Goals and Objectives: (list below)

Annual PHA Plan
PHA Fiscal Year 2003
[24 CFR Part 903.7]

i. Annual Plan Type:
Select which type of Annual Plan the PHA will submit.

☐ **Standard Plan**

Streamlined Plan:
- ☒ **High Performing PHA**
- ☐ **Small Agency (<250 Public Housing Units)**
- ☐ **Administering Section 8 Only**

☐ **Troubled Agency Plan**

ii. Executive Summary of the Annual PHA Plan
[24 CFR Part 903.7 9 ®]

HOUSING AUTHORITY OF THE COUNTY OF MONTEREY
5-YEAR STRATEGIC PLAN GOALS 2003 - 2008

1. **Provide excellent customer service.**

2. **Be the lead affordable housing organization in the County.**

3. **Increase affordable housing opportunities within Monterey County by developing or stimulating development of affordable housing both through in-house development activities and in partnership with or on behalf of others.**

4. **Ensure long term financial viability for the agency in light of changes in federal, state and local funding and increased scrutiny of housing programs.**

5. **Implement an overall asset management discipline to ensure the long-term physical and financial viability of the assets that are owned, managed or financed by the agency.**

MISSION STATEMENT
"To provide, administer and encourage quality affordable housing and related services to eligible residents of Monterey County."

iii. Annual Plan Table of Contents

[24 CFR Part 903.7 9 (r)]

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

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Attachments

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

Required Attachments:

☒ Admissions Policy for Deconcentration
☒ FY 2004 Capital Fund Program Annual Statement
☐ Most recent board-approved operating budget (Required Attachment for PHAs that are troubled or at risk of being designated troubled ONLY)

Optional Attachments:

☒ PHA Management Organizational Chart **Attachment 1**
☒ FY 2004 Capital Fund Program 5 Year Action Plan
☐ Public Housing Drug Elimination Program (PHDEP) Plan (N/A)
☒ Comments of Resident Advisory Board or Boards (must be attached if not included in PHA Plan text)
☒ Other (List below, providing each attachment name)

Pet Ownership in Public Housing	**Attachment 2**
Membership of the Resident Advisory Board	**Attachment 3**
Resident Membership of the PHA Governing Board	**Attachment 4**
Section 8 Project Based Voucher Program	**Attachment 5**
Section 8 Homeownership Capacity Statement	**Attachment 6**
Assessment of Site-Based Waiting List	**Attachment 7**
Criteria for Substantial Deviation and Significant Amendments	**Attachment 8**
Section 3 Policy	**Attachment 9**

Supporting Documents Available for Review

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

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
X	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan	5 Year and Annual Plans
X	Fair Housing Documentation: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair	5 Year and Annual Plans

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
	housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing that require the PHA's involvement.	
X	Consolidated Plan for the jurisdiction/s in which the PHA is located (which includes the Analysis of Impediments to Fair Housing Choice (AI))) and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
X	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources;
X	Public Housing Admissions and (Continued) Occupancy Policy (A&O), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public Housing Deconcentration and Income Mixing Documentation: 1. PHA board certifications of compliance with deconcentration requirements (section 16(a) of the US Housing Act of 1937, as implemented in the 2/18/*99 Quality Housing and Work Responsibility Act Initial Guidance; Notice* and any further HUD guidance) and 2. Documentation of the required deconcentration and income mixing analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public housing rent determination policies, including the methodology for setting public housing flat rents ☒ check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Schedule of flat rents offered at each public housing development ☒ check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies ☒ check here if included in Section 8 Administrative Plan	Annual Plan: Rent Determination
X	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation)	Annual Plan: Operations and Maintenance
On Display	Public housing grievance procedures ☒ check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures *Not required - High Performer*
X	Section 8 informal review and hearing procedures	Annual Plan: Grievance Procedures

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
	☒ check here if included in Section 8 Administrative Plan	*Not required-High Performer*
X	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for the active grant year	Annual Plan: Capital Needs
Not Applicable	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grant	Annual Plan: Capital Needs **Not Applicable**
X	Most recent, approved 5 Year Action Plan for the Capital Fund/Comprehensive Grant Program, if not included as an attachment (provided at PHA option)	Annual Plan: Capital Needs
Not Applicable	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans or any other approved proposal for development of public housing	Annual Plan: Capital Needs **Not Applicable**
On Display	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition.
Not Applicable	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing. **Not Applicable**
Not Applicable	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act	Annual Plan: Conversion of Public Housing
Not Applicable	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership Down Payment Assistance program ☒ check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
On Display	Any cooperative agreement between the PHA and the TANF agency	Annual Plan: Community Service & Self-Sufficiency *Not required-High Performer*
On Display	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency *Not required-High Performer*
On Display	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency *Not required-High Performer*
Not Applicable	The most recent Public Housing Drug Elimination Program (PHEDEP) semi-annual performance report for any open grant and most recently submitted PHDEP application (PHDEP Plan)	Annual Plan: Safety and Crime Prevention *Not required*
X	The most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U. S.C. 1437c(h)), the results of that audit and the PHA's response to any findings	Annual Plan: Annual Audit
Not	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
Applicable		**Not Applicable**
	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)
X	Fair Housing Plan	Annual Plan
X	Project Based Plan Section 8 Implementation and Development Selection	Attachment 5

1. Statement of Housing Needs

[24 CFR Part 903.7 9 (a)]

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

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

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ability	Size	Locatio n
Income <= 30% of AMI	13,695	5	5	5	4	5	4
Income >30% but <=50% of AMI	13,597	5	5	4	4	5	4
Income >50% but <80% of AMI	19,842	5	4	4	4	4	4
Elderly	34,697	4	4	4	4	4	4
Families with Disabilities	13,659	5	5	5	5	5	5
Race/Ethnicity White/Non-Hisp	162,045	5	5	4	3	3	3
Race/Ethnicity Hispanic	187,969	5	5	4	3	5	5
Race/Ethnicity African-Am.	14,865	5	5	4	3	3	4
Race/Ethnicity Asian	24,106	5	5	4	3	3	4
Race/Ethnicity Other & Mixed	132,180	5	5	4	3	3	4

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

☒ Consolidated Plan of the Jurisdiction/s
Indicate year: 2000-2005 City of Monterey, Seaside, Salinas
☐ U.S. Census data: the Comprehensive Housing Affordability Strategy ("CHAS") dataset
☐ American Housing Survey data
Indicate year:
☒ Other housing market study
Indicate year: Housing Element County of Monterey 1997
☒ Other sources: (list and indicate year of information) AMBAG Census Data, 2000, County of Monterey final Census Data

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

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

Housing Needs of Families on the Waiting List			
Waiting list type: (select one) ☒ Section 8 tenant-based assistance ☐ Public Housing ☐ Combined Section 8 and Public Housing ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	4797		
Extremely low income <=30% AMI	3457	72.11%	
Very low income (>30% but <=50% AMI)	1236	25.77%	
Low income (>50% but <80% AMI)	104	2.17%	
Families with children	3531	73.6%	
Elderly families	393	8.19%	
Families with Disabilities	703	14.66%	
Race/ethnicity White/Non-Hisp.	870	18.17%	

Housing Needs of Families on the Waiting List			
Race/ethnicity White/Hispanic	3206	84.44%	
Race/ethnicity African-American/Non-Hisp.	388	8.09%	
Race/ethnicity Asian/Hispanic	52	1.08%	
Race/ethnicity Asian/Non-Hispanic	171	3.56%	
Race/ethnicity American-Indian/Non-Hisp.	56	1.17%	
Race/ethnicity African-American/Hispanic	14	.39%	
Race/ethnicity American Indian/Hisp.	6	.16%	
Race/ethnicity Pacific Islander/Hisp	1	.026%	
Race/ethnicity Pacific Islander/ Non-Hisp.	10	.26%	
Race/ethnicity No Race/Hisp.	4	.11%	
Race/ethnicity No Race/Non-Hisp.	19	.5%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR	N/A		
2 BR	N/A		
3 BR	N/A		
4 BR	N/A		
5 BR	N/A		
5+ BR	N/A		

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

If yes:

How long has it been closed (# of months)? 5 months (since 10/31/03)

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

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

Housing Needs of Families on the Waiting List			
Waiting list type: (select one) ☐ Section 8 tenant-based assistance ☒ Public Housing ☐ Combined Section 8 and Public Housing ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, Identify which development/sub jurisdiction:			
	# of families	**% of total families**	**Annual Turnover**
Waiting list total	3980		
Extremely low income <=30% AMI	2742	68.89%	
Very low income (>30% but <=50% AMI)	982	24.67%	
Low income (>50% but <80% AMI)	256	6.43%	
Families with children	3212	80.70%	
Elderly families	200	5.03%	
Families with Disabilities	494	12.41%	
Race/ethnicity White/Hispanic	2939	73.84%	
Race/ethnicity White/Non-Hispanic	512	12.86%	
Race/ethnicity African American/Hispanic	12	.30%	
Race/ethnicity African American/Non-Hisp.	295	7.41%	
Race/ethnicity American Indian/Hispanic	5	.13%	
Race/ethnicity Native Hawaiian/Other Pacific Islander/ Hispanic	0		
Race/ethnicity Native Hawaiian/Other Pacific Islander/ Non-Hisp.	6	.15%	
Race/ethnicity No Race/Hispanic	2	.05%	
Race/ethnicity No Race/Non- Hispanic	11	.27%	
Race/ethnicity American Indian/Non-Hisp	46	1.16%	
Race/ethnicity	50	1.26%	

Asian/Hispanic			
Race/ethnicity Asian/Non-Hispanic	101	2.54%	
Characteristics by Bedroom Size (Public Housing Only)			
1 BR	606		
2 BR	1717		
3 BR	1402		
4 BR	228		
5 BR	25		
5+ BR	2		

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

If yes:

How long has it been closed (# of months)? 5 months (since 10/31/03)

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

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

Housing Needs of Families on the Waiting List

RIPPLING RIVER – WAIT LIST

Waiting list type: (select one)

☐ Section 8 tenant-based assistance

☒ Public Housing

☐ Combined Section 8 and Public Housing

☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional)

If used, Identify which development/sub jurisdiction:

	# of families	% of total families	Annual Turnover
Waiting list total	216		
Extremely low income <=30% AMI	195	90.28%	
Very low income (>30% but <=50% AMI)	17	7.87%	
Low income (>50% but <80% AMI)	4	1.85%	
Families with children	0		
Elderly families	67	31.02%	
Families with Disabilities	149	68.98%	
Race/ethnicity 1-1	58	26.82%	
Race/ethnicity 1-2	123	56.94%	
Race/ethnicity 2-1	0		

Race/ethnicity 2-2	22	10.19%	
Race/ethnicity 3-2	4	1.85%	
Race/ethnicity 4-2	9	4.17%	
Race/ethnicity 4-1	0		
Characteristics by Bedroom Size (Public Housing Only)			
1 BR	216		
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

C. Strategy for Addressing Needs

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

"Apply for Grants under Section 8 NOFA and build Housing Authority owned units through collaborative and partnership. Lease u p available allocations to 100%"

(1) Strategies

Need: Shortage of affordable housing for all eligible populations

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

Select all that apply

- ☒ Employ effective maintenance and management policies to minimize the number of public housing units off-line
- ☒ Reduce turnover time for vacated public housing units
- ☒ Reduce time to renovate public housing units
- ☒ Seek replacement of public housing units lost to the inventory through mixed finance development
- ☒ Seek replacement of public housing units lost to the inventory through section 8 replacement housing resources
- ☒ Maintain or increase section 8 lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction
- ☒ Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required
- ☒ Maintain or increase section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration

☒ Maintain or increase section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program
☒ Participate in the Consolidated Plan development process to ensure coordination with broader community strategies
☒ Other (list below)
"*Develop partnership with others to maximum funding opportunities for Affordable Housing Development.*"

"Maintain or increase Section 8 lease-up rates by conducting housing search workshops for voucher holders."

Strategy 2: Increase the number of affordable housing units by:
Select all that apply

☒ Apply for additional section 8 units should they become available once at 97% leased-up
☒ Leverage affordable housing resources in the community through the creation of mixed - finance housing
☒ Pursue housing resources other than public housing or Section 8 tenant-based assistance.
☒ Other: (list below)
"Home Funding in cooperation with CHDO and mixed-income financing and local resources."

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

Strategy 1: Target available assistance to families at or below 30 % of AMI
Select all that apply

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

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

Strategy 1: Target available assistance to families at or below 50% of AMI
Select all that apply

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

☐ Other: (list below)

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:
Select all that apply

☐ Seek designation of public housing for the elderly
☒ Apply for special-purpose vouchers targeted to the elderly, should they become available
☒ Other: (list below)
"*Work in conjunction with cities of Seaside, Marina, Monterey and Monterey County to produce elderly housing.*"

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:
Select all that apply

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

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

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

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

Strategy 2: Conduct activities to affirmatively further fair housing
Select all that apply

☒ Counsel section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units

☒ Market the section 8 program to owners outside of areas of poverty /minority concentrations

☒ Other: (list below)
"Provide counseling on portability and mobility."

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

(2) Reasons for Selecting Strategies

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

☒ Funding constraints
☒ Staffing constraints
☒ Limited availability of sites for assisted housing
☒ Extent to which particular housing needs are met by other organizations in the community
☒ Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the PHA
☒ Influence of the housing market on PHA programs
☒ Community priorities regarding housing assistance
☒ Results of consultation with local or state government
☒ Results of consultation with residents and the Resident Advisory Board
☒ Results of consultation with advocacy groups
☒ Other: (list below)
"*Waiting list data and Cal Works Plan, LHAC, Homeless Coalition and other non-profits."*

2. Statement of Financial Resources

[24 CFR Part 903.7 9 (b)]

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

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
1. **Federal Grants (FY 2004 grants)**		
a) Public Housing Operating Fund	$115,314.00	**PH Operations**
b) Public Housing Capital Fund	$1,477,661.00	**PH Capital Improve**
c) HOPE VI Revitalization	0	

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
d) HOPE VI Demolition	0	
e) Annual Contributions for Section 8 Tenant-Based Assistance	$30,644,201.00	**Section 8 HAP & Admin. Fees**
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)	0	**PH Safety/Security And Supportive Services**
g) Resident Opportunity and Self-Sufficiency Grants	0	
h) Community Development Block Grant	0	
i) HOME	0	
Other Federal Grants (list below)		
Supportive Housing Program	$373,303.00	Supportive Services and Operations
USDA Rural Development Rental Assistance	$121,913.00	Rental Operations
2**. Prior Year Federal Grants (unobligated funds only)** (list below)	0	
3. **Public Housing Dwelling Rental Income**	$2,693,782.00	PH Operations
4. **Other income** (list below)	0	
4. **Non-federal sources** (list below)		
CHFA Rental Assistance	$321,170.41	Rental Operations
Office of Migrant Services	$317,947.00	Migrant Operations
RHCP Annuity	$81,181.00	Rental Operations
Other Rentals and Tenant Income	$1,689,627.00	Rental Operations
Other Grants	$1,181,715.00	Development
Other Income	$783,515.91	Operations and Development
Administrative Fees	$213,859.00	Operations
Interest Income	$645,521.76	Operations
Total resources	**$40,660,711.08**	

3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.7 9 (c)]

A. Public Housing

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

(1) Eligibility

a. When does the PHA verify eligibility for admission to public housing? (select all that apply)

☒ When families are within a certain number of being offered a unit: (state number)
150

☒ When families are within a certain time of being offered a unit: (state time)
90 Days

☐ Other: (describe)

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

☒ Criminal or Drug-related activity

☒ Rental history

☒ Housekeeping

☒ Other (describe)
"Debt to the Housing Authority of the County of Monterey or any other Housing Authority."

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

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

e. ☐ Yes ☒ No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)
"Through the Monterey County Sheriff's Department."

(2)Waiting List Organization

a. Which methods does the PHA plan to use to organize its public housing waiting list (select all that apply)

☒ Community-wide list

☐ Sub-jurisdictional lists

☒ Site-based waiting lists

☐ Other (describe)

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

☒ PHA main administrative office

☒ PHA development site management office

☐ Other (list below)

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

1. How many site-based waiting lists will the PHA operate in the coming year?
   Seven (7)
2. ☐ Yes ☒ No: Are any or all of the PHA's site-based waiting lists new for the upcoming year (that is, they are not part of a previously-HUD-approved site based waiting list plan)?
   If yes, how many lists?

3. ☒ Yes ☐ No: May families be on more than one list simultaneously
   If yes, how many lists? **Nine (9)**
4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?
   ☒ PHA main administrative office
   ☒ All PHA development management offices
   ☒ Management offices at developments with site-based waiting lists
   ☒ At the development to which they would like to apply
   ☐ Other (list below)

(3) Assignment

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

☐ One
☒ Two
☐ Three or More

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

c. If answer to b is no, list variations for any other than the primary public housing waiting list/s for the PHA:

(4) Admissions Preferences

a. Income targeting:

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

b. Transfer policies:

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

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

☒ Other: (list below)

"Schools if in specialized programs to facilitate attendance in special programs"or
"to move to another jurisdiction in order to work."

c. Preferences

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

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

Former Federal preferences:

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

Other preferences: (select below)

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

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

1 Date and Time

Former Federal preferences:

3 Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
Victims of domestic violence

[4] Substandard housing
Homelessness
High rent burden

Other preferences (select all that apply)
[2] Working families and those unable to work because of age or disability
[2] Veterans and veterans' families
[ ] Residents who live and/or work in the jurisdiction
[2] Those enrolled currently in educational, training, or upward mobility programs
[ ] Households that contribute to meeting income goals (broad range of incomes)
[ ] Households that contribute to meeting income requirements (targeting)
[2] Those previously enrolled in educational, training, or upward mobility programs
[3] Victims of reprisals or hate crimes

[2] Other preference(s) (list below)

i. Working Families

ii. Families who are actively enrolled in a case management, job training program, transitional housing or other self-sufficiency program.

iii. Frail Elderly.

iv. Families with household members who are mentally, physically, or developmentally disabled.

v. Victims of Disaster.

vi. Elderly families or families headed by an elderly person.

vii. Families who reside in substandard housing or who are involuntarily displaced as a result of code enforcement activities as determined by local code enforcement program officials.

4. Relationship of preferences to income targeting requirements:
[ ] The PHA applies preferences within income tiers
[X] Not applicable: the pool of applicant families ensures that the PHA will meet income targeting requirements

(5) Occupancy

a. What reference materials can applicants and residents use to obtain information about the rules of occupancy of public housing (select all that apply)
[X] The PHA-resident lease

☒ The PHA's Admissions and (Continued) Occupancy policy
☒ PHA briefing seminars or written materials
☒ Other source (list)
Eligibility Orientation, Resident Handbook and Leasing Orientation.

b. How often must residents notify the PHA of changes in family composition? (select all that apply)
☒ At an annual reexamination and lease renewal
☒ Any time family composition changes
☒ At family request for revision
☐ Other (list)

(6) Deconcentration and Income Mixing

a. ☒ Yes ☐ No: Does the PHA have any general occupancy (family) public housing developments covered by the deconcentration rule? If no, this section is complete. If yes, continue to the next question.

b. ☒ Yes ☐ No: Do any of these covered developments have average incomes above or below 85% to 115% of the average incomes of all such developments? If no, this section is complete.

If yes, list these developments as follows:

Deconcentration Policy for Covered Developments			
Development Name:	**Number of Units**	**Explanation (if any) [see step 4 at §903.2(c)(1)((iv)]**	**Deconcentration policy (if no explanation) [see step 5 at §903.2(c)(1)(v)]**
33-8	89	Below	
33-17	30	Above	
33-18	50	Above	
33-19	50	Above	

B. Section 8

Exemptions: PHAs that do not administer section 8 are not required to complete sub-component 3B.
Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).

(1) Eligibility

a. What is the extent of screening conducted by the PHA? (select all that apply)
☒ Criminal or drug-related activity only to the extent required by law or regulation

☐ Criminal and drug-related activity, more extensively than required by law or regulation
☐ More general screening than criminal and drug-related activity (list factors below)
☐ Other (list below)
Through the Monterey County Sheriff's Department.

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

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

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

e. Indicate what kinds of information you share with prospective landlords? (select all that apply)
☒ Criminal or drug-related activity
☒ Other (describe below)
Eviction history and damage to rental units.

(2) Waiting List Organization

a. With which of the following program waiting lists is the section 8 tenant-based assistance waiting lists merged? (select all that apply)
☐ None
☐ Federal public housing
☒ Federal moderate rehabilitation
☐ Federal project-based certificate program
☐ Other federal or local program (list below)

b. Where may interested persons apply for admission to section 8 tenant-based assistance? (select all that apply)
☒ PHA main administrative office
☒ Other (list below)
Central Coast for Independent Living, San Andreas Regional Center, Department of Social Services, John XXIII, and City Hall of Cities in County.

(3) Search Time

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

If yes, state circumstances below:
Vouchers issued for 60 days and extended up to 120 days or as required

for disability.

(4) Admissions Preferences

a. Income targeting

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

b. Preferences

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

Local Preferences for Family Unification Program

In order to participate in the Family Unification Demonstration Program, a family must be a Family Unification eligible family as defined in (Federal Register). The FUP preferences apply to the Family Unification Program only, and not the regular Section 8 Program. Based upon previous experience of DSS and the Housing Authority in administering the FUP, the following local preferences apply to the FUP only.

1. Families, which are victims of severe and ongoing domestic violence, or sexual abuse (10 Points).
2. Graduates of Transitional housing program, which addresses sobriety maintenance, living skills, domestic violence counseling, development of positive support networks and family functioning skills (5 Points).
3. (2002 fup) The Housing Authority for 2002 will develop a program with the Monterey County Department of Social Services, Children's Services Division, whereby a portion of the Family Unification Allocation (if funded) will be utilized for an independent living skills program for youth aging out of foster care, and who will be homeless without such a program whereby housing and services are linked to develop living skills in youth aged 18-24 for a two year period. It is anticipated that a non-profit agency will master lease a facility and lease units to the youth. (5Points)
4. Families who meet all other criteria of the FUP and do not have a substance abuse factor in the placement of their children in-out of home care, or the imminent placement in-out of home care, i.e., living in substandard, dilapidated, or overcrowded housing (1Point).

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

Former Federal preferences

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

Other preferences (select all that apply)

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

Local Preferences 50% all have the same weight, and are ranked by the Ranking Point System and date and time of application.

(5) a. Frail Elderly. (10 Points)
(5) b. Families living in a rental rehabilitation project. (10 Points)
(4) c. Formerly homeless families or homeless families actively enrolled in a case management, transition housing, or other self-sufficiency programs. (15 Points)
(5) d. Families participating in Self Sufficiency Programs.(15 Points)
(5) e. Families living in moderate rehabilitation and/or project-based program units whose health, welfare, or safety is threatened, or families who have provided drug related criminal activity testimony. (10 Points)
(5) f. Families that need to move closer to medical and/or social services facilities. (10 Points)
(3) g. Victims of disasters as verified by FEMA, the American Red Cross or other disaster assistance agency. (30 Points)
(4) h. Families who reside in substandard housing, or who are involuntarily displaced or about to be involuntarily displaced as a result of code enforcement activities as determined by local Housing Code Enforcement Program Officials. (15 Points)
(5) i. Elderly families or families headed by an elderly person. (10 Points)
(5) j. Families with household members who mentally/physically/

developmentally disabled. (10 Points)

(3) k. Families who have been diagnosed with a medical condition as severe/terminal, resulting in a medical crisis which may require continuous care services in the home. (30 Points)

(3)) l. Families who are considered to be living in-place. Those living in a unit that will be brought under contract where the landlord will accept the Section 8 Housing Choice Voucher program. (25 Points)

Additional Ranking Points for the following:

Veteran 10 Points

Remaining 50% to be housed by date and time of application with Additional points for Veterans

(2) Veteran 10 Points

Date and Time of Application 50%: the remaining 50% will be ranked According to date and time of application and additional points for the Following:

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

[1] Date and Time

Former Federal preferences

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

Other preferences (select all that apply)

[ ] Working families and those unable to work because of age or disability

[2] Veterans and veterans' families

[2] Those enrolled currently in educational, training, or upward mobility programs

[ ] Households that contribute to meeting income goals (broad range of incomes)

[ ] Households that contribute to meeting income requirements (targeting)

[3] Those previously enrolled in educational, training, or upward mobility programs

[3] Victims of reprisals or hate crimes

☐ Other preference(s) (list below)

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

☒ Date and time of application

☐ Drawing (lottery) or other random choice technique

5. If the PHA plans to employ preferences for "residents who live and/or work in the jurisdiction" (select one)

☐ This preference has previously been reviewed and approved by HUD

☐ The PHA requests approval for this preference through this PHA Plan

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

☒ The PHA applies preferences within income tiers

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

(5) Special Purpose Section 8 Assistance Programs

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

☒ The Section 8 Administrative Plan

☒ Briefing sessions and written materials

☒ Other (list below) *The Family Handbook and Briefing Packet.*

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

☒ Through published notices

☒ Other (list below) *Public Advertising in News Media.*

4. PHA Rent Determination Policies

[24 CFR Part 903.7 9 (d)]

A. Public Housing

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

(1) Income Based Rent Policies

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

a. Use of discretionary policies: (select one)

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

---or---

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

b. Minimum Rent

1. What amount best reflects the PHA's minimum rent? (select one)
☐ $0
☐ $1-$25
☒ $26-$50

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

3. If yes to question 2, list these policies below**:**
Chp. #6 A.C.O.P.

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

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

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

d. Which of the discretionary (optional) deductions and/or exclusions policies does the PHA plan to employ (select all that apply)
☐ For the earned income of a previously unemployed household member
☐ For increases in earned income
☐ Fixed amount (other than general rent-setting policy)
If yes, state amount/s and circumstances below:

☐ Fixed percentage (other than general rent-setting policy)
If yes, state percentage/s and circumstances below:

☐ For household heads
☐ For other family members
☐ For transportation expenses

☐ For the non-reimbursed medical expenses of non-disabled or non-elderly families
☐ Other (describe below)

e. Ceiling rents

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

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

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

☐ For all developments
☐ For all general occupancy developments (not elderly or disabled or elderly only)
☐ For specified general occupancy developments
☐ For certain parts of developments; e.g., the high-rise portion
☐ For certain size units; e.g., larger bedroom sizes
☐ Other (list below)

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

☐ Market comparability study
☐ Fair market rents (FMR)
☐ 95th percentile rents
☐ 75 percent of operating costs
☐ 100 percent of operating costs for general occupancy (family) developments
☐ Operating costs plus debt service
☐ The "rental value" of the unit
☐ Other (list below)

f. Rent re-determinations:

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

☐ Never
☐ At family option
☒ Any time the family experiences an income increase
☐ Any time a family experiences an income increase above a threshold amount or percentage: (if selected, specify threshold)_____
☒ Other (list below) *Change in Family Composition and decreases income.*

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

(2) Flat Rents

1. In setting the market-based flat rents, what sources of information did the PHA use to establish comparability? (select all that apply.)

☐ The section 8 rent reasonableness study of comparable housing
☐ Survey of rents listed in local newspaper
☐ Survey of similar unassisted units in the neighborhood
☒ Other (list/describe below)
Fair Market Rents for Section 8 Program.

B. Section 8 Tenant-Based Assistance

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

(1) Payment Standards

Describe the voucher payment standards and policies**.**

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

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

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

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

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

☐ FMRs are not adequate to ensure success among assisted families in the PHA's segment of the FMR area
☐ Reflects market or submarket

☐ To increase housing options for families
☐ Other (list below)

d. How often are payment standards reevaluated for adequacy? (select one)
☐ Annually
☒ Other (list below)
Quarterly

e. What factors will the PHA consider in its assessment of the adequacy of its payment standard? (select all that apply)
☒ Success rates of assisted families
☒ Rent burdens of assisted families
☒ Other (list below)
Monthly Review of Area Rents.

(2) Minimum Rent

a. What amount best reflects the PHA's minimum rent? (select one)
☐ $0
☐ $1-$25
☒ $26-$50

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

5. Operations and Management

[24 CFR Part 903.7 9 (e)]

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

NOT REQUIRED TO SUBMIT DUE TO HIGH PERFORMER STATUS

A. PHA Management Structure

Describe the PHA's management structure and organization.

(select one)
☐ An organization chart showing the PHA's management structure and organization is attached.
☐ A brief description of the management structure and organization of the PHA follows:

B. HUD Programs Under PHA Management

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

Program Name	Units or Families Served at Year	Expected Turnover

	Beginning	

C. Management and Maintenance Policies

List the PHA's public housing management and maintenance policy documents, manuals and handbooks that contain the Agency's rules, standards, and policies that govern maintenance and management of public housing, including a description of any measures necessary for the prevention or eradication of pest infestation (which includes cockroach infestation) and the policies governing Section 8 management.

(1) Public Housing Maintenance and Management: (list below)
A.O.P. – Administrative Occupancy Policy

(2) Section 8 Management: (list below)
Section 8 Administrative Plan

6. PHA Grievance Procedures

[24 CFR Part 903.7 9 (f)]

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

NOT REQUIRED TO SUBMIT DUE TO HIGH PERFORMER STATUS

A. Public Housing

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

If yes, list additions to federal requirements below:

2. Which PHA office should residents or applicants to public housing contact to initiate the PHA grievance process? (select all that apply)

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

B. Section 8 Tenant-Based Assistance

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

If yes, list additions to federal requirements below:

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

☐ PHA main administrative office

☐ Other (list below)

7. Capital Improvement Needs

[24 CFR Part 903.7 9 (g)]

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

A. Capital Fund Activities

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

(1) Capital Fund Program Annual Statement

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

Select one:

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

-or-

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

CAPITAL FUND PROGRAM TABLES START HERE

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary

PHA Name:	Grant Type and Number	Federal FY of Grant:
Housing Authority of the County of Monterey	Capital Fund Program Grant No: CA39P03350104 Replacement Housing Factor Grant No:	**FY 2004**

☒**Original Annual Statement** ☐**Reserve for Disasters/ Emergencies** ☐**Revised Annual Statement (revision no:)**
☐**Performance and Evaluation Report for Period Ending:** ☐**Final Performance and Evaluation Report**

Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	**Revised**	**Obligated**	**Expended**
1	Total non-CFP Funds				
2	1406 Operations	300,000			
3	1408 Management Improvements	200,000			
4	1410 Administration	140,000			
5	1411 Audit	0			
6	1415 Liquidated Damages	0			
7	1430 Fees and Costs	0			
8	1440 Site Acquisition	0			
9	1450 Site Improvement	0			
10	1460 Dwelling Structures	1,102,500			
11	1465.2 Dwelling Equipment—Expendable	0			
12	1470 Nondwelling Structures	0			
13	1475 Nondwelling Equipment	0			
13	1475.2 Nondwelling Equipment - Expendable	0			
14	1485 Demolition	0			
15	1490 Replacement Reserve	0			
16	1492 Moving to Work Demonstration	0			
17	1495.1 Relocation Costs	0			
18	1498 Mod Used for Development	0			
19	1502 Contingency (may not exceed 10% of line 20)	0			
20	**Amount of Annual Grant: (sum of lines 2 – 19)**	**1,742,500**			
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 compliance				
23	Amount of line 20 Related to Security				

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Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary

PHA Name:	Grant Type and Number	Federal FY of Grant:
Housing Authority of the County of Monterey	Capital Fund Program Grant No: CA39P03350104 Replacement Housing Factor Grant No:	**FY 2004**

☒**Original Annual Statement** ☐**Reserve for Disasters/ Emergencies** ☐**Revised Annual Statement (revision no:)**
☐**Performance and Evaluation Report for Period Ending:** ☐**Final Performance and Evaluation Report**

Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	**Revised**	**Obligated**	**Expended**
24	Amount of line 20 Related to Energy Conservation Measures				
25					
26					

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Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: **Housing Authority of the County of Monterey**		**Grant Type and Number** Capital Fund Program Grant No:CA39P03350104 Replacement Housing Factor Grant No:				**Federal FY of Grant: FY 2004**		
		Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA33-1 Hacienda Plaza	Architectural Studies Site Improvements Dwelling Improvements Non-Dwelling Improvements	1430 1450 1460 1470						
CA33-2 Gabilan Vista	Architectural Studies Site Improvements Dwelling Improvements	1430 1450 1460						
CA33-3 Casa Santa Lucia	Architectural Studies Site Improvements Dwelling Improvements	1430 1450 1460		 393,750				
CA33-5 Casa de Oro	Architectural Studies Site Improvements Dwelling Structures	1430 1450 1460						

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Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: **Housing Authority of the County of Monterey**		**Grant Type and Number** Capital Fund Program Grant No:CA39P03350104 Replacement Housing Factor Grant No:				**Federal FY of Grant: FY 2004**		
		Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA33-6 1029 Rider	Architectural Studies Site Improvements Dwelling Structures	1430 1450 1460						
CA33-7 44 Natividad	Architectural Studies Site Improvements Dwelling Structures	1430 1450 1460						
CA33-8 Scattered Sites 1415 Del Monte 1025 No. Sanborn 1039 No. Sanborn 1058 No. Sanborn	Architectural Studies Site Improvements-playground Dwelling Structures Appliances Non-expendable Equipment Community Center	1430 1450.3 1460 1465.2 1475 1470.03		367,500				
CA33-9 Rippling River	Architectural Studies Site Improvements Dwelling Structures Non-Dwelling Structures	1430 1450 1460 1470						

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Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: **Housing Authority of the County of Monterey**		**Grant Type and Number** Capital Fund Program Grant No:CA39P03350104 Replacement Housing Factor Grant No:				**Federal FY of Grant: FY 2004**		
		Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA33-10 Scattered Sites 1011 Laurel 1029 Rider 1112 Alamo	Architectural Studies Site Improvements Dwelling Structures	1430 1450 1460						

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Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: **Housing Authority of the County of Monterey**		**Grant Type and Number** Capital Fund Program Grant No:CA39P03350104 Replacement Housing Factor Grant No:				**Federal FY of Grant: FY 2004**		
		Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA33-11 Scattered Sites 541 Watson 242 Montecito	Architectural Studies Site Improvements Dwelling Structures Landscaping Roof Replacement Plumbing Improvements Electrical Improvements Kitchen Modernization Bathroom Modernization Interior Wall and Ceiling-paint/repair Flooring Replacement Landscaping Roof Replacement Plumbing Improvements Electrical Improvements Kitchen Modernization Bathroom Modernization Interior Wall and Ceiling-paint/repair Flooring Replacement	1430 1450 1460						
CA33-12 Los Ositos	Architectural Studies Site Improvements Dwelling Structures	1430 1450 1460						

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Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: **Housing Authority of the County of Monterey**		**Grant Type and Number** Capital Fund Program Grant No:CA39P03350104 Replacement Housing Factor Grant No:				**Federal FY of Grant: FY 2004**		
		Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA33-14 1511-1515 Wheeler	Architectural Studies Site Improvements Dwelling Structures Roof Replacement Gutters/Downspouts Water Shut-offs	1430 1450 1460						
CA33-17 Scattered Sites 1062 No. Sanborn 1259 Del Monte 1569 Colusa 514 Alvin 13073 Arthur	Architectural Studies Site Improvements Dwelling Structures Playground Appliances	1430 1450 1460 1465.2						

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Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: **Housing Authority of the County of Monterey**		**Grant Type and Number** Capital Fund Program Grant No:CA39P03350104 Replacement Housing Factor Grant No:				**Federal FY of Grant: FY 2004**		
		Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA33-18 Scattered Sites 540 Williams 312 Williams 1113 D Street 1346-1348 Las Cruces 24 Wood Street 737,747 Mae St. 1073 Sherman 18320 Van Buren 18861 Hoover 1744 Cherokee 775 Elkington 780 Elkington 1012 Sanborn	Architectural Studies Site Improvements Dwelling Structures Appliance Replacement	1430 1450 1460 1465.2		341,250				
CA33-19 El-Gin Village	Architectural Studies Site Improvements Dwelling Structures Appliance Replacement	1430 1450 1460 1465.2						

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Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: **Housing Authority of the County of Monterey**		**Grant Type and Number** Capital Fund Program Grant No:CA39P03350104 Replacement Housing Factor Grant No:				**Federal FY of Grant: FY 2004**		
		Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA33-ALL	Operations	1406		300,000				
	Upgrade MIS Continued	1408						
	Administration	1410		140,000				
	Overall Site Improvements	1450		35,000				
	Equipment lease/fuel	1460						
	Equipment Non-expendable	1475						
	Equipment - expendable	1475.2						
	Management Improvements	1408		200,000				
	Relocation Costs	1495.1						
	Contingency	1502						
Totals:				**1,742,500**				

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Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part III: Implementation Schedule

PHA Name: **Housing Authority of the County of Monterey**	**Grant Type and Number** Capital Fund Program No: CA39P03350103 Replacement Housing Factor No:	**Federal FY of Grant: FY 2003**

Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
CA33-All							

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(2) Optional 5-Year Action Plan

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

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

b. If yes to question a, select one:

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

-or-

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

Capital Fund Program Five-Year Action Plan

Part I: Summary

PHA Name: **Housing Authority County of Monterey**				☒**Original 5-Year Plan** ☐**Revision No:**	
Development Number/Name/HA-Wide	Year 1	Work Statement for Year 2 FFY Grant: 2005 PHA FY: 2005	Work Statement for Year 3 FFY Grant: 2006 PHA FY: 2006	Work Statement for Year 4 FFY Grant: 2007 PHA FY: 2007	Work Statement for Year 5 FFY Grant: 2008 PHA FY: 2008
CA33-8 Scattered Sites, (Del Monte Plaza) 1415 Del Monte Ave., Salinas	Annual Statement		$405,178	$485,728	
CA33-11 541 Watson, Monterey		$220,504			
CA33-11 242 Montecito, Monterey		$137,815			

CA33-14 (Northridge Plaza), 1511,1513, &1515 Wheeler, Salinas		$551,260	$868,230	$910,740	
CA33-17 Scattered Sites, 1259 Del Monte Ave., Salinas					
CAA33-1 (Hacienda Plaza) 134 E. Rossi St., Salinas					
CA33-3 (Casa Santa Lucia) 8th, 9th, 10th & Belden Sts., Gonzales					
CA33-5 (Casa de Oro), 48 "C" St., Gonzales					$638,140
CA33-6 (Rider Manor), 1030 Rider Ave., Salinas					
CA33-7 44 Natividad Rd., Salinas					$638,140
CA33-2 (Gabilan Vista), Gabilan Circle, Gonzales		$551,260			
CA33-18 Scattered Sites,					

CA33-18 Scattered Sites, 18320 Van Buren, Salinas					
CA33-18 Scattered Sites, Williams, Salinas					
CA33-18 Scattered Sites, Las Cruces, Salinas					
CA33-18 Scattered Sites, Mae Street, Salinas					
CA33-18 Scattered Sites, Sherman, Salinas		$27,563			
CA33-18 Scattered Sites, Cherokee, Salinas		$27,563			
CA33-9 (Rippling River), 53 E. Carmel Valley Road, Carmel Valley					
CA33-10 Laurel & Sanborn, Scattered Sites, 1029 Rider Ave., Salinas			$115,764		
CA33-17 Scattered Sites, 1062 N. Sanborn Road, Salinas					
CA33-17 Scattered Sites (SFD), 13073Arthur Street, Salinas				$30,358	

PHA Wide Management Improvements		$220,000	$242,000	$266,200	$292,820
HA Wide Non-dwelling structures and equipment		$330,000	$363,000	$393,300	$439,230
Administration		$140,000	$140,000	$140,000	$140,000
CFP Funds Listed for 5-year planning		$2,205,965	$2,134,168	$2,232,326	$2,148,330
Replacement Housing Factor Funds					

Capital Fund Program Five-Year Action Plan
Part II: Supporting Pages—Work Activities

Activities for Year 1	Activities for Year :__2__ FFY Grant: 2005 PHA FY: 2005			Activities for Year: _3__ FFY Grant: 2006 PHA FY: 2006		
	Development Name/Number	**Major Work Categories**	**Estimated Cost**	**Development Name/Number**	**Major Work Categories**	**Estimated Cost**
See	CA33-2 Gabilan	Dwelling Rehab – 20 units	551,260	CA33-8 1039 Sanborn	Dwelling Rehab – 14 units	405,174
Annual	CA33-11 Watson	Dwelling Rehab – 8 units	220,504	CA33-10 Rider	Dwelling Rehab – 4 units	115,764
Statement	CA33-11 Montecito	Dwelling Rehab – 5 units	137,815	CA33-14 Wheeler	Dwelling Rehab – 20 units	868,230
	CA33-14 Wheeler	Dwelling Rehab – 20 units	551,260	CA33-18 Cherokee	Dwelling Rehab – 1 unit	
	CA33-18 Sherman	Dwelling Rehab – 1 unit	27,563			
	CA33-18 Cherokee	Dwelling Rehab – 1 unit	27,563			
		PHA wide Management Improvements	220,000		PHA wide Management Improvements	242,000

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		HA wide Non-dwelling structures and equipment	330,000		HA wide Non-dwelling structures and equipment	363,000
		Administration	140,000		Administration	140,000
Total CFP Estimated Cost			$2,205,965			$2,134,168

Capital Fund Program Five-Year Action Plan

Part II: Supporting Pages—Work Activities

Activities for Year :__4__ FFY Grant: 2007 PHA FY: 2007			Activities for Year: __5_ FFY Grant: 2008 PHA FY: 2008		
Development Name/Number	**Major Work Categories**	**Estimated Cost**	**Development Name/Number**	**Major Work Categories**	**Estimated Cost**
CA33-8 1058 Sanborn	Dwelling Rehab – 16 units	485,728	CA33-5 Casa de Oro	Dwelling Rehab – 20 units	638,140
CA33-14 Wheeler	Dwelling Rehab – 30 units	910,740	CA33-7 Natividad	Dwelling Rehab – 20 units	638,140
CA33-17 Arthur	Dwelling Rehab – 1 unit	30,358			
	PHA wide Management Improvements	266,200		PHA wide Management Improvements	292,820
	HA wide Non-dwelling structures and equipment	399,300		HA wide Non-dwelling structures and equipment	439,230
	Administration	140,000		Administration	140,000
Total CFP Estimated Cost		$2,232,326			$2,148,330

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

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

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

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

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

☒ Yes ☐ No: c) Does the PHA plan to apply for a HOPE VI Revitalization grant in the Plan year?
If yes, list development name/s below:
(Applied in FY03)

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

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

HA is reassessing all developments for possible mandatory or voluntary conversion.

8. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

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

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

2. Activity Description:

Have submitted application for demolition/disposition of Rippling River in plan year 2003.

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

Demolition/Disposition Activity Description
1a. Development name: Rippling River 1b. Development (project) number: 33-9
2. Activity type: Demolition ☒ Disposition ☒
3. Application status (select one) Approved ☐ Submitted, pending approval ☒ Planned application ☐
4. Date application approved, submitted, or planned for submission: 12/05/03
5. Number of units affected: 79 6. Coverage of action (select one) ☐ Part of the development ☒ Total development
7. Timeline for activity: ***Contingent on viable funding acquisition and approvals.*** a. Actual or projected start date of activity: b. Projected end date of activity:

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

[24 CFR Part 903.7 9 (i)]
Exemptions from Component 9; Section 8 only PHAs are not required to complete this section.

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

2. Activity Description

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

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

10. Conversion of Public Housing to Tenant-Based Assistance

[24 CFR Part 903.7 9 (j)]

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

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

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

2. Activity Description

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

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

B. Voluntary Conversion Initial Assessments

a. How many of the PHA's developments are subject to the Required Initial Assessments?

b. How many of the PHA's developments are not subject to the Required Initial Assessments based on exemptions (e. g., elderly and/ or disabled developments not general occupancy projects)?

15 properties – 694 units

c. How many Assessments were conducted for the PHA's covered developments?

One initial assessment for each property

d. Identify PHA developments that may be appropriate for conversion based on the Required Initial Assessments:

PROJECT NO. PROJECT NAME	NUMBER OF UNITS	COMMENTS
33-01 101 E. Rossi Street	24	Currently undergoing financial analysis to determine if this site meets the criteria.
33-01 101 Calle Cebu	26	Currently undergoing financial analysis to determine if this site meets the criteria.
33-01 101 Haciendas Place	50	Currently undergoing financial analysis to determine if this site meets the criteria.
33-02 102 Gabilan Vista	20	Currently undergoing financial analysis to determine if this site meets the criteria.
33-03 103 Casa Santa Lucia 8th St	5	Currently undergoing financial analysis to determine if this site meets the criteria.
33-03 103 Casa Santa Lucia 9th St	6	Currently undergoing financial analysis to determine if this site meets the criteria.
33-03 103 Casa Santa Lucia 10th St	8	Currently undergoing financial analysis to determine if this site meets the criteria.
33-03 103 Casa Santa Lucia Belden St	6	Currently undergoing financial analysis to determine if this site meets the criteria.
33-03 103 Casa Santa Lucia Alta St	5	Currently undergoing financial analysis to determine if this site meets the criteria.
33-05 105 Casa De Oro	20	Currently undergoing financial analysis to determine if this site meets the criteria.
33-06 106 Rider Manor	18	Currently undergoing financial analysis to determine if this site meets the criteria.
33-07 107 Ocean View Apartments	40	Currently undergoing financial analysis to determine if this site meets the criteria.
33-08 108 Del Monte Manor	44(*) (*1 unit non-dwelling total 45)	Currently undergoing financial analysis to determine if this site meets the criteria.
33-08 108 Sanborn Estates	14	Currently undergoing financial analysis to determine if this site meets the criteria.
PROJECT NO. PROJECT NAME	NUMBER OF UNITS	COMMENTS

33-08 108 Sanborn Plaza	**14**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-08 108 Sanborn Arms	**16**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-09 109 Rippling River	**79**	Demolition/Disposition application in process.
33-10 110 1011 E. Laurel Dr.	**15**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-10 110 1029 Rider Avenue	**4**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-10 110 1111 Alamo Way	**4**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-10 110 1112 Alamo Way	**2**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-11 111 531 Watson Street	**8**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-11 111 242 Montecito avenue	**5**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-12 112 Los Ositos	**50**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-14 114 1511 Wheeler Dr (Northridge)	**32**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-14 114 1513 Wheeler Dr (Northridge)	**26**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-14 114 1515 Wheeler Dr (Northridge)	**22**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-17 117 Del Monte Townhouse Apts	**17**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-17 117 1062 N.Sanborn Rd.	**10**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-17 117 514 East Alvin Dr. (House)	**1**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-17 117 13073 Arthur (House)	**1**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-17 117 1569 Colusa Place (House)	**1**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 737 & 747 Mae Avenue	**4**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 24 No. Wood Street	**4**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 775 Elkington Avenue	**6**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 780 Elkington Avenue	**7**	Currently undergoing financial analysis to determine if this site meets the criteria.
PROJECT NO. PROJECT NAME	**NUMBER OF UNITS**	**COMMENTS**

33-18 118 **1113 "D" Street**	**6**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 **1012 N. Sanborn Road**	**11**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 **540 Williams Road**	**3**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 **312 Williams Road**	**3**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 **1346-1348 Las Cruces Court**	**2**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 **1073 Sherman Way**	**1**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 **18320 Van Buren**	**1**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 **18861 Hoover Street**	**1**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-18 118 **1744 Cherokee**	**1**	Currently undergoing financial analysis to determine if this site meets the criteria.
33-19 119 **El Gin Village**	**50**	Currently undergoing financial analysis to determine if this site meets the criteria.

e. If the PHA has not completed the Required Initial Assessments, describe the status of these assessments:

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

11. Homeownership Programs Administered by the PHA

[24 CFR Part 903.7 9 (k)]

A. Public Housing

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

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

PHA status. PHAs completing streamlined submissions may skip to component 11B.)

2. Activity Description

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

NOT REQUIRED TO SUBMIT DUE TO HIGH PERFORMER STATUS

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

B. Section 8 Tenant Based Assistance

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

2. Program Description:

NOT REQUIRED TO SUBMIT DUE TO HIGH PERFORMER STATUS

a. Size of Program

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

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

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

b. PHA-established eligibility criteria

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

12. PHA Community Service and Self-sufficiency Programs

[24 CFR Part 903.7 9 (l)]

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

NOT REQUIRED TO SUBMIT DUE TO HIGH PERFORMER STATUS

A. PHA Coordination with the Welfare (TANF) Agency

1. Cooperative agreements:

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

If yes, what was the date that agreement was signed?

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

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

☐ Other (describe):

B. Services and programs offered to residents and participants

(1) General

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

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

b. Economic and Social self-sufficiency programs

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

Services and Programs				
Program Name & Description (including location, if appropriate)	Estimated Size	Allocation Method (waiting list/random selection/specific criteria/other)	Access (development office / PHA main office / other provider name)	Eligibility (public housing or section 8 participants or both)

(2) Family Self Sufficiency program/s

a. Participation Description

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

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

C. Welfare Benefit Reductions

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

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

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

13. PHA Safety and Crime Prevention Measures

[24 CFR Part 903.7 9 (m)]

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

NOT REQUIRED TO SUBMIT DUE TO HIGH PERFORMER STATUS & PHDEP PROGRAM HAS BEEN ELIMINATED BY HUD

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

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

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

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

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

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

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

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

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

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

C. Coordination between PHA and the police

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

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

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

D. Additional information as required by PHDEP/PHDEP Plan

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

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

14. RESERVED FOR PET POLICY

[24 CFR Part 903.7 9 (n)]

Chapter 10 of A.O.P.

15. Civil Rights Certifications

[24 CFR Part 903.7 9 (o)]

Civil rights certifications are included in the PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations.

16. Fiscal Audit

[24 CFR Part 903.7 9 (p)]

1. ☒ Yes ☐ No: Is the PHA required to have an audit conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U S.C. 1437c(h))? (If no, skip to component 17.)
2. ☒ Yes ☐ No: Was the most recent fiscal audit submitted to HUD?
3. ☐ Yes ☒ No: Were there any findings as the result of that audit?
4. ☐ Yes ☐ No: If there were any findings, do any remain unresolved?

If yes, how many unresolved findings remain?____

5. ☐ Yes ☐ No: Have responses to any unresolved findings been submitted to HUD?
If not, when are they due (state below)?

17. PHA Asset Management

[24 CFR Part 903.7 9 (q)]

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

NOT REQUIRED TO SUBMIT DUE TO HIGH PERFORMER STATUS

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

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

☐ Not applicable
☐ Private management
☐ Development-based accounting
☐ Comprehensive stock assessment
☐ Other: (list below): *Capital needs long-term assessment on each property.*

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

18. Other Information

[24 CFR Part 903.7 9 (r)]

A. Resident Advisory Board Recommendations

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

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

☐ Attached at Attachment (File name)
☒ Provided below

1) Several tenants had questions regarding their individual circumstances.

2) Several tenants requested interior painting of their unit.

3) Several tenants asked if we had a homeownership program.

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

☒ Considered comments, but determined that no changes to the PHA Plan were necessary.

☐ The PHA changed portions of the PHA Plan in response to comments
List changes below:

2) ☒ Other: (list below)

1) Staff involved in the Agency Plan process either answered their questions or directed them to the appropriate Housing Authority staff member.

2) Gave tenants an explanation on the Capital Fund activities and how they are prioritized according to the immediate needs of the development.

3) Informed tenants of our Section 8 homeownership program and our plans for implementation.

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

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

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

3. Description of Resident Election Process

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

☐ Candidates were nominated by resident and assisted family organizations

☐ Candidates could be nominated by any adult recipient of PHA assistance

☐ Self-nomination: Candidates registered with the PHA and requested a place on ballot

☐ Other: (describe)

b. Eligible candidates: (select one)

☐ Any recipient of PHA assistance

☐ Any head of household receiving PHA assistance

☐ Any adult recipient of PHA assistance

☐ Any adult member of a resident or assisted family organization

☐ Other (list)

c. Eligible voters: (select all that apply)

☐ All adult recipients of PHA assistance (public housing and section 8 tenant-based assistance)

☐ Representatives of all PHA resident and assisted family organizations

☐ Other (list)

C. Statement of Consistency with the Consolidated Plan

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

1. Consolidated Plan jurisdiction: (provide name here)

   Monterey, Seaside, Salinas and Monterey County.

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

   Monterey, Seaside, Salinas and Monterey County.

☒ The PHA has based its statement of needs of families in the jurisdiction on the needs expressed in the Consolidated Plan/s.

☒ The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.

☒ The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.

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

More coordinated meeting with city and county representatives.

☐ Other: (list below)

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

D. Other Information Required by HUD

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

Attachments

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

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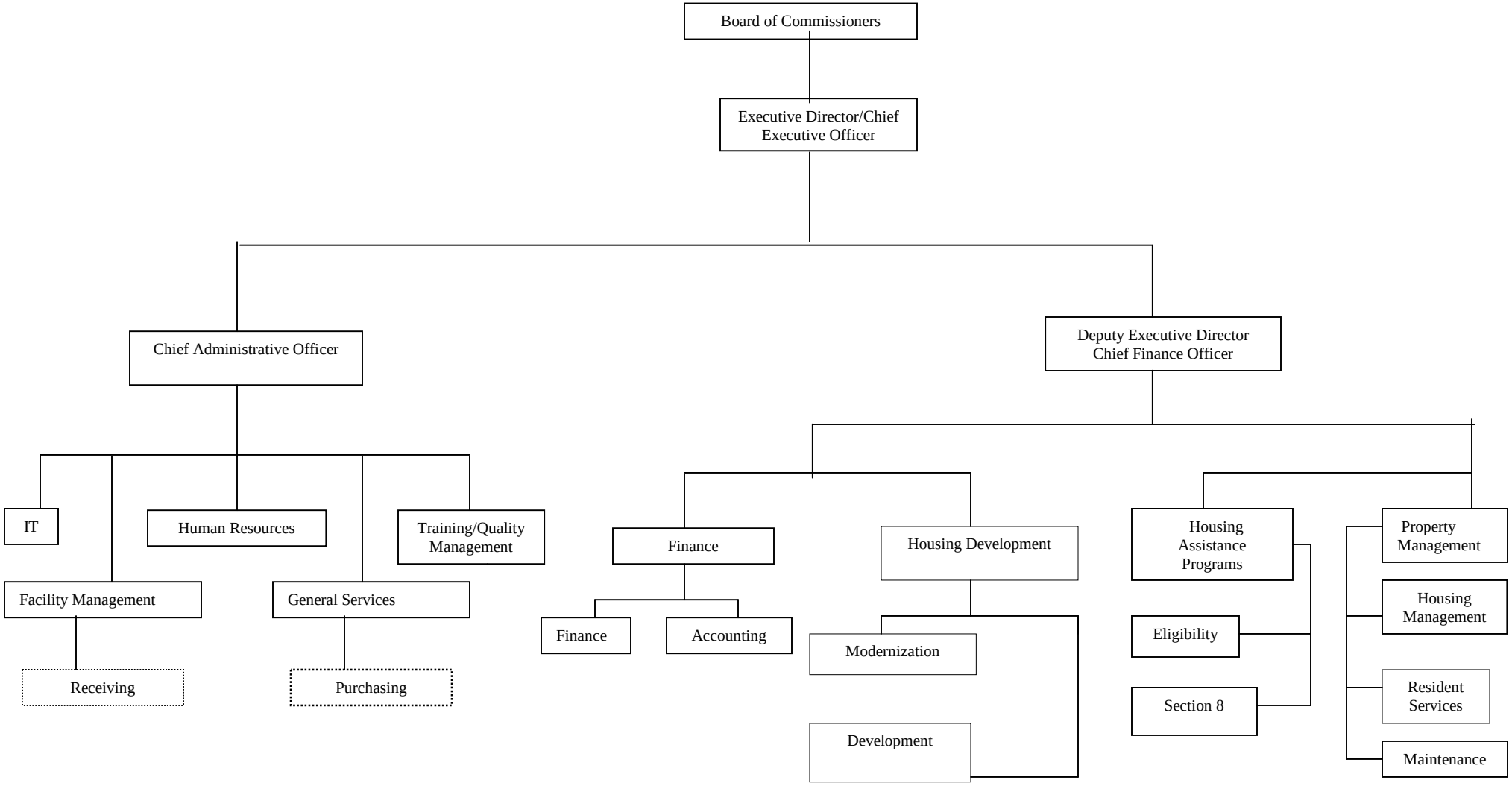
BOOK 2

A. Housing Needs Analysis
B. Admissions and Continued Occupancy Plan for the Public Housing Program
C. Section 8 Administrative Plan
D. Household Pest Abatement Policy
E. Memorandum of Agreement – Family Unification Program
F. Family Self-Sufficiency Program Action Plan
G. Financial Statements – Year Ended June 30, 2003
H. Monterey County Welfare – to – Work Vouchers Plan
I. Calculation of Operating Subsidy FYE 6/30/2004
J. Organizational Chart
K. Section 8 Project-Based Voucher Program Statement
L. Section 8 Homeownership Capacity Statement
M. Pet Ownership in Public Housing Statement
N. Resident Membership of the PHA Governing Board
O. PHA Certification of Compliance with the Plan/Resolution 2132
P. Certification of Payments to Influence Federal Transaction (HUD Form 50071)
Q. Disclosure of Lobbying Activities (standard Form – LLL)
R. Local Certification of Consistency with the Consolidated Plan
S. Fair Housing Plan
T. List of Housing Authority Resident Advisory Council Membership

Attachment 1

HOUSING AUTHORITY OF THE COUNTY OF MONTEREY



form **HUD 50075** (03/2003)

Attachment 2

Pet Ownership in Public Housing

Residents will comply with the dwelling lease, which requires that no animals or pets of any kind are permitted on the premises without prior written approval of the HA. This does not apply to animals that are used to assist, support, or provide service to persons with disabilities.

Tenants with animals must pay a pet deposit. The resident/pet owner shall be required to pay a refundable $300.00 deposit for the purpose of defraying all reasonable costs directly attributable to the presence of a dog or cat. An individual deposit will be required for each pet. All reasonable expenses incurred by the HA as a result of damages directly attributable to the presence of the pet in the project will be the responsibility of the resident, including:
The cost of repairs and replacements to the resident's dwelling unit;
Fumigation of the dwelling unit;
Common areas of the project.
Pet deposits are not part of rent payable by the resident.

In Family Public Housing there is a minimal monthly fee to cover the reasonable operating costs to the project relating to the presence of pet.

A resident may keep no types of pets other than the following: Dogs, Cats, Birds, Fish, Rodents (rabbit, guinea pig, hamster, or gerbil ONLY)
Tenants are not permitted to have more than two (2) common household pets, except that only one may be a cat or a dog as defined in the Pet Policy chapter of Public Housing Admissions and Continued Occupancy Plan.

No pet (excluding fish) shall be left unattended in any apartment for a period in excess of 24 hours. HACM reserves the right to enter and/or remove pets(s) and transfer them to the proper authorities should a pet(s) are left unattended in or out of the apartment for more than twenty-four (24) hours.

Attachment 3

Membership of the Resident Advisory Board

NAME

Maria Leon
Jose Contreras
Aurora Contreras
Sara Robledo
Juana Trujillo
Jose Garcia
Catalina Garcia
Alma Vasquez
Justina Gutierrez
Jesse Villegas
Julia Araiza de Gonzales
Susana Campos
Maria Salinas
Puala Sandoval
Filimon Jimenez
Maria Marnelto
Maria G. Ceja
Viviana Piceno
Cecilia Perez

Attachment 4

Resident Membership of the PHA Governing Board

Name	Method of Selection	Term of Appointment
Michael Nichols	appointment	2 years
Carol Schneider	appointment	2 years

Attachment 5

Section 8 Project-Based Voucher Program

The purpose of this Plan to Project Base an initial offering of 200 units (which includes all types of Project Based Assistance available: New Construction, Rehabilitation, and Existing) as approved by the U.S. Department of Housing and Urban Development. The units will be in Monterey County. The intent is to further Fair Housing Choice, to reduce impediments to fair housing choice. The project basing will assist non-profit and for-profit property owners to project base existing units targeted to low income households if it meets Housing Quality Standards, or to construct standard, or upgrade substandard, rental housing stock and make it available to low-income families at rents within the Section 8 payment standard rent. The supply of units for tenant-based assistance is very limited and project basing in certain strategic locations is needed to assure the availability of units for a period of years. Project basing of Section 8 must be consistent with the HUD statutory goals of de-concentration of poverty and expanding housing and economic opportunities.

The Housing Authority of the County of Monterey (HACM) is authorized under 24 CFR Part 983, to provide Section 8 project based assistance utilizing funds provided to the Housing Authority for the Section 8 Housing Choice Voucher Program. HACM has established the project based assistance program (PBA) in compliance with 24 CFR Part 983 and implementing guidance of the new statutory provisions published in the Federal Register on January 16, 2001.

Attachment 6

Section 8 Homeownership Capacity Statement

The Housing Authority of the County of Monterey has the capacity or will acquire the capacity to successfully operate a Section 8 homeownership program. The Housing Authority will offer the homeownership program to successful Section 8 participants, especially those participating in the Family Self-Sufficiency Program or those participating in Sweat Equity Programs, who are interested in, and who are capable of purchasing their own homes. We have partnered with the new MoCHA's (Monterey County Housing Alliance) HOC (Housing Opportunity Center) to provide home-buying education and counseling.
The Housing Authority's homeownership program is voluntary and will provide participants a broad range of choices in housing.
This program is expected to be an incentive in one of the highest cost areas of the United States, for families to move from homelessness, to welfare-to-work, and through the FSS program into homeownership utilizing a continuum of housing assistance and counseling to maximize the self-sufficient functioning of low-income families to greatest extent possible. The barriers to homeownership in Monterey County are difficult to overcome, and even more difficult for low income families, which typically require a large amount of counseling, guidance, and support in their progress along the housing continuum.

The Housing Authority of the County of Monterey is considering two programs to develop and implement a Section 8 homeownership plan.

The PHA may provide homeownership assistance in the form of monthly payments, or as a down payment assistance grant. The PHA may choose to offer either or both forms, or may choose not to offer homeownership assistance. If the PHA offers both forms of assistance, the family chooses which form to receive.

Attachment 7

Assessment of Site-Based Waiting List Development Demographic Changes

As stated in Chapter 4-5 of our Admissions and Occupancy Plan for Public Housing, the Housing Authority of the County of Monterey will monitor its system of site-based waiting list at least every three years to assure that racial steering does not occur. If the HA's analysis of its site-based waiting list indicates that a pattern of racial steering is or may be occurring, the HA will take corrective action.

The HA has established site-based waiting lists for the following properties:

1.	33-2	Gabilan Vista
2.	33-3	Casa Santa Lucia
3.	33-5	Casa de Oro
4.	33-9	Rippling River
5.	33-11	Montecito/Watson
6.	33-12	Los Ositos

This assessment will be conducted as soon as we have Multifamily Tenant Characteristic System (MTCS) occupancy data available.

Attachment 8

Criteria for Substantial Deviation and Significant Amendments

A. Substantial deviation from 5-Year Plan:

A "Substantial Deviation" from the 5-Year Plan is a significant change in the overall direction of the Housing Authority of the County of Monterey Goals and Objectives. This includes changing the Agency's Goals and Objectives.

B. Significant Amendment or Modification to Annual Plan:

A "Significant Amendment or Modification" to the Annual Plan is a change in policy or policies pertaining to the operation of the Agency. This includes the following:

- Changes to rent or admissions policies or organization of the waiting list;
- Additions of non-emergency work items (items not included in the current Annual Statement or Five-Year Action Plan) or change in use of replacement reserve funds under the Capital Fund
- Any change with regard to demolition or disposition, designation, homeownership programs or conversion activities

On October 31, 2003 the Housing Authority of the County of Monterey closed the waiting lists for the Section 8 Housing Choice Voucher Programs including Welfare to Work and Family Unification, Lakeview Towers, Family Units for Public Housing including Site Based waiting lists for Gonzales, and Monterey.

The Housing Authority of the County of Monterey submitted Demolition/Disposition Application to HUD on December 5, 2003 pertaining to Development Number CA39003-009 named Rippling River.

Attachment 9

Housing Authority of the County of Monterey
Section 3 Policy

PURPOSE:

To provide equal employment and economic opportunity in direct employment and/or contracting with The Housing Authority of the County of Monterey, herein referred to as HACM.

POLICY:
It is the policy of HACM to ensure that employment and other economic opportunities generated by HUD or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly those who are recipients of government assistance for housing in accordance with the regulations in 24 CFR Part 135

DEFINITIONS:

Section 3 is the legal basis for providing jobs for residents and awarding contracts to businesses in areas receiving certain types of HUD financial assistance. Under Section 3 of the HUD Act of 1968, wherever HUD financial assistance is given for housing or community development, to the greatest extent feasible, economic opportunities will be given to residents and businesses in that area. (Area for HACM is Monterey County.)

Section 3 covered project means the construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction, which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.

Section 3 qualified persons are those residents of public housing, Section 8 recipients and low and very low income persons who live in an area in which a HUD-assisted project is located. (For HACM this area is Monterey County.)

Section 3 business is majority owned by Section 3 residents or whose full time employees are at least 30% Section 3 residents (or had 30% Section 3 residents employed full time within three years of the date of first employment with HACM) or subcontracts in excess of 25% of the dollar award to Section 3 businesses.

Low Income is defined by HUD as a person whose household income is 80% or below the area median income adjusted for household size.

Very Low Income is defined by HUD as a person whose household income is 50% or below the area median income adjusted for household size.

SECTION 3 QUALIFIED CONTRACTS:

Section 3 qualified contracts will contain:

1. HUD 5370 General Conditions for contract for Construction, which contains the necessary clause for Section 3

2. The HACM Section 3 Rider form will be included in the bid packet to be completed by the bidding contractor/subcontractor or its agents.

3. Minimum HUD assistance for a contract to qualify under section 3 must exceed 200,000.00.

4. It is the sole responsibility of the contractors, subcontractors and or its agents bidding and or awarded Section 3 contracts, to comply with Title 24,Chapter 1 Part 135 Equal Opportunities for Low and Very Low Income Persons, when stating section 3 qualifications for contract. This includes all forms, disclosures and complying with all reporting requirements.

IMPLEMENTATION:

The HACM will implement this policy covering Section 3 of the HUD Act of 1964, by means of the Section 3 Program outlined below. Procedures adopted will include, at a minimum

Employment and Training:

1. HACM will post notices of job opportunities in media where Section 3 qualified residents customarily search for job announcements.

2. HACM will notify residents and Section 8 clients of Housing Authority job openings in the lobby of main office and through the agency website.

Contracting: HACM shall include in each contract the section 3 clause:

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree

to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).”

Chapter 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which recodified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the Section 8 Tenant-Based Assistance Program, is described in and implemented throughout this Administrative Plan. The Section 8 rental assistance programs are federally funded and administered for the County of Monterey by the Housing Authority of the County of Monterey through its Section 8 housing office.

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

JURISDICTION

The jurisdiction of the HA is County of Monterey.

A. HOUSING AUTHORITY MISSION STATEMENT

To provide, and encourage quality affordable housing and related services to eligible residents of Monterey County.

B. LOCAL GOALS [24 CFR 982.1]

Part I

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

HA Goal: Expand the supply of assisted housing

Objectives:

Be the lead affordable housing organization in the County

Apply for additional rental vouchers

Reduce public housing vacancies

Leverage private or other public funds to create additional housing opportunities

Acquire or build units or developments

Other: "As capacity allows and funding allows to develop partnerships with service providers that promote self-sufficiency of families and individuals."

HA Goal: Improve the quality of assisted housing
Objectives:

Improve public housing management: (HAS score)

Improve voucher management: (SEMAP score)

Increase customer satisfaction by providing excellent customer service

Concentrate on efforts to improve specific management functions (list; e.g., public housing finance; voucher unit inspections)
Improve Capital Planning and Property Management Reporting
Renovate or modernize public housing units

Demolish or dispose of obsolete public housing

Provide replacement vouchers: As needed

Other: Dispose of public housing thatis financially unfeasible to operate and maintain

HA Goal: Increase assisted housing choices

Objectives:

Provide voucher mobility counseling

Conduct outreach efforts to potential voucher landlords

Increase voucher payment standards (if possible)

Implement voucher downpayment assistance homeownership program

Implement public housing or other homeownership programs

Implement public housing site-based waiting lists

Convert public housing to vouchers

Other
"Implement Project Based Section 8 Housing Choice Voucher Program"

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

HA Goal: Provide an improved living environment

Objectives:

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

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

Implement public housing security improvements

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

Other: Analyze crime and determine individual site needs based upon analysis of crimes at sites

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

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

Objectives:

Increase the number and percentage of employed persons in assisted families

Provide or attract supportive services to improve assistance recipients' employability

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

Other: Access the services of Central Coast Center for Independent Living and John XXIII Aids Ministry to increase services for elderly or families with disabilities

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

HA Goal: Ensure equal opportunity and affirmatively further fair housing

Objectives:

Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability

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

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

Other

Part II

The HA has the following goals for the program:

To assist the local economy by increasing the occupancy rate and the amount of money flowing into the community.

To encourage self-sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human services needs.

To create positive public awareness and expand the level of family, owner, and community support in accomplishing the HA's mission.

To attain and maintain a high level of standards and professionalism in our day-to-day management of all program components.

To administer an efficient, high-performing agency through continuous improvement of the HA's support systems and commitment to our employees and their development.

To provide decent, safe, and sanitary housing for very low income families while maintaining their rent payments at an affordable level.

To ensure that all units meet Housing Quality Standards and families pay fair and reasonable rents.

To promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.

To promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low-income families.

To promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families.

C. PURPOSE OF THE PLAN [24 CFR 982.54]

The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the Agency Plan. The Housing Choice Voucher Program was implemented on 10/1/99, and pre-merger Housing Voucher tenancies and Over Fair Market Rent tenancies converted automatically to Housing Choice Voucher tenancies on that date. *A*ll *other* existing contracts remain*ed* in effect until the family's second reexamination after the merger date or when a new lease *was* executed.

The HA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence. The HA will revise this Administrative Plan as needed to comply with changes in HUD regulations. The original Plan and any changes must be approved by the Board of Commissioners of the agency, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

This Administrative Plan is a supporting document to the HA Agency Plan, and is available for public review as required by CFR 24 Part 903.

Applicable regulations include:

24 CFR Part 5: General Program Requirements

24 CFR Part 8: Nondiscrimination

24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program

Local rules that are made part of this Plan are intended to promote local housing objectives consistent with the intent of the federal housing legislation.

D. ADMINISTRATIVE FEE RESERVE [24 CFR 982.54(d)(21)]

The Board of Commissioners has set a level of 5% of Administrative Fee Reserves. The threshold for the amount of expenditures which may be made from Operating Reserves, that are in excess of the minimum level, for other housing purposes is set as $0. All expenditures over the minimum level of Reserve will be approved only after the Board has made an affirmative determination that the expenditures are necessary and reasonable for other housing purposes consistent with Section 982.155 and the Housing Authority powers under State and local laws.

(revised 7/28/03)

E. RULES AND REGULATIONS [24 CFR 982.52]

This Administrative Plan is set forth to define the HA's local policies for operation of the housing programs in the context of Federal laws and Regulations. All issues related to Section 8 not addressed in this document are governed by such Federal regulations, HUD Memos, Notices and guidelines, or other applicable law. The policies in this Administrative Plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

F. TERMINOLOGY

The Housing Authority of the County of Monterey is referred to as "HA" or "Housing Authority" throughout this document.

"Family" is used interchangeably with "Applicant" or "Participant" and can refer to a single person family.

"Tenant" is used to refer to participants in terms of their relation to landlords.

"Landlord" and "owner" are used interchangeably.

"Disability" is used where "handicap" was formerly used.

"Non-citizens Rule" refers to the regulation effective June 19, 1995 restricting assistance to U.S. citizens and eligible immigrants.

The Section 8 programs *is* also known as the *Housing Choice* Voucher Program~~s~~. The Housing Choice Voucher Program refers to the merged program effective as of 10/1/99.

"HQS" means the Housing Quality Standards required by regulations as enhanced by the HA.

"Failure to Provide" refers to all requirements in the first Family Obligation. See "Denial or Termination of Assistance" chapter.

"Merger date" refers to October 1, 1999, which is the effective date of the merging of the Section 8 Certificate and Voucher programs into the Housing Choice Voucher Program.

See Glossary for other terminology.

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

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

The HA shall not deny any family or individual the equal opportunity to apply for or receive assistance under the Section 8 Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, handicap or disability or sexual orientation.

To further its commitment to full compliance with applicable Civil Rights laws, the HA will provide Federal/State/local information to Voucher holders regarding unlawful discrimination and any recourse available to families who believe they are victims of a discriminatory act. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder's briefing packet and available upon request at the front desk.

All Housing Authority staff will be required to attend fair housing training and 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 office/s, 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.

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the HA's facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout the HA's office in such a manner as to be easily readable from a wheelchair.

The Housing Authority’s office is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the **TDD** (831) 754-2951.

H. REASONABLE ACCOMMODATIONS POLICY [24 CFR 100.202]

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

A participant with a disability must first ask for a specific change to a policy or practice as an accommodation of their disability before the HA will treat a person differently than anyone else. The HA's policies and practices will be designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services. The availability of requesting an accommodation will be made known by including notices on HA forms and letters. This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities and is applicable to all situations described in this Administrative Plan including when a family initiates contact with the HA, when the HA initiates contact with a family including when a family applies, and when the HA schedules or reschedules appointments of any kind.

To be eligible to request a reasonable accommodation, the requester must first certify (if apparent) or verify (if not apparent) that they are a person with a disability under the following ADA definition:

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

Note: This is not the same as the HUD definition used for purposes of determining allowances.

Rehabilitated former drug users and alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with 5.403, individuals are not considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence. Individuals whose drug or alcohol addiction is a material factor to their disability are excluded from the definition. Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse discontinued.

Once the person's status as a qualified person with a disability is confirmed, the HA will require that a professional third party competent to make the assessment, provides written verification that the person needs the specific accommodation due to their disability and the change is required for them to have equal access to the housing program.

If the HA finds that the requested accommodation creates an undue administrative or financial burden, the HA will deny the request and/or present an alternate accommodation that will still meet the need of the person.

An undue administrative burden is one that requires a fundamental alteration of the essential functions of the HA (i.e., waiving a family obligation).

An undue financial burden is one that when considering the available resources of the agency as a whole, the requested accommodation would pose a severe financial hardship on the HA.

The HA will provide a written decision to the person requesting the accommodation within 14 days. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review the HA's decision.

Reasonable accommodation will be made for persons with a disability that requires an advocate or accessible offices. A designee will be allowed to provide some information, but only with the permission of the person with the disability.

All HA mailings will be made available in an accessible format upon request, as a reasonable accommodation.

Verification of Disability

The HA will verify disabilities under definitions in the Fair Housing Amendments Act of 1988, Section 504 of the 1973 Rehabilitation Act, and Americans with Disabilities Act.

Outreach

Outreach efforts will include notification of the HA's 504 Advisory Board as well as all other media and agencies listed in the HA's Administrative Plan regarding public notices (see section on opening and closing the waiting list in "Applying for admission" chapter.)

Applying for Admission

All persons who wish to apply for any of the HA's programs must submit a pre-application in **written format**, as indicated in our public notice. (When applications are open) Applications will be made available in an accessible format upon request from a person with a disability.

To provide specific accommodation to persons with disabilities, upon request, the information may be mailed to the applicant and, if requested, it will be mailed in an accessible format.

The full application is completed at the eligibility appointment in the applicant's own handwriting, unless assistance is needed, or a request for accommodation is requested by a person with a disability. Applicants will then be interviewed by HA staff to review the information on the full application form. Verification of disability as it relates to 504, Fair Housing, or ADA reasonable accommodation will be requested at this time. The full application will also include questions asking all applications whether reasonable accommodations are necessary.

I. TRANSLATION OF DOCUMENTS

The Housing Authority has bilingual staff to assist non-English speaking families in the Spanish language.

In determining whether it is feasible to provide translation of documents written in English into other languages, the HA will consider the following factors:

> **Number of applicants and participants in the jurisdiction who do not speak English and speak the other language.**
>
> **Estimated cost to HA per client of translation of English written documents into the other language.**
>
> **The availability of local organizations to provide translation services to non-English speaking families.**
>
> **Availability of bi-lingual staff to provide translation for non-English speaking families.**

J. MANAGEMENT ASSESSMENT OBJECTIVES

The HA operates its housing assistance program with efficiency and can demonstrate to HUD auditors that the HA is using its resources in a manner that reflects its commitment to quality and service. The HA policies and practices are consistent with the areas of measurement for the following HUD SEMAP indicators.

Selection from the Waiting List

Reasonable Rent

Determination of Adjusted Income

Utility Allowance Schedule

HQS Quality Control Inspections

HQS Enforcement

Expanding Housing Opportunities

Payment Standards

Annual Re-examinations

Correct Tenant Rent Calculations

Pre-Contract HQS Inspections

Annual HQS Inspections

Lease-up

Family Self-Sufficiency Enrollment and Escrow Account Balances

Bonus Indicator Deconcentration

Supervisory quality control reviews will be performed by a HA Supervisor or other qualified person other than the person who performed the work, as required by HUD, on the following SEMAP factors:

Selection from the waiting list

Rent reasonableness

Determination of adjusted income

HQS Enforcement

HQS Quality Control

The annual sample of files and records will be drawn in an unbiased manner, leaving a clear audit trail.

The minimum sample size to be reviewed will relate directly to each factor.

K. RECORDS FOR MONITORING HA PERFORMANCE

In order to demonstrate compliance with HUD and other pertinent regulations, the HA will maintain records, reports and other documentation for a time that is in accordance with HUD requirements and in a manner that will allow an auditor, housing professional or other interested party to follow, monitor and or assess the HA's operational procedures objectively and with accuracy and in accordance with SEMAP requirements with internal supervisory audits.

In addition to the required SEMAP documentation, supervisory staff audit the following functions:

Not less than 1% of reexaminations

Not less than 1% of new applications

Not less than 100% of claims processed

L. PRIVACY RIGHTS [24 CFR 982.551 and 24 CFR 5.212]

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

The HA'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" or returned to the family member after its use. 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 Supervisor or Director.

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

M. FAMILY OUTREACH

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

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

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

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

The HA makes a concerted effort to keep private owners informed of legislative changes in the tenant-based program, which are designed to make the program more attractive to owners. This includes informing participant owners of applicable legislative changes in program requirements.

The HA encourages owners of decent, safe and sanitary housing units to lease to Section 8 families.

The HA encourages participation by owners of suitable units located outside areas of low poverty or minority concentration.

The HA conducts **annual** meetings with participating owners to improve owner relations and to recruit new owners.

The HA will maintain lists of available housing submitted by owners in all neighborhoods within the Housing Authority's jurisdiction to ensure greater mobility and housing choice to very low-income households. The lists of owners/units will be provided at the front desk, mailed on request, and provided at briefings.

The staff of the HA initiates personal contact with private property owners and managers by conducting formal and informal discussions and meetings.

Printed material is offered to acquaint owners and managers with the opportunities available under the program.

The HA encourages program participation by owners of units located outside areas of poverty or minority concentration. The HA periodically evaluates the demographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choice and better housing opportunities to families. Voucher holders are informed of a broad range of areas where they may lease units inside the HA's jurisdiction and given a list of landlords or other parties who are willing to lease units or help families who desire to live outside areas of poverty or minority concentration.

The HA works with a nonprofit agency through the regional counseling program who contacts others in the area, identifies families in the program, and counsels the families on their prospective move and services available in the areas in which the family is interested.

The HA shall periodically:

> **Request the HUD Field Office to furnish a list of HUD-held properties available for rent.**
>
> **Develop working relationships with owners and real estate broker associations.**
>
> **Establish contact with civic, charitable or neighborhood organizations which have an interest in housing for low-income families and public agencies concerned with obtaining housing for displacements.**
>
> **Explain the program, including equal opportunity requirements and nondiscrimination requirements, including Fair Housing Amendments Act of 1988 and Americans with Disabilities Act, to real estate agents, landlords, and other groups that have dealings with low-income families or are interested in housing such families.**

Chapter 2

ELIGIBILITY FOR ADMISSION

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

INTRODUCTION

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

A. ELIGIBILITY FACTORS [982.201(B)]

The HA accepts applications only from families whose head or spouse is at least 18 years of age **or emancipated minors under State law**.

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

The HUD eligibility criteria are:

An applicant must be a "family"

An applicant must be within the appropriate Income Limits

An applicant must furnish Social Security Numbers for all family members age six and older

An applicant must furnish declaration of Citizenship or Eligible Immigrant Status and verification where required

At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before the HA may provide any financial assistance.

Reasons for denial of admission are addressed in the "Denial or Termination of Assistance" chapter. These reasons for denial constitute additional admission criteria.

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors.

Evidence of Citizenship/Eligible Immigrant Status will not be verified until the family is selected from the waiting list for final eligibility processing for issuance of a Voucher.

B. FAMILY COMPOSITION [24 CFR 982.201 (c)]

The applicant must qualify as a Family. A Family may be a single person or a group of persons.

A "family" includes a family with or without a child or children. A group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides is a family. The HA determines if any other group of persons qualifies as a "family".

A single person family may be:

An elderly person

A displaced person

A person with a disability

Individuals may not be considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence.

Any other single person

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

A family also includes:

Two or more persons who intend to share residency whose income and resources are available to meet the family's needs.

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

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

Head of Household

The head of household is the adultmember of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a

lease under State/local law. **Emancipated minors who qualify under State law will be recognized as head of household.**

Spouse of Head

Spouse means the husband or wife of the head.
For proper application of the Non-citizens Rule, the definition of spouse is: the marriage partner who, in order to dissolve the relationship, would have to be divorced. It includes the partner in a common law marriage. The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads.

Co-Head

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

Live-in Attendants

A Family may include a live-in aide provided that such live-in aide:

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

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

> Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
>
> Live-in aides are not subject to Non-Citizen Rule requirements.
>
> Live-in aides may not be considered as a remaining member of the tenant family.

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

A Live in Aide may only reside in the unit with the approval of the HA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near-elderly (50-61) or disabled.

Family members of a live-in aide may also reside in the unit providing doing so does not increase the subsidy by the cost of an additional bedroom and that the presence of the live-in aide's family does not overcrowd the unit.

The HA will approve a live-in aide if needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability. Approval of a live-in aide for reasonable accommodation will be in accordance with CFR 24 Part 8 and the reasonable accommodations section in Chapter 1 of this Administrative Plan

Verification must include the hours the care will be provided.

[24 CFR 982.316**] At any time, the HA will refuse to approve a particular person as a live-in aide or may withdraw such approval if:**

> **The person has been on a federal housing program and been evicted from public housing or terminated from Section 8 due to program violation.**
>
> **The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;**
>
> **The person commits drug-related criminal activity or violent criminal activity; or**
>
> **The person currently owes rent or other amounts to the HA or to another HA in connection with Section 8 or public housing assistance under the 1937 Act.**
>
> **The person is or has been engaged in other criminal activity which may threaten the health or safety of other residents of the premises or vicinity or which may threaten the health or safety of the owner, property management staff, or persons performing administration functions or responsibility on behalf of the HA, including a HA employee.**
>
> **The person has an abuse or pattern of abuse of alcohol that may adversely affect the health or safety of, or the right to peaceful enjoyment of the premises by, other residents and persons residing in the immediate vicinity of the premises.**
>
> **The person is subject to a lifetime registration requirement under a State Sex Offender registration program.**
>
> **The person has been convicted of manufacturing or producing methamphetamine in a building or complex assisted under the Public Housing or Section 8 Programs, they are permanently prohibited.**

Split Households Prior to Voucher Issuance

When a family 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 no court determination, the HA will make the decision taking into consideration the following factors:

> **Which family member applied as head of household.**
>
> **Which family unit retains the children or any disabled or elderly members.**
>
> **Restrictions that were in place at the time the family applied.**
>
> **Role of domestic violence in the split.**
>
> **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 HA.

In cases where domestic violence played a role, the standard used for verification will be the same as that required for the "domestic violence" preference

> **The HA will require evidence that the family has been displaced as a result of fleeing violence in the home. Families are also eligible for this preference if there is proof that the family is currently living in a situation where they are being subjected to or victimized by violence in the home (See "Establishing Preferences and Maintaining the Waiting List" chapter).**

Multiple Families in the Same Household

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

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.

There will be a self-certification required of families who claim joint custody or temporary guardianship.

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.

C. INCOME LIMITATIONS [24 CFR 982.201(b), 982.353]

To be eligible for assistance, an applicant must:

Have an Annual Income at the time of admission that does not exceed the **very low-income** limits for occupancy established by HUD.

To be income eligible the applicant must be a family in the very low-income category, which is a family whose income does not exceed 50 percent of the area median income. The HA will not admit families whose income exceeds 50 percent of the area median income except those families included in 24 CFR 982.201(b).

To be income eligible the family may be under the low-income limit in any of the following categories: [24 CFR 982.201(b)]

A very low-income family.

A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within 120 days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act.

A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.

A low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.

A low-income non-purchasing family residing in a project subject to a home-ownership program under 24 CFR 248.173.

A low-income family or moderate income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.

A low-income family that qualifies for Voucher assistance as a non-purchasing family residing in a project subject to a resident home ownership program.

The HA's criteria for admitting Low Income families, in addition to those required under the regulations and identified above, is to admit families who:

Are pursuing their education

Are participating in an economic self-sufficiency program

Are working full time (part-time)

To determine if the family is income-eligible, the HA compares the annual income of the family to the applicable income limit for the family's size.

Families whose Annual Income exceeds the income limit will be denied admission and offered an informal review.

Portability: For initial lease-up at admission, families who exercise portability must be within the applicable income limit for the jurisdiction of the receiving HA in which they want to live.

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

Families are required to provide verification of Social Security Numbers for all family members age 6 and older prior to admission, if they have been issued a number by the Social Security Administration. This requirement also applies to persons joining the family after admission to the program.

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.

Persons who disclose their Social Security Number but cannot provide verification must sign a certification and provide verification within 60 days. Elderly persons must provide verification within 120 days.

E. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR Part 5, Subpart E]

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD.

For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

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

All members ineligible. Applicant families that include no eligible members are ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.

Non-citizen students. Defined by HUD in the non-citizen regulations at 24 CFR 5.522. Not eligible for assistance.

Appeals. For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

F. OTHER CRITERIA FOR ADMISSIONS [24 CFR 982.552(b)]

A family will not be admitted to the program if any member of the family has been evicted from federally assisted housing for serious violation of the lease within the past five years.

A family will be denied admission to the program if any member of the family fails to sign and submit consent forms for obtaining information required by the HA, including Form HUD-9886.

The HA will apply the following criteria, in addition to the HUD eligibility criteria, as grounds for denial of admission to the program:

The family must not have violated any family obligation during a previous participation in the Section 8 program for five years prior to final eligibility determination.

The HA will make an exception, if the family member who violated the family obligation is not a current member of the household on the application.

The family must pay any outstanding debt owed the HA or another HA as a result of prior participation in any federal housing program within 30 days of HA notice to repay.

The family must be in good standing regarding any current payment agreement made with another HA for a previous debt incurred, before this HA will allow participation in its Section 8 program.

The family has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.

If any household member has engaged in drug related or violent criminal activity. the exclusion shall be for five years. The HA may consider extenuating circumstances in appropriate cases.

Any household member who is / or has engaged in other criminal activity which may threaten the health or safety of other residents of the premises or safety of the owner, property management staff or persons performing an administrative function or responsibility on behalf of the HA, including a HA employee.

If any household member is subject to a lifetime registration requirement under a Sate sex offender registration program, they are permanently prohibited from admission to the Section 8 Program.

If any household member has been convicted of manufacturing or producing methamphetamine in a building or complex assisted under the Public Housing or Section 8 Programs, they are permanently prohibited admission to the Section 8 Program.

The HA will check criminal history for all adults in the household to determine whether any member of the family has violated any of the prohibited behaviors as referenced in the section on screening and termination policy in the "Denial or

Termination of Assistance" chapter.

If any applicant deliberately misrepresents the information on which eligibility or tenant rent is established, the HA may deny assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum).

G. TENANT SCREENING [24 CFR 982.307)]

The HA will take into consideration any of the criteria for admission described in the "Denial or Termination of Assistance" chapter.

The HA **will not** screen family behavior or suitability for tenancy. The HA will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before HA approval of the tenancy, the HA will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening families based on their tenancy histories, including such factors as24 CFR 982.307(a)(3)]

Payment of rent and utility bills

Caring for a unit and premises

Respecting the rights of other residents to the peaceful enjoyment of their housing

Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and

Compliance with other essential conditions of tenancy.

The HA will give the owner:

The family's current and prior address as shown in the HA's records; and

The name and address (if known by the HA) of the landlord at the family's current and prior address.

The same types of information will be supplied to all owners.

The HA will advise families how to file a complaint if they have been discriminated against by an owner. The HA will advise the family to make a Fair Housing complaint. The HA may also

report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

H. CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT

Changes that occur during the period between issuance of a voucher and lease up may affect the family's eligibility or share of the rental payment.

I. INELIGIBLE FAMILIES

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to non-citizen status. See "Complaints and Appeals" chapter for additional information about reviews and hearings.

J. PROHIBITED ADMISSIONS CRITERIA [982.202(b)]

Admission to the program may not be based on where the family lives before admission to the program.

Admission to the program may not be based on:

Where a family lives prior to admission to the program.

Where the family will live with assistance under the program.

Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock.

Discrimination because a family includes children.

Whether a family decides to participate in a family self sufficiency program; or

Other reasons as listed in the "Statement of Policies and Objectives" chapter under the Fair Housing and Reasonable Accommodations sections.

Chapter 3

APPLYING FOR ADMISSION

[24 CFR 982.204]

INTRODUCTION

The policy of the HA is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for assistance, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but the HA will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the waiting list in accordance with this Plan.

A. OVERVIEW OF THE APPLICATION TAKING PROCESS

The purpose of application taking is to permit the HA to gather information and determine placement on the waiting list. The application will contain questions designed to obtain pertinent program information.

Families who wish to apply for any one of the HA's programs must complete a written pre-application form when application-taking is open or submit via e-mail and signed at the formal interview appointment. Applications will be made available in an accessible format upon request from a person with a disability.

When the waiting list is open, any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an application. Applications will be mailed to interested families upon request.

The application process will involve two phases. The first is the "initial" application for assistance (referred to as a pre-application). This first phase results in the family's placement on the waiting list.

The pre-application will be date, time stamped and referred to the HA's eligibility department where it will be maintained until such time as it is needed for processing.

The second phase is the "final determination of eligibility" (referred to as the full application). The full application takes place when the family reaches the top of the waiting list. At this time the HA ensures that verification of all HUD and HA eligibility factors is current in order to determine the family's eligibility for the issuance of a voucher.

B. OPENING/CLOSING OF APPLICATION TAKING [24 CFR 982.206, 982.54(d)(1)]

The HA will utilize the following procedures for opening the waiting list.

When the HA opens the waiting list, the HA will advertise through public notice in the following newspapers, minority publications and media entities, location(s), and program(s) for which applications are being accepted:

Television channels KION 46, KCBA 35, and KSBW 8 & KSMS 67 (Spanish); radio KDON, KTOM, KWAV, KMBY – 107 FM, KRAY (Spanish), KRLM (1410 AM), and newspaper releases El Sol, Salinas Californian, Seaside Sentinel and Post, The Herald, Carmel Pine Cone, Coast Weekly, Carmel Valley Sun, Greenfield News, King City Rustler, and South County News.

Notices will be placed at:

The Housing Authority of the County of Monterey at
123 Rico Street
Salinas, Ca.
and
Central Coast Center for Independent Living at
234 Capitol Street, Suite A
Salinas, Ca.

Organizations which assist persons with disabilities are County of Monterey Department of Social Services and Central Coast Center for Independent Living.

The notice will contain:

The dates, times, and the locations where families may apply.

The programs for which applications will be taken.

A brief description of the program.

A statement that public housing residents must submit a separate application if they want to apply for Section 8.

Limitations, if any, on who may apply.

The notices will be made in an accessible format if requested. They will provide potential applicants with information that includes the HA 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, additional time 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.

If the waiting list is open, the HA will accept applications from eligible families unless there is good cause for not accepting the application, such as denial of assistance because of action or inaction by members of the family for the grounds stated in the "Denial or Termination of Assistance" chapter of this Administrative Plan. [24 CFR 982.206(b)(2)]

Closing the Waiting List

The HA may stop applications if there are enough applicants to fill anticipated openings for the next 12 months. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

The HA will announce the closing of the waiting list by public notice.

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 24 months. The HA will give at least 14 days' notice prior to closing the list. When the period for accepting applications is over, the HA will add the new applicants to the list by:

> **Separating the new applicants into groups based on preferences and ranking applicants within each group by date and time of application.**

Limits on Who May Apply

When the waiting list is open:

> **Any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an application.**

When the application is submitted to the HA:

> **It establishes the family's date and time of application for placement order on the waiting list.**

C. "INITIAL" APPLICATION PROCEDURES [24 CFR 982.204(b)]

The HA will utilize a preliminary application form (pre-application form). The information is to be filled out by the applicant whenever possible. To provide specific accommodation 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. Translations will be provided for non-English speaking applicants by staff in Spanish.

The purpose of the pre-application is to permit the HA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. The pre-application will contain at least the following information:

> Applicant name
>
> Family Unit Size (number of bedrooms the family qualifies for under HA subsidy standards)

Date and time of application

Qualification for any local preference

Racial or ethnic designation of the head of household

Annual (gross) family income

Targeted program qualifications

Duplicate applications, including applications from a segment of an applicant household, will not be accepted.

Ineligible families will not be placed on the waiting list.

Preapplications will not require an interview. The information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

D. APPLICANT STATUS WHILE ON WAITING LIST [CFR 982.204]

Applicants are required to inform the HA in writing within 14 days **of changes in address. Applicants are also required to respond to requests from the HA to update information on their application and to determine their interest in assistance.**

If after a review of the pre-application the family is determined to be preliminarily eligible, they will be notified in writing or in an accessible format upon request, as a reasonable

This written notification of preliminary eligibility will be:

mailed to the applicant by first class mail.

If the family is determined to be ineligible based on the information provided in the preapplication, the HA will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s), and inform them of their right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation. See "Complaints and Appeals" chapter.

E. TIME OF SELECTION [24 CFR 982.204]

When funding is available, families will be selected from the waiting list in their determined sequence, regardless of family size, subject to income targeting requirements.

When there is insufficient funding available for the family at the top of the list, the HA will not admit any other applicant until funding is available for the first applicant.

Based on the HA's turnover and the availability of funding, groups of families will be selected from the waiting list to form a final eligibility "pool." Selection from the pool will be based on /completion of verification.

F. COMPLETION OF A FULL APPLICATION

All preferences claimed on the pre-application or while the family is on the waiting list will be verified:

> **After the family is selected from the waiting list and prior to completing the full application.**

The qualification for preference must exist at the time the preference is claimed and at the time of verification, because claim of a preference determines placement on the waiting list.

After the preference is verified, when the HA is ready to select applicants, applicants will be required to:

> **Complete a Personal Declaration Form prior to the full application interview.**
>
> **Participate in a full application interview with a HA representative during which the applicant will be required to furnish complete and accurate information verbally as requested by the interviewer. The HA interviewer will complete the full application form with answers supplied by the applicant. The applicant will sign and certify that all information is complete and accurate.**

The full application will be **mailed as requested as an accommodation to a person with a disability in advance to be completed prior to the applicant's attendance to the interview.**

Requirement to Attend Interview

The HA 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 HA services or programs which may be available.

All adult family members are required to attend the interview and sign the housing application.

It is the applicant's responsibility to reschedule the interview if s/he misses the appointment. If the applicant does not reschedule or misses two scheduled meetings, the HA will reject the application.

If an applicant fails to appear for their interview without prior approval of the HA, their application will be denied unless they can provide acceptable documentation to the HA that an emergency prevented them from calling.

Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to participate in the interview process, but only with permission of the person with a disability.

If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review. (See "Complaints and Appeals" chapter.)

All adult members must sign the HUD Form 9886, Release of Information, the application form and all supplemental forms required by the HA, the declarations and consents related to citizenship/immigration status and any other documents required by the HA. Applicants will be required to sign specific verification forms for information which is not covered by the HUD form 9886. Failure to do so will be cause for denial of the application for failure to provide necessary certifications and release as required by the HA.

Every adult household member must sign a consent form to release criminal conviction records and to allow HAs to receive records and use them in accordance with HUD regulations.

If the HA determines at or after the interview that additional information or document(s) are needed, the HA will request the document(s) or information in writing. The family will be given 30 days to supply the information.

If the information is not supplied in this time period, the HA will provide the family a notification of denial for assistance. (See "Complaints and Appeals" chapter)

G. VERIFICATION [24 CFR 982.201(e)]

Information provided by the applicant will be verified, using the verification procedures in the "Verification Procedures" chapter. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than 60 days old at the time of issuance of the Voucher.

H. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY [24 CFR 982.201]

After the verification process is completed, the HA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the HA, and the current eligibility criteria in effect. If the family is determined to be eligible, the HA will mail a notification of eligibility. A briefing will be scheduled for the issuance of a voucher and the family's orientation to the housing program.

Chapter 4

ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

[24 CFR Part 5, Subpart D; 982.54(d)(1); 982.204, 982.205, 982.206]

INTRODUCTION

It is the HA's objective to ensure that families are placed in the proper order on the waiting list and selected from the waiting list for admissions in accordance with the policies in this Administrative Plan.

This chapter explains the local preferences which the HA has adopted to meet local housing needs, defines the eligibility criteria for the preferences and explains the HA's system of applying them.

By maintaining an accurate waiting list, the HA will be able to perform the activities which ensure that an adequate pool of qualified applicants will be available so that program funds are used in a timely manner.

A. WAITING LIST [24 CFR 982.204]

The HA uses a single waiting list for admission to its Section 8 tenant-based assistance program.

Except for Special Admissions, applicants will be selected from the HA waiting list in accordance with policies and preferences and income targeting requirements defined in this Administrative Plan.

The HA will maintain information that permits proper selection from the waiting list.

The waiting list contains the following information for each applicant listed:

Applicant Name

Family Unit Size (number of bedrooms family qualifies for under HA subsidy standards)

Date and time of application

Qualification for any ranking or local preference

Racial or ethnic designation of the head of household

Annual (gross) family income

Number of persons in family

Targeted program qualifications

B. SPECIAL ADMISSIONS [24 CFR 982.54(d)(e), 982.203]

If HUD awards a HA program funding that is targeted for specifically named families, the HA will admit these families under a Special Admission procedure.

Special admissions 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 HA maintains separate records of these admissions.

The following are examples of type 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.

Applicants, who are admitted under Special Admissions, rather than from the waiting list, are identified by codes in the automated system and are maintained on separate lists.

C. WAITING LIST PREFERENCES [24 CFR 982.207]

An applicant will not be granted any Local preference if any member of the family has been evicted from housing assisted under a 1937 Housing Act program during the past five years because of drug-related criminal activity.

The HA will grant an exception to such a family if:

> **The responsible member has successfully completed a rehabilitation program.**
>
> **The evicted person clearly did not participate in or know about the drug related activity.**

The evicted person no longer participates in any drug related criminal activity.

If an applicant makes a false statement in order to qualify for a Local preference, they will be removed from the Waiting List.

D. LOCAL PREFERENCES [24 CFR 982.207]

The HA uses the following Local Preference system:

Date and Time of receipt of a completed application.

Veteran preference: veterans or surviving spouses of veterans.

Disability Preference: This preference is extended to disabled persons or families with a disabled member as defined in this Plan. Proof of disability will be required at time of selection. HUD regulations prohibit admission preferences for specific types of disabilities.

Families who are graduates of or active participants in educational and training programs designed to prepare the individual for the job market.

Moderate Rehabilitation families who are currently residing in a unit which is overcrowded or under-occupied and there is no applicable unit available in the Moderate Rehabilitation development or other Moderate Rehabilitation developments within the HA's jurisdiction or whose health, welfare, or safety is threatened, or families who have provided drug related criminal activity testimony. (Letter from law enforcement officials)

Families living in a rental rehabilitation project. (Letter from City certifying unit is being rehabilitated)

Families that need to move closer to medical and/or social services facilities (Letter from doctor or social services)

Families who have been diagnosed with a medical condition as severe/terminal, resulting in a medical crisis which may require continuous care services in the home. (Letter from doctor stating medical condition)

Families who reside in substandard housing or who are involuntarily displaced or about to be involuntarily displaced as a result of code

enforcement activities as determined by local housing code enforcement program officials. (Letter from government official verifying condition of unit)

Victims of disasters. (Verification provided by FEMA, Red Cross or other disaster assistance agency.)

Elderly families or families headed by an elderly person.

Frail elderly. (Letter from doctor or social services stating assistance needed with daily living activities)

Graduates of transitional housing programs for homeless/substance abusers/victims of domestic abuse.

Victims of Domestic Violence: The HA will offer a local preference to families that have been subjected to or victimized by a member of the family or household within the past 6 months. The HA will require evidence that the family has been displaced as a result of fleeing violence in the home. Families are also eligible for this preference if there is proof that the family is currently living in a situation where they are being subjected to or victimized by violence in the home. The following criteria are used to establish a family's eligibility for this preference:

Actual or threatened physical violence directed against the applicant or the applicant's family by a spouse or other household member who lives in the unit within the family.

The actual or threatened violence must have occurred within the past 30 days or be of a continuing nature.

An applicant who lives in a violent neighborhood or is fearful of other violence outside the household is not considered involuntarily displaced.

To qualify for this preference, the abuser must still reside in the unit from which the victim was displaced. The applicant must certify that the abuser will not reside with the applicant unless the HA gives prior written approval.

The HA will approve the return of the abuser to the household under the following conditions:

The HA verifies that the abuser has received therapy or counseling that appears to minimize the likelihood of recurrence of violent behavior.

A counselor, therapist or other appropriate professional recommends in writing that the individual be allowed to reside with the family.

If the abuser returns to the family without approval of the HA, the HA will deny or terminate assistance for breach of the certification.

At the family's request, the HA will take precautions to ensure than the new location of the family is concealed in cases of domestic abuse.

Families who are considered to be living in-place. Those living in a unit that will be brought under contract where the landlord accepts the HCV Program. Verification required will be a completed and signed RFLA by both landlord and applicant, copy of lease, utility bills to verify residency for past 3 months and must remain in unit for a period of no less than 6 months after assistance starts.

<u>Treatment of Single Applicants</u>

Singles Preference

Single applicants who are elderly, disabled, or displaced families of no more than two person families will be given a selection priority over all "Other Single" applicants regardless of preference status. "Other Singles" denotes a one-person household in which the individual member is not elderly, disabled, or displaced by government action. Such applicants will be placed on the waiting list in accordance with any other preferences to which they are entitled, but they cannot be selected for assistance before any one person elderly, disabled or displaced family regardless of local preferences.

All families with children and families who include an elderly person or a person with a disability (see 24 CFR 100.80) shall be given a selection priority over all other applicants.

E. INCOME TARGETING

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the HA will reserve a minimum of seventy-five percent of its Section 8 new admissions for families whose income does not exceed 30 percent of the area median income. HUD refers to these families as "extremely low-income families." The HA will admit families who qualify under the Extremely Low Income limit to meet the income targeting requirement, regardless of preference.

The HA's income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act.

The HA is also exempted from this requirement where the HA is providing assistance to low income or moderate income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

F. INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION [24 CFR 982.207]

At the time of application, an applicant's entitlement to a Local Preference may be made on the following basis.

> **The HA will verify all preference claims at the time they are made. The HA will re-verify a preference claim, if the HA feels the family's circumstances have changed, at time of selection from the waiting list.**

If the preference verification indicates than an applicant does not qualify for the preference, the applicant will be returned to the waiting list without the Local Preference and given an opportunity for a meeting.

If, at the time the family applied, the preference claim was the only reason for placement of the family on the list and the family cannot verify their eligibility for the preference as of the date of application, the family will be removed from the list.

G. EXCEPTIONS FOR SPECIAL ADMISSIONS [24 CFR 982.203, 982.54(d)(3)]

If HUD awards a HA program funding that is targeted for specifically named families, the HA will admit these families under a Special Admissions procedure.

Special admissions 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 HA maintains separate records of these admissions.

The following are examples of type of programs 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.

H. TARGETED FUNDING [24 CFR 982.203]

When HUD awards special funding for certain family types, families who qualify are placed on the regular waiting list. When a specific type of funding becomes available, the waiting list is searched for the first available family meeting the targeted funding criteria.

Applicants who are admitted under targeted funding which are not identified as a Special Admission are identified by codes in the automated system. The HA has the following "Targeted" Programs:

Frail Elderly

Assisted living for extremely disabled

Shelter Plus Care

Family Unification Program

Welfare to Work

I. PREFERENCE AND INCOME TARGETING ELIGIBILITY [24 CFR 982.207]

Change in Circumstances

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify the HA in writing when their circumstances change.

When an applicant claims an additional preference, s/he will be placed on the waiting list in the appropriate order determined by the newly-claimed preference.

The exception to this is, if at the time the family applied, the waiting list was only open to families who claimed that preference. In such case, the applicant must verify that they were eligible for the first preference before they are returned to the waiting list with the new preference.

If the family's verified annual income, at final eligibility determination, does not fall under the Extremely Low Income limit and the family was selected for income targeting purposes before family(ies) with a higher preference, the family will be returned to the waiting list.

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

The HA will not merge its waiting lists. However, if the Section 8 waiting list is open when the applicant is placed on the public housing program, or the project-based voucher, or the moderate rehabilitation program waiting list, the HA must offer to place the family on its tenant-based assistance list.

If the waiting list for the HA's public housing program, project-based voucher program or moderate rehabilitation program is open at the time an applicant applies for Section 8, the HA must offer to place the family on its waiting lists for the other programs.

Other Housing Assistance [24 CFR 982.205(b)]

Other housing assistance means a federal, State or local housing subsidy, as determined by HUD, including public housing.

The HA may not take any of the following actions because an applicant has applied for, received, or refused other housing: [24 CFR 982.205(b)]

Refuse to list the applicant on the HA waiting list for tenant-based assistance;

Deny any admission preference for which the applicant is currently qualified;

Change the applicant's place on the waiting list based on preference, date and time of application, or other factors affecting selection under the HA selection policy; or

Remove the applicant from the waiting list.

However, the HA may remove the applicant from the waiting list for tenant-based assistance if the HA has offered the applicant assistance under the voucher program.

J. ORDER OF SELECTION [24 CFR 982.207(e)]

The HA's method for selecting applicants from a preference category leaves a clear audit trail that can be used to verify that each applicant has been selected in accordance with the method specified in the administrative plan.

Local Preferences

Local preferences will be used to select families from the waiting list.

The HA has selected the following system to apply local preferences:

Local preferences will be aggregated with a point system

Each preference will receive an allocation of points. The more preference points an applicant has, the higher the applicant's place on the waiting list.

1. Local Preference 50% all have the same weight, and are ranked by the Ranking Point system and date and time of application

    a. Frail elderly. (10 points)

    b. Families living in a rental rehabilitation project. (10 points)

    c. Formerly homeless families or homeless families actively enrolled in a case management, transitional housing, or other self-sufficiency program. (15 points)

d. Families living in moderate rehabilitation and/or project-based program units whose health, welfare, or safety is threatened, or families who have provide drug related criminal activity testimony. (10 points)

e. Families that need to move closer to medical and/or social services facilities. (10 points)

f. Victims of disasters as verified by FEMA, the American Red Cross or other disaster assistance agency. (30 points)

g. Families who reside in substandard housing, or who are involuntarily displaced or about to be involuntarily displaced as a result of code enforcement activities as determined by local Housing code Enforcement Program Officials. (15 points)

h. Elderly families or families headed by an elderly person. (10 points)

i. Families with household members who are mentally/physically/ developmentally disabled. (10 points)

j. Families who have been diagnosed with a medical condition as severe/terminal, resulting in a medical crisis which may require continuous care services in the home. (30 points)

Additional Ranking Points for the following:
Veteran 10 points

k. Families who are considered to be living in-place. Those living in a unit that will be brought under contract where the landlord accepts the HCV Program. Verification required will be a copy of their lease in an appropriate size dwelling for the family listed in the housing application and copies of their utility bills for a 3 (three) month period verifying their residency in the unit. Residency with assistance for 6(six) months after the issuance of the Section 8 Housing Choice Voucher will be required or the voucher will be revoked. (25 points)
(**Rev 02/23/04**)

2. Remaining 50% to be housed by date and time of application.

From other eligible families: Selection shall be made without regard to race, color, creed, religion, sex, nation origin, age, familial status, or disability.

Among Applicants with Equal Preference Status

Among applicants with equal preference status, the waiting list will be organized by date and time.

K. FINAL VERIFICATION OF PREFERENCES [24 CFR 982.207]

Preference information on applications will be updated as applicants are selected from the waiting list. At the time, the HA will:

Obtain necessary verifications of preference at the interview and by third party verification.

L. PREFERENCE DENIAL [24 CFR 982.207]

If the HA denies a preference, the HA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for a review with the Mediation Center of Monterey County. If the preference denial is upheld as a result of the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

If the applicant falsifies documents or makes false statements in order to qualify for any preference, they will be removed from the Waiting List.

M. REMOVAL FROM WAITING LIST AND PURGING [24 CFR 982.204(c)]

Any mailings to the applicant which require a response will state that failure to respond within 14 days will result in the applicant's name being dropped from the waiting list.

An extension of 30 days to respond will be granted, if requested and needed as a reasonable accommodation for a person with a disability.

If an applicant fails to respond to a mailing from the HA, the applicant will be sent written notification and given 30 days to contact the HA. If they fail to respond within 30 days, they will be removed from the waiting list.

If the applicant did not respond to the HA request for information or updates because of a family member's disability, the HA will reinstate the applicant in the family's former position on the waiting list.

If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.

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

If an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement after a 30 day period unless an eligibility specialist determines there were circumstances beyond the person's control. The following exceptions, if determined to exist, will be acceptable to warrant reinstatement: medical documentation.

Applicants responding after the 30 day grace period and wanting to be placed back on the Section 8 Housing Voucher Program waiting list will need to submit a pre-application when applications are open.

Chapter 5

SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

INTRODUCTION

HUD guidelines require that HA's establish subsidy standards for the determination of family unit size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards. This Chapter explains the subsidy standards which will be used to determine the voucher size (family unit size) for various sized families when they are selected from the waiting list, as well as the HA's procedures when a family's size changes, or a family selects a unit size that is different from the Voucher.

A. DETERMINING FAMILY UNIT (VOUCHER) SIZE [24 CFR 982.402]

The HA does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the Voucher. The HA's subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines.

For subsidy standards, an adult is a person 18 years old or older.

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements.

The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

One bedroom will be generally be assigned for each two family members. The HA will consider factors such as family characteristics including sex, age, or relationship. Consideration will also be given for medical reasons and the presence of a live-in aide.

Generally, the HA assigns one bedroom to two people within the following guidelines:

> **Persons of different generations, persons of the opposite sex (other than spouses), and unrelated adults should be allocated a separate bedroom.**
>
> **Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal relationship and children under 6).**
>
> **Foster children will be included in determining unit size only if they will be in the unit for more than 12 months.**
>
> **Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.**

Space may be provided for a child who is away at school but who lives with the family during school recesses.

Space will not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military.

Adults of different generations will have separate bedrooms.

GUIDELINES FOR DETERMINING VOUCHER SIZE

Voucher Size	Persons in Household	
	Minimum Number	**Maximum Number**
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	6
3 Bedrooms	3	8
4 Bedrooms	4	10
5 Bedrooms	6	12
6 Bedrooms	8	

B. EXCEPTIONS TO SUBSIDY STANDARDS [24 CFR 982.403(a) & (b)]

The HA shall grant exceptions from the subsidy standards if the family requests and the HA determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

The HA will grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a:

Verified medical or health reason; or

Elderly persons or persons with disabilities who may require a live-in attendant.

Request for Exceptions to Subsidy Standards

The family may request a larger sized voucher than indicated by the HA's subsidy standards. Such request must be made in writing within 14 days of the HA's determination of bedroom size. The request must explain the need or justification for a larger bedroom. Documentation verifying the need or justification will be required as appropriate.

The HA will not issue a larger voucher due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

Requests based on health related reasons must be verified by a doctor/medical/professional/ social service professional.

HA Error

If the HA errs in the bedroom size designation, the family will be issued a Voucher of the appropriate size.

Changes for Applicants

The voucher size is determined prior to the briefing by comparing the family composition to the HA subsidy standards. If an applicant requires a change in the voucher size, based on the requirements of the HA subsidy standards, the above-referenced guidelines will apply.

Changes for Participants

The members of the family residing in the unit must be approved by the HA. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the HA within 30 days. The above referenced guidelines will apply.

Underhoused Families

If a unit does not meet HQS space standards due to an increase in family size, (unit too small), the HA will issue a new voucher of the appropriate size and assist the family in locating a suitable unit.

In such cases the HA's voucher term extension policy will be applicable.

The HA will also notify the family of the circumstances under which an exception will be granted, such as:

If a family with a disability is underhoused in an accessible unit.

If a family requires the additional bedroom because of a health problem which has been verified by the HA.

A participant family (whose family composition has been approved by the HA) who requires a change in Voucher size because they are living in a unit which is overcrowded according to Housing Quality Standards.

All others who require a transfer as determined by the HA.

C. UNIT SIZE SELECTED [24 CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the Voucher. There are three criteria to consider:

Subsidy Limitation: The family unit size as determined for a family under the HA subsidy standard for a family assisted in the voucher program is based on the HA's adopted payment standards. The payment standard for a family shall be the *lower of*:

The payment standard amount for the family unit size; or

The payment standard amount for the unit size rented by the family.

Utility Allowance: The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's Voucher.

Housing Quality Standards: The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

HQS GUIDELINES FOR UNIT SIZE SELECTED

Unit Size	Maximum Number in Household
0 Bedroom	1
1 Bedroom	4
2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

Chapter 6

FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION

[24 CFR Part 5, Subparts E and F; 982.153, 982.551]

INTRODUCTION

The HA will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and at annual reexamination is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the Regulations.

This Chapter defines the allowable expenses and deductions to be subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, 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 HA's policies in this Chapter address those areas which allow the HA 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.

A. INCOME AND ALLOWANCES [24 CFR 5.609]

Income: Includes all monetary amounts which are received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD defines what is to be calculated and what is to be excluded in the federal regulations. In accordance with this definition, all income which is not specifically excluded in the regulations is counted.

Annual Income is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. 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.

Adjusted Income is defined as the Annual income minus any HUD allowable expenses and deductions.

HUD has five allowable deductions from Annual Income:

Dependent Allowance: $480 each for family members (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.

Elderly/Disabled Allowance: $400 per family for families whose head or spouse is 62 or over or disabled.

Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family.

Child Care Expenses: Deducted for the care of children under 13 when child care is necessary to allow an **adult** member to work, attend school, or actively seek employment.

Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an **adult** family member to work.

B. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS FOR PERSONS WITH DISABILITIES [24 CFR 5.617; 982.201(b)(3)]

The annual income for qualified families may not be increased as a result of increases in earned income of a family member who is a person with disabilities beginning on the date on which the increase in earned income begins and continuing for a cumulative 12-month period. After the disabled family receives 12 cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

A family qualified for the earned income exclusion is a family that is receiving tenant-based rental assistance under the Housing Choice Voucher Program; and

Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;

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

Whose annual income increases, as a result of new employment or increased earnings of a family member during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least $500. The qualifying TANF assistance may consist of any amount of monthly income maintenance, and/or at least $500 in such TANF benefits and services as one-time payments, wage subsidies and transportation assistance.

The HUD definition of "previously unemployed" includes a person with disabilities who has earned in the previous 12 months no more than the equivalent earnings for working 10 hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of 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. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Qualifying increases are any earned income increases of a family member who is a person with disabilities during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount that is subject to the disallowance is the amount of incremental increase in income of a family member who is a person with disabilities. The incremental increase in income is calculated by comparing the amount of the disabled family member's income before the beginning of qualifying employment or increase in earned income to the amount of such income after the beginning of employment or increase in earned income.

Initial Twelve-Month Exclusion

During the cumulative 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the HA will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member.

Second Twelve-Month Exclusion and Phase-in

During the second cumulative 12-month period after the expiration of the initial cumulative 12-month period referred to above, the HA must exclude from annual income of a qualified family 50 percent of any increase in income of a family member who is a person with disabilities as a result of employment over income of that family member prior to the beginning of such employment.

Maximum Four Year Disallowance

The earned income disallowance is limited to a lifetime 48-month period for each family member who is a person with disabilities. For each family member who is a person with disabilities, the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of phase-in exclusion during the 48-month period starting from the date of the initial exclusion.

If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months of each disallowance (the initial 12-month full exclusion and the second 12-month phase-in exclusion).

No earned income disallowance will be applied after the 48-month period following the initial date the exclusion was applied.

Applicability to Child Care Expense Deductions

The amount deducted for childcare and disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for disabled families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for childcare and disability assistance expense deductions.

Tracking the Earned Income Exclusion

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family's file to show the reason for the reduced increase in rent.

Such documentation will include:

Date the increase in earned income was reported by the family

Name of the family member whose earned income increased

Reason (new employment, participation in job training program, within 6 months after receiving TANF) for the increase in earned income

Amount of the increase in earned income (amount to be excluded)

Date the increase in income is first excluded from annual income

Date(s) earned income ended and resumed during the initial cumulative 12-month * period of exclusion (if any)

Date the family member has received a total of 12 months of the initial exclusion

Date the 12-month phase-in period began

Date(s) earned income ended and resumed during the second cumulative 12-month period (phase-in) of exclusion (if any)

Date the family member has received a total of 12 months of the phase-in exclusion

Ending date of the maximum 48-month (four year) disallowance period (48 months from the date of the initial earned income disallowance)

The HA will maintain a tracking system to ensure correct application of the earned income disallowance.

Inapplicability to Admission

The earned income disallowance is only applied to determine the annual income of families who are participants in the Housing Choice Voucher Program, and therefore does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

C. MINIMUM RENT [24 CFR 5.616]

Minimum Rent

"Minimum rent" is **$50.** Minimum rent refers to the Minimum Total Tenant Payment and

includes the combined amount a family pays towards rent and/or utilities when it is applied.

Hardship Requests for an Exception to Minimum Rent

The HA recognizes that in some circumstances even the minimum rent may create a financial hardship for families. The HA will review all relevant circumstances brought to the HA's attention regarding financial hardship as it applies to the minimum rent. The following section states the HA's procedures and policies in regard to minimum rent financial hardship as set forth by the Quality Housing and Work Responsibility Act of 1998. HUD has defined circumstances under which a hardship could be claimed. (24 CFR 5.630)

Criteria for Hardship Exception

In order for a family to qualify for a hardship exception the family's circumstances must fall under one of the following HUD hardship criteria:

> The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance, including a family with a member who is a non-citizen lawfully admitted for permanent residence under the Immigration and Nationality Act, and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.
>
> The family would be evicted as a result of the imposition of the minimum rent requirement;
>
> The income of the family has decreased because of changed circumstances, including:
>
> > Loss of employment
> >
> > Death in the family or
> >
> > Other circumstances as determined by the HA or HUD

HA Notification to Families of Right to Hardship Exception

The HA will notify all families subject to minimum rents of their right to request a minimum rent hardship exception. "Subject to minimum rent" means the minimum rent was the greatest figure in the calculation of the greatest of 30% of monthly adjusted income, 10% of monthly income, minimum rent or welfare rent.

If the minimum rent is the greatest figure in the calculation of Total Tenant Payment, HA staff will include a copy of the notice regarding hardship request provided to the family in the family's file.

The HA notification will advise families that hardship exception determinations are subject to HA review and hearing procedures.

The HA will review all family requests for exception from the minimum rent due to financial hardships.

All requests for minimum rent hardship exceptions are required to be in writing.

Requests for minimum rent exception will be accepted by the HA from the family in writing**.**

> **The HA will request documentation as proof of financial hardship.**
>
> **The HA will use its standard verification procedures to verify circumstances which have resulted in financial hardship.**

Requests for minimum rent exception must include a statement of the family hardship that qualifies the family for an exception.

Suspension of Minimum Rent

The HA will grant the minimum rent exception to all families who request it, effective the first of the following month.

The minimum rent will besuspended until the HA determines whether the hardship is:

> Covered by statute
>
> Temporary or long term

"Suspension" means that the HA must not use the minimum rent calculation until the HA has made this decision.

During the minimum rent suspension period, the family will not be required to pay a minimum rent and the housing assistance payment will be increased accordingly.

If the HA determines that the minimum rent is not covered by statute, the HA will impose a minimum rent including payment for minimum rent from the time of suspension.

Temporary Hardship

If the HA determines that the hardship is temporary, a minimum rent will not be imposed for a period of up to 90 days from the date of the family's request. At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension.

The HA will offer a repayment agreement to the family for any such rent not paid during the temporary hardship period. (See "Owner and Family Debts to the HA" chapter for Repayment agreement policy).

Long-Term Duration Hardships [24 CFR 5.616(c)(3)]

If the HA determines that there is a qualifying long-term financial hardship, the HA must exempt the family from the minimum rent requirements for as long as the hardship continues. The exemption from minimum rent shall apply from the first day of the month following the family's request for exemption.

Retroactive Determination

The HA will reimburse the family for any minimum rent charges which took effect after October 21, 1998 that qualified for one of the mandatory exceptions.

If the family is owed a retroactive payment, the HA will offer the family a choice of either a cash refund or a credit towards their rent contribution.

The HA's definition of a cash refund is a check made out to the family.

The HA will not provide a cash refund for amounts owed to the family which are less than $25 and will offset the amount against future HAP payments.

D. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT

[24 CFR 982.54(d)(10), 982.551]

The HA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, the HA must count the income of the spouse or the head of the household if that person is temporarily absent, even if that person is not on the lease.

"Temporarily absent" is defined as away from the unit for more than 120 days.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. The HA will evaluate absences from the unit using this policy.

Absence of Any Member

Any member of the household will be considered permanently absent if s/he is away from the unit for six (6) **consecutive months** except as otherwise provided in this Chapter.

Absence due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the HA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be

permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 180 consecutive days, the family member will not be considered permanently absent.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the HA's "Absence of Entire Family" policy.

Absence Due to Full-time Student Status

Full time students who attend school away from the home will be treated in the following manner:

> **A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of Voucher size.**

Absence due to Incarceration

If the sole member is incarcerated for more than 180 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for six (6) consecutive months *in a twelve-month period.*

The HA will determine if the reason for incarceration is for drug-related or violent criminal activity.

Absence of Children due to Placement in Foster Care

If the family includes a child or children temporarily absent from the home due to placement in foster care, the HA will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than six (6) months from the date of removal of the child/ren, the Voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the HA's subsidy standards.

Absence of Entire Family

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the HA will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

Families are required both to notify the HA before they move out of a unit and to give the HA

information about any family absence from the unit.

Families must notify the HA at least 30 days before leaving the unit **if they are going to be absent from the unit for more than 30 consecutive days.**

If it is determined that the family is absent from the unit, the HA will not continue assistance payments.

HUD regulations require the HA to terminate assistance if the entire family is absent from the unit for a period of more than 180 consecutive calendar days.

"Absence" means that no family member is residing in the unit.

In order to determine if the family is absent from the unit, the HA may:

Write letters to the family at the unit

Telephone the family at the unit

Interview neighbors

Verify if utilities are in service

Check with the post office

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed 180 consecutive calendar days limit.

If the absence which resulted in termination of assistance was due to a person's disability, and the HA can verify that the person was unable to notify the HA in accordance with the family's responsibilities, and if funding is available, the HA may reinstate the family as an accommodation if requested by the family, as long as the period was within 180 days**.**

Caretaker for Children

If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the HA will treat that adult as a visitor for the first 30 days.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, the Voucher will be transferred to the caretaker.

If the appropriate agency cannot confirm the guardianship status of the caretaker, the HA will review the status at 30-day intervals.

If custody or legal guardianship has not been awarded by the court, but the action is in process, the HA will secure verification from social services staff or the attorney as to the status.

If custody is awarded for a limited time in excess of stated period, the HA will state in writing that the transfer of the Voucher is for that limited time or as long as they have custody of the children. The HA will use discretion as deemed appropriate in determining any further assignation of the Voucher on behalf of the children.

The caretaker will be allowed to remain in the unit, as a visitor, until a determination of custody is made.

The HA will transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 180 days and it is reasonable to expect that custody will be granted.

When the HA approves a person to reside in the unit as caretaker for the child/ren, the income should be counted pending a final disposition. The HA will work with the appropriate service agencies and the landlord to provide a smooth transition in these cases.

If a member of the household is subject to a court order that restricts him/her from the home for more than six months, the person will be considered permanently absent.

Visitors

Any adult not included on the HUD 50058 who has been in the unit more than 14 consecutive days without HA approval, or a total of 14 days in a 12-month period, will be considered to be living in the unit as an unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is a member of the household.

Statements from neighbors and/or the landlord will be considered in making the determination.

Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household and the HA will terminate assistance since prior approval was not requested for the addition.

Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to 90 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than 180 days per year, the minor will be considered to be an eligible visitor and not a family member.

Reporting Additions to Owner and HA

Reporting changes in household composition to the HA is both a HUD and a HA requirement.

The family obligations require the family to request HA approval to add any other family member as an occupant of the unit and to inform the HA of the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members in writing. *If any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations.*

If the family does not obtain prior written approval from the HA, any person the family has permitted to move in will be considered an unauthorized household member.

In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to the HA in writing within 14 days of the maximum allowable time.

Families are required to report any additions to the household in writing to the HA within 14 days of the move-in date.

An interim reexamination will be conducted for any additions to the household.

In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption, or court awarded custody.

Reporting Absences to the HA

Reporting changes in household composition is both a HUD and a HA requirement.

If a family member leaves the household, the family must report this change to the HA, in writing, within 14 days of the change and certify as to whether the member is temporarily absent or permanently absent.

The HA will conduct an interim evaluation for changes which affect the Total Tenant Payment in accordance with the interim policy.

E. AVERAGING INCOME

When annual income cannot be anticipated for a full twelve months, the HA may:

Average known sources of income that vary to compute an annual income, or

Annualize current income and conduct an interim reexamination if income changes.

If there are bonuses or overtime which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

If, by averaging, an estimate can be made for those families whose income fluctuates from month to month; this estimate will be used so as to reduce the number of interim adjustments.

The method used depends on the regularity, source, and type of income.

F. MINIMUM INCOME

There is no minimum income requirement. Families who report zero income are required to **complete a written certification every** 30 days.

Families that report zero income will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc.

If the family's expenses exceed their known income, the HA will make inquiry of the head of household as to the nature of the family's accessible resources.

G. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME

[24 CFR 982.54(d)(10)]

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the HA will calculate the income by using the following methodology and use the income figure which would result in a lower payment by the family:

> **Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.**

OR

> **Include the income and deductions of the member if his/her income goes to a family member.**

H. REGULAR CONTRIBUTIONS AND GIFTS [24 CFR 5.609]

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every two months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than $30 per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts. (See "Verification Procedures" chapter for further definition.)

If the family's expenses exceed its known income, the HA will inquire of the family regarding contributions and gifts.

I. ALIMONY AND CHILD SUPPORT [24 CFR 5.609]

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, the HA will use the amount awarded by the court unless the family can verify that they are not receiving the full amount and verification of item(s) below are provided.

The HA will accept verification that the family is receiving an amount less than the award if:

> **The HA receives verification from the agency responsible for enforcement or collection.**
>
> **The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.**
>
> **It is the family's responsibility to supply a certified copy of the divorce decree.**

J. LUMP-SUM RECEIPTS [24 CFR 5.609]

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

In order to determine amount of retroactive tenant rent that the family owes as a result of the lump sum receipt:

> **The HA uses a calculation method which calculates retroactively or prospectively depending on the circumstances.**

Prospective Calculation Methodology

If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows:

> **At the next annual recertification, the HA will apply the percentage balance to the lump sum and add it to the rest of the annual income.**

If amortizing the payment over one year will cause the family to pay more than 30% of the family's adjusted income (before the lump sum was added) for Total Tenant Payment, the HA and family may enter into a Payment Agreement, with the approval of the Supervisor or Director, for the balance of the amount over the 30% calculation. The beginning date for this Payment Agreement will start as soon as the one year is over.

Retroactive Calculation Methodology

The HA will determine the amount of income for each certification period, including the lump sum, and recalculate the tenant rent for each certification period to determine the amount due the HA.

At the HA's option, the HA may enter into a Payment Agreement with the family.

The amount owed by the family is a collectible debt even if the family becomes unassisted.

Attorney Fees

The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

K. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS [24 CFR 5.603(d)]

Contributions to company retirement/pension funds are handled as follows:

> While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.
>
> After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

L. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE [24 CFR 5.603(d)(3)]

The HA must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The HA will count the difference between the market value and the actual payment received in calculating total assets.

Assets disposed of as a result of foreclosure or bankruptcy are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation are not considered to be assets disposed of for less than fair market value.

The HA's minimum threshold for counting assets disposed of for less than Fair Market value is $1,000. If the total value of assets disposed of within a one-year period is less than $1,000, they will not be considered an asset.

M. CHILD CARE EXPENSES [24 CFR 5.603]

Child care expenses for children under 13 may be deducted from annual income if they enable an adult to work or attend school full time, or to actively seek employment.

In the case of a child attending private school, only after-hours care can be counted as child care expenses.

Childcare expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the child care. Examples of those adult members who would be considered *unable* to care for the child include:

> **The abuser in a documented child abuse situation, or**
>
> **A person with disabilities or older person unable to take care of a small child, as verified by a reliable knowledgeable source.**

Allowability of deductions for childcare expenses is based on the following guidelines:

> **Child care to work:** The maximum child care expense allowed must be less than the amount earned by the person enabled to work which is included in the family's annual income. **The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.**
>
> **Child care for school: the number of hours claimed for child care may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.**
>
> **Amount of Expense: The HA will** survey the local care providers in the community/collect data **as a guideline. If the hourly rate materially exceeds the guideline, the HA may calculate the allowance using the guideline.**

N. MEDICAL EXPENSES [24 CFR 5.609(a)(2), 5.603]

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide.

Nonprescription medicines must be doctor-recommended in order to be considered a medical expense.

Nonprescription medicines will be counted toward medical expenses for families who qualify if the family furnishes legible receipts.

Acupressure, acupuncture and related herbal medicines, and chiropractic services will **be considered allowable medical expenses.**

O. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.520]

Applicability

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

P. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The HA will not reduce the rental contribution for families whose welfare assistance is reduced specifically because of:

fraud by a family member in connection with the welfare program; or

failure to participate in an economic self-sufficiency program; or

noncompliance with a work activities requirement

However, the HA will reduce the rental contribution if the welfare assistance reduction is a result of:

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

A situation where a family member has not complied with other welfare agency requirements; or

A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment, such as the family member has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family's income for rental contribution.

Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.

The amount of imputed welfare income is offset by the amount of additional income a family

receives that begins after the sanction was imposed.

When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

Verification before Denying a Request to Reduce Rent

The HA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

The welfare agency, at the request of the HA, will inform the HA of:

amount and term of specified welfare benefit reduction for the family;

reason for the reduction; and

subsequent changes in term or amount of reduction.

Cooperation Agreements

The HA has a written **cooperation agreement in place with the local welfare agency which assists the HA in obtaining the necessary information regarding welfare sanctions.**

The HA has taken a proactive approach to an effective working relationship between the HA and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to Section 8 and public housing residents.

The HA and the local welfare agency have mutually agreed to notify each other of any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 and public housing residents.

Q. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

[24 CFR 982.153, 982.517]

The same Utility Allowance Schedule is used for all tenant-based programs.

The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The HA's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards.

The HA may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

The HA must classify utilities in the utility allowance schedule according to the following general categories: space heating, cooking, water heating, water, sewer, trash collection; other electric, refrigerator (for tenant supplied refrigerator), range (cost of tenant-supplied range); and other specified services.

An allowance for tenant-paid air conditioning will be provided in those cases where the majority of housing units in the market have central air conditioning or are wired for tenant installed air conditioners [24 CFR 982.517.

The HA will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next reexamination.

The approved utility allowance schedule is given to families along with their Voucher. The utility allowance is based on the actual unit size selected.

Where families provide their own range and refrigerator, the HA will establish an allowance adequate for the family to purchase or rent a range or refrigerator, even if the family already owns either appliance. Allowances for ranges and refrigerators will be based on the lesser of the cost of leasing or purchasing the appropriate appliance over a twelve-month period.

Where the calculation on the HUD 50058 results in a utility reimbursement payment due the family [24 CFR 982.514(b)], the HA will provide a utility reimbursement payment for the family each month. The check will be made out:

directly to the tenant.

Chapter 7

VERIFICATION PROCEDURES

[24 CFR Part 5, Subparts B, D, E and F; 24 CFR 982.158; 24 CFR 5.617]

INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment/Family Share be verified by the HA. HA staff will obtain written verification from independent sources whenever possible and will document tenant files whenever third party verifications are not possible as to why third party verification was impossible to obtain.

Applicants and program participants must provide true and complete information to the HA whenever information is requested. The HA's verification requirements are designed to maintain program integrity. This chapter explains the HA's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. The HA will obtain proper authorization from the family before requesting information from independent sources.

A. METHODS OF VERIFICATION AND TIME ALLOWED [24 CFR 982.516]

The HA will verify information through the five methods of verification acceptable to HUD in the following order:

1. Up-front income verification (UIV)

2. Third-Party Written

3. Third-Party Oral

4. Review of Documents

5. Certification/Self-Declaration

The HA will allow fourteen days for return of third-party verifications and four weeks to obtain other types of verifications before going to the next method. The HA will document the file as to why third party written verification was not used.

For applicants, verifications may not be more than 60 days old at the time of Voucher issuance. **For participants, they are valid for 120 days from date of receipt.**

Up-Front Income Verification

The HA will utilize up-front verification tools, including TASS and the Work Number, whenever possible. When HUD announces the availability of the UIV system for our HA, we will utilize additional UIV tools, including a centralized computer matching system. The HA will pursue other computer matching agreements with federal, state, and local government agencies.

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.

Two attempts to obtain third-party verification will be made before relying on another method.

Third party verification forms will not be hand carried by the family under any circumstances.

The HA will send requests for third party verifications to the source(s) at all times regardless of whether the family provides a computerized printout.

Third-Party Oral Verification

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to complete a Certification of Document Viewed or Person Contacted form, noting with whom they spoke, the date of the conversation, and the facts provided. If oral third party verification is not available, the HA will compare the information to any documents provided by the Family. If provided by telephone, the HA must originate the call.

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 fourteen days, the HA will annotate the file accordingly and utilize documents provided by the family as the primary source if the documents provide complete information.

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

The HA will accept the following documents from the family provided that the document is such that tampering would be easily noted:

Printed wage stubs

Computer print-outs from the employer

Signed letters (provided that the information is confirmed by phone)

Other documents noted in this Chapter as acceptable verification

The HA will **accept faxed documents.**

The HA will **accept photo copies.**

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, the HA will contact the third party source and the family to resolve the difference.

The HA will not delay the processing of an application beyond 60 days because a third party information provider does not return the verification in a timely manner.

Self-Certification/Self-Declaration

When verification cannot be made by third-party verification or review of documents, families will be required to submit a self-certification. The HA will allow fourteen days for families to

provide self-certification documentation.

Self-certification means **a notarized statement/affidavit/certification/statement under penalty of perjury and must be witnessed.**

B. RELEASE OF INFORMATION [24 CFR 5.230]

Adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form.

In addition, family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information/Privacy Act Notice.

Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance because it is a family obligation to supply any information and to sign consent forms requested by the HA or HUD.

C. COMPUTER MATCHING

For some time, HUD has conducted a computer matching initiative to independently verify resident income. HUD can access income information and compare it to information submitted by HAs on the 50058 form. HUD can disclose Social Security information to HAs, but is precluded by law from disclosing Federal tax return data to HAs. If HUD receives information from Federal tax return data indicating a discrepancy in the income reported by the family, HUD will notify the family of the discrepancy. The family is required to disclose this information to the HA (24 CFR 5.240). HUD's letter to the family will also notify the family that HUD has notified the HA in writing that the family has been advised to contact the HA. HUD will send the HA a list of families who have received "income discrepancy" letters.

When the HA receives notification from HUD that a family has been sent an "income discrepancy" letter, the HA will:

Wait 40 days after the date of notification before contacting tenant.

After 40 days following the date of notification, the HA will contact the tenant by **mail** asking the family to promptly furnish any letter or other notice by HUD concerning the amount or verification of family income.

The HA will fully document the contact in the tenant's file, including **a copy of the letter to the family**

When the family provides the required information, the HA will verify the accuracy of the income information received from the family, review the HA's interim re-certification policy, will identify unreported income, will charge retroactive rent as appropriate, and change the amount of rent or terminate assistance, as appropriate, based on the information.

If tenant fails to respond to HA:

The HA will ask HUD to send a second letter.

After an additional 40 days, the HA will ask HUD to send a third letter.

After an additional 40 days, the HA will send a letter to the head of household, warning of the consequences if the family fails to contact the HA within two weeks.

<u>If the tenant claims a letter from HUD was not received:</u>

The HA will ask HUD to send a second letter with a verified address for the tenant.

After 40 days, the HA will contact the tenant family.

If the tenant family still claims they have not received a letter, the HA will ask HUD to send a third letter.

After an additional 40 days, the HA will set up a meeting with the family to complete IRS forms 4506 and 8821.

If the tenant family fails to meet with the HA or will not sign the IRS forms, the HA will send a warning letter to the head of household, notifying the family that termination proceedings will begin within one week if the tenant fails to meet with the HA and/or sign forms.

<u>If tenant does receive a discrepancy letter from HUD:</u>

The HA will set up a meeting with the family.

If the family fails to attend the meeting, the HA will reschedule the meeting.

If the family fails to attend the second meeting, the HA will send a termination warning.

The family must bring the original HUD discrepancy letter to the HA.

<u>If tenant disagrees with the Federal tax data contained in the HUD discrepancy letter:</u>

The HA will ask the tenant to provide documented proof that the tax data is incorrect.

If the tenant does not provide documented proof, the HA will obtain proof to verify the Federal tax data using third party verification.

D. ITEMS TO BE VERIFIED [24 CFR 982.516]

All income not specifically excluded by the regulations.

Full-time student status including High School students who are 18 or over.

Current assets including assets disposed of for less than fair market value in preceding two years.

Child care expense where it allows an **adult** family member to be employed, to actively seek work, or to further his/her education.

Total medical expenses of all family members in households whose head or spouse is elderly or disabled.

Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an ***adult*** family member to be employed.

Disability for determination of preferences, allowances or deductions.

U.S. citizenship/eligible immigrant status

Social security numbers for all family members over 6 years of age or older who have been issued a social security number.

"Preference" status

Familial/Marital status when needed for head or spouse definition.

Verification of Reduction in Benefits for Noncompliance:

> The HA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

E. VERIFICATION OF INCOME [24 CFR 982.516]

This section defines the methods the HA will use to verify various types of income.

Employment Income

Verification forms request the employer to specify the:

> Dates of employment
>
> Amount and frequency of pay
>
> Date of the last pay increase

Likelihood of change of employment status and effective date of any known salary increase during the next 12 months

Year to date earnings

Estimated income from overtime, tips, bonus pay expected during next 12 months

Acceptable methods of verification include, in this order:

1. Up-front Income Verification (UIV)

2. Employment verification form completed by the employer.

3. Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings.

4. W-2 forms plus income tax return forms.

5. **Self-certifications or** 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 participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.

In cases where there are questions about the validity of information provided by the family, the HA 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.

Social Security, Pensions, Supplementary Security Income (SSI), Disability Income

Acceptable methods of verification include, in this order:

1. Benefit verification form completed by agency providing the benefits.

2. Award or benefit notification letters prepared and signed by the providing agency.

3. Computer report electronically obtained or in hard copy.

Unemployment Compensation

Acceptable methods of verification include, in this order:

1. Verification form completed by the unemployment compensation agency.

2. Computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts.

3. Payment stubs.

Welfare Payments or General Assistance

Acceptable methods of verification include, in this order:

1. HA verification form completed by payment provider.

2. 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.

3. Computer-generated Notice of Action.

4. Computer-generated list of recipients from Welfare Department.

Alimony or Child Support Payments

Acceptable methods of verification include, in this order:

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.

2 A notarized **letter from the person paying the support.**

3. Copy of latest check and/or payment stubs from Court Trustee. HA must record the date, amount, and number of the check.

4. Family's self-certifiation of amount received and of the likelihood of support payments being received in the future, or that support payments are not being

received.

If payments are irregular, the family must provide:

A copy of the separation or settlement agreement or a divorce decree stating the amount and type of support and payment schedules.

A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.

A notarized affidavit from the family indicating the amount(s) received.

A welfare notice of action showing amounts received by the welfare agency for child support.

A written statement from an attorney certifying that a collection or enforcement action has been filed.

Net Income from a Business

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

Acceptable methods of verification include:

1. IRS Form 1040, including:

   Schedule C (Small Business)

   Schedule E (Rental Property Income)

   Schedule F (Farm Income)

   If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

2. Audited or unaudited financial statement(s) of the business.

3. **Credit report or loan application.**

4. **Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.**

5. **Family's self-certification as to net income realized from the business during**

previous years.

Child Care Business

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

If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the HA will require that the applicant/participant complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person.

If the family has filed a tax return, the family will be required to provide it.

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

Recurring Gifts

The family must furnish a self-certification which contains the following information:

The person who provides the gifts

The value of the gifts

The regularity (dates) of the gifts

The purpose of the gifts

Zero Income Status

Families claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household.

The HA will request information from the State Employment Development Department.

The HA will run a credit report if information is received that indicates the family has an unreported income source.

Full-time Student Status

Only the first $480 of the earned income of full time students, other than head, co-head, or spouse, will be counted towards family income.

Financial aid, scholarships and grants are not counted towards family income.

Verification of full time student status includes:

Written verification from the registrar's office or other school official.

School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

F. INCOME FROM ASSETS [24 CFR 982.516]

Savings Account Interest Income and Dividends

Acceptable methods of verification include, in this order:

1. Account statements, passbooks, certificates of deposit, or HA verification forms completed by the financial institution.

2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.

3. IRS Form 1099 from the financial institution, provided that the HA must adjust the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

Acceptable methods of verification include, in this order:

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)

2. Amortization schedule showing interest for the 12 months following the effective date of the certification or re-certification.

Net Rental Income from Property Owned by Family

Acceptable methods of verification include, in this order:

1. IRS Form 1040 with Schedule E (Rental Income).

2. Copies of latest rent receipts, leases, or other documentation of rent amounts.

3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

4. Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

G. VERIFICATION OF ASSETS

Family Assets

The HA will require the information necessary to determine the current cash value of the family's assets, (the net amount the family would receive if the asset were converted to cash).

Acceptable verification may include any of the following:

Verification forms, letters, or documents from a financial institution or broker.

Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.

Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.

Real estate tax statements if the approximate current market value can be deduced from assessment.

Financial statements for business assets.

Copies of closing documents showing the selling price and the distribution of the sales proceeds.

Appraisals of personal property held as an investment.

Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Re-certification

For all Certifications and Re-certifications, the HA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or re-certification.

If the family certifies that they have disposed of assets for less than fair market value, verification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

[24 CFR 982.516]

Child Care Expenses

Written verification from the person who receives the payments is required. If the child-care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.

Verifications must specify the child care provider's name, address, telephone number, **social security number,** the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

Medical Expenses

Families who claim medical expenses will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

> Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.
>
> Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
>
> Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.
>
> For attendant care:
>
> > A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.
> >
> > Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.
>
> Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. HA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.

The HA will use mileage at the **IRS** rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities [24 CFR 5.611(c)]

In All Cases:

Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.

Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.

In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

I. VERIFYING NON-FINANCIAL FACTORS [24 CFR 5.617(b)(2)]

Verification of Legal Identity

In order to prevent program abuse, the HA will require applicants to furnish verification of legal identity for all family members.

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

Certificate of Birth, naturalization papers

Church issued baptismal certificate

Current, valid Driver's license

U.S. military discharge (DD 214)

U.S. passport

Voter's registration

Company/agency Identification Card

Department of Motor Vehicles Identification Card

Hospital records

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

Certificate of Birth

Adoption papers

Custody agreement

Health and Human Services ID

School records

If none of these documents can be provided, a third party who knows the person may, at the HA's discretion, provide a verification.

Verification of Marital Status

Verification of divorce status will be a certified copy of the divorce decree, signed by a Court

Officer.

Verification of a separation may be a copy of court-ordered maintenance or other records.

Verification of marriage status is a marriage certificate.

Familial Relationships

A. Two or more persons sharing a residence whose income and resources are available to meet the family's needs who are either related by blood, marriage, or operation of law (or who give evidence of a stable relationship which has existed over a period of time); **NOTE:** Single pregnant women with no other children constitute a family and have the same status as a family consisting of two or more persons.

B. A single person 62 years of age or over

C. A single qualified individual with disabilities;

D. A single person who is displaced; or

E. Remaining member of a tenant family means an individual remaining in a unit when other member(s) of an assisted family have moved, unless this individual was an unrelated member of the former family who was necessary to care for the well-being of an elderly, or persons with disabilities, head of household or spouse and whose income was not counted for eligibility or TTP purposes. Other persons who will live regularly as part of the family group (including member(s) of the family temporarily absent) and whose income and resources are available for use in meeting the living expenses of the group may also be considered as a part of a family. Lodgers may not be included in family.

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 always be required if applicable:

Verification of relationship:

Official identification showing names

Birth Certificates

Baptismal certificates

Verification of guardianship is:

Court-ordered assignment

Affidavit of parent

Verification from social services agency

School records

Verification of Permanent Absence of Family Member

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

Husband or wife institutes divorce action.

Husband or wife institutes legal separation.

Order of protection/restraining order obtained by one family member against another.

Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement, if available.

Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.

If the adult family member is incarcerated, a document from the Court or correctional facility should be obtained stating how long they will be incarcerated.

If no other proof can be provided, the HA will accept a self-certification from the head of household or the spouse or co-head, if the head is the absent member.

Verification of Change in Family Composition

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

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) or verified by appropriate diagnostician **such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker**, using the HUD language as the verification format.

Verification of Citizenship/Eligible Immigrant Status [24 CFR 5.508, 5.510, 5.512, 5.514]

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the HA hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

The HA will **require citizens to provide documentation of citizenship.**

Acceptable documentation will include at least one of the following original documents:

United States birth certificate

United States passport

Resident alien/registration card

Social security card

Other appropriate documentation as determined by the HA

Eligible Immigrants aged 62 or over are required to sign a declaration of eligible immigration status and provide proof of age.

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 HA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the HA must request within ten days that the INS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide. If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination/at the time of initial application**.**

The HA will not provide assistance to any family prior to the affirmative establishment and verification of the eligibility of the individual or at least one member of the family.

The HA will verify the U.S. citizenship/eligible immigration status of all participants no later than the date of the family's first annual reexamination following the enactment of the Quality Housing and Work Responsibility Act of 1998.

Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial HA does not supply the documents, the HA must conduct the determination.

Extensions of Time to Provide Documents

The HA **will** grant an extension of **30 days** for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration

The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551)

Alien Registration Receipt Card (I-151)

Arrival-Departure Record (I-94)

Temporary Resident Card (I-688)

Employment Authorization Card (I-688B)

Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

The HA will verify the eligibility of a family member at any time such eligibility is in question, without regard to the position of the family on the waiting list.

If the HA determines that a family member has knowingly permitted another individual who is

not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated for not less than 24 months, unless the ineligible individual has already been considered in prorating the family's assistance.

Verification of Social Security Numbers [24 CFR 5.216]

Social security numbers must be provided as a condition of eligibility for all family members age six and over if they have been issued a number. Verification of social security numbers will be done through a social security card issued by the Social Security Administration. If a family member cannot produce a social security card, only the documents listed below showing his or her social security number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the social security card information provided is/are complete and accurate:

A driver's license

Identification card issued by a Federal, State or local agency

Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)

An identification card issued by an employer or trade union

An identification card issued by a medical insurance company

Earnings statements or payroll stubs

Bank Statements

IRS Form 1099

Benefit award letters from government agencies

Retirement benefit letter

Life insurance policies

Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records

Verification of benefits or social security number from Social Security Administration

New family members ages six and older will be required to produce their social security card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the HA.

If an applicant or participant is able to disclose the social security number but cannot meet the documentation requirements, the applicant or participant must sign a certification to that effect provided by the HA. The applicant/participant or family member will have an additional 60 days to provide proof of the social security number. If they fail to provide this documentation, the family's assistance will be terminated.

In the case of an individual at least 62 years of age, the HA may grant an extension for an additional 60 days to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's assistance will be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

Medical Need for Larger Unit

A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable professional.

J. VERIFICATION OF WAITING LIST PREFERENCES [24 CFR 982.207]

Local Preferences

Additional Local Preferences
(formerly used as Ranking Preferences for Federal preference holders)

Veteran's preference: This preference is available to current members of the U.S. Military Armed Forces, veterans, or surviving spouses of veterans.

Educational/Training participants: This preference is available for families who are graduates of or participants in educational or training programs designed to prepare the individual for the job market. The HA will require a statement from the agency or institution providing the education or training.

Disability Preference: This preference is available for families with a member who has a disability as defined in this Admin Plan.

The HA will require appropriate documentation from a knowledgeable professional. The HA will not inquire as to the nature of the disability except as to verify necessity for accessible unit.

Award letter or other proof of eligibility for Social Security Disability or Supplemental Security Income will be acceptable.

Local Preferences

A. Local preference 50%: all have the same weight, and are ranked by the Ranking Point System and date and time of application.

1. Frail elderly, (10 POINTS)
2. Families living in a rental rehabilitation project. (10 POINTS)
3. Formerly homeless families or homeless families actively enrolled in a case management, transitional housing, or other self-sufficiency program. (15 POINTS)
4. Families living in moderate rehabilitation and/or project-based program units whose health, welfare, or safety is threatened, or families who have provided drug related criminal activity testimony. (10 POINTS)
5. Families that need to move closer to medical and/or social services facilities. (10 POINTS)
6. Victims of disasters as verified by FEMA, the American Red Cross or other disaster assistance agency. (30 POINTS)
7. Families who reside in substandard housing, or who are involuntarily displaced or about to be involuntarily displaced as a result of code enforcement activities as determined by local Housing Code Enforcement Program Officials. (15 POINTS)
8. Elderly families or families headed by an elderly person. (10 POINTS)
9. Families with household members who are mentally/physically/ developmentally disabled. (10 POINTS)
10. Families who have been diagnosed with a medical condition as severe/terminal, resulting in a medical crisis which may require continuous care services in the home. (30 POINTS)
11. Families who are considered to be in-place, those living in a unit that will be brought under contract where landlord accepts the HCV Program. Verification required will be a copy of their lease in an appropriate size dwelling for the family listed in the housing application and copies of their utility bills for a 3 (three) month period verifying their residency in the unit. Residency with assistance for 6 (six) months after the issuance of the Section 8 Housing Choice Voucher will be required or the voucher will be revoked. (25 points)

Additional Ranking Points for the following:

Veteran 10 points

B. Date and Time of Application 50%: the remaining 50% will be ranked according to date and time of application and additional points for the following:

C. 1. From other eligible families: Selection shall be made without regard to race, color, creed, religion, sex, national origin, age, familial status, or disability.

Local Preferences for Family Unification Program

In order to participate in the **Family Unification** Demonstration Program, a family must be a Family Unification eligible family as defined in (Federal Register). The FUP preferences apply to the Family Unification Program only, and not the regular Section 8 program. Based upon previous experience of the DSS and the Housing Authority in administering the FUP, the following local preferences apply to the FUP only.

1. **Families which are victims of severe and ongoing domestic violence, or sexual abuse (10 points).**

2. **Graduates of transitional housing program, which addresses sobriety maintenance, living skills, domestic violence counseling, development of positive support networks and family functioning skills (5 points).**

3. **Families who meet all other criteria of the FUP and who do not have a substance abuse factor in the placement of their children in-out of home care, or the imminent placement in-out of home care, i.e., living in substandard, dilapidated, or overcrowded housing (1 point).**

The foregoing preferences shall be based upon point rating and ranking based upon date and time of submission of their application to the Housing Authority.

Chapter 8

VOUCHER ISSUANCE AND BRIEFINGS

[24 CFR 982.301, 982.302]

INTRODUCTION

The HA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit. Families are provided sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the HA will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, HA procedures, and how to lease a unit. The family will also receive a briefing packet which provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

A. ISSUANCE OF VOUCHERS [24 CFR 982.204(d), 982.54(d)(2)]

When funding is available, the HA will issue vouchers to applicants whose eligibility has been determined. The number of vouchers issued must ensure that the HA stays as close as possible to 100 percent lease-up. The HA performs a monthly calculation **electronically** to determine whether applications can be processed, the number of vouchers that can be issued, and to what extent the HA can over-issue (issue more vouchers than the budget allows to achieve lease-up).

The HA may over-issue vouchers only to the extent necessary to meet leasing goals. All vouchers which are over-issued must be honored. If the HA finds it is over-leased, it must adjust future issuance of vouchers in order not to exceed the ACC budget limitations over the fiscal year.

B. BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR 982.301]

Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in groups/individual meetings. Families who attend group briefings and still have the need for individual assistance will be referred to a Housing Program Specialist.

Briefings will be conducted in English. Briefings will also be conducted in Spanish.

The purpose of the briefing is to explain how the program works and the documents in the voucher holder's packet to families so that they are fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The HA will not issue a voucher to a family unless the household representative has attended a briefing and signed the voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend two scheduled briefings, without prior notification and approval of the HA, may be denied admission based on failure to supply information needed for certification. The HA will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

Briefing Packet **[**24 CFR 982.301(b)]

The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements. The HA also includes other information and/or materials which are not required by HUD.

The family is provided with the following information and materials:

The term of the voucher, and the HA policy for requesting extensions or suspensions of the voucher (referred to as tolling).

A description of the method used to calculate the housing assistance payment for a family, including how the HA determines the payment standard for a family; how the HA determines total tenant payment for a family and information on the payment standard and utility allowance schedule. How the HA determines the maximum allowable rent for an assisted unit, including the rent reasonableness standard.

Where the family may lease a unit. For family that qualifies to lease a unit outside the HA jurisdiction under portability procedures, the information must include an explanation of how portability works.

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

The form the family must use to request approval of tenancy [Request for approval of Tenancy], and a description of the procedure for requesting approval for a tenancy.

A statement of the HA policy on providing information about families to prospective owners.

The HA Subsidy Standards including when and how exceptions are made and how the voucher size relates to the unit size selected.

HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS.

The HUD pamphlet on lead-based paint entitled *Protect Your Family From Lead in Your* ***Home*** and information about where blood level testing is available.

Information on Federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form. The HA will also include the pamphlet "Fair Housing:

It's Your Right" and other information about fair housing laws and guidelines and the phone numbers of the local fair housing agency and the HUD enforcement office.

A list of landlords or other parties willing to lease to assisted families or help in the search and/or known units available for the voucher issued**.** The list includes landlords or other parties who are willing to lease units or help families find units outside areas of poverty or minority concentration.

If the family includes a person with disabilities, notice that the HA will provide a list of available accessible units known to the HA.

The family obligations under the program **including any obligations of a family participating in the welfare to work voucher program**.

The grounds on which the HA may terminate assistance for a participant family because of family action or failure to act.

HA informal hearing procedures including when the HA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.

Additional Items for Briefing Packet

Family Handbook

Information on security deposits

The Family Self Sufficiency program and its advantages

Information packet including an explanation of how portability works, including a list of neighboring housing agencies with the name, address and telephone number of a portability contact person at each for use by families who move under portability. (required for HAs in MSAs)

A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families. (required for HAs in MSAs)

Information regarding the HA's outreach program which assists families who are interested in, or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations.

A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration (required for HAs in MSAs).

If the family includes a person with disabilities, the HA will ensure compliance with CFR 8.6 to ensure effective communication.

Move Briefing

A move briefing will be held for participants who will be reissued a voucher to move, and who have been recertified within the last 120 days**,** and have given notice of intent to vacate to their landlord. This briefing includes incoming and outgoing portable families.

Owner Briefing

Briefings are held for owners on an as-needed basis. All new owners receive a personal invitation and current owners are notified by mail. Prospective owners are also welcome. The purpose of the briefing is to assure successful owner participation in the program. The briefing covers the responsibilities and roles of the three parties.

Signature Briefing

All new owners will be required to attend a signature briefing with the family head at the unit to execute contracts and leases. Other owners will be encouraged to attend signature briefings to reduce future conflict between the owner and tenant. The HA will provide details on the program rules and relationships and responsibilities of all parties.

Interested owners who request to sit in on scheduled family briefings to obtain information about the voucher program will be allowed to do so if the request is made within two days of the scheduled briefing.

C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION

At the briefing, families are encouraged to search for housing in non-impacted areas and the HA will provide assistance to families who wish to do so.

The HA has maps that show various areas and information about facilities and services in neighboring areas such as schools, transportation, and supportive and social services.

The HA will investigate and analyze when voucher holders are experiencing difficulties locating or obtaining housing units outside areas of concentration.

The assistance provided to such families includes:

Providing families with a search record form to gather and record info.

Direct contact with landlords.

Counseling with the family.

Formal or informal discussions with landlord groups

Formal or informal discussions with social service agencies

Meeting with rental referral companies or agencies

D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION

The HA will give participants a copy of HUD Form 903 to file a complaint.

E. SECURITY DEPOSIT REQUIREMENTS [24 CFR 982.313]

The owner is not required to but may collect a (one) security deposit from the tenant.

Security deposits charged by owners may not exceed those charged to unassisted tenants (nor the maximum prescribed by State or local law.)

For lease-in-place families, responsibility for first and last month's rent is not considered a security deposit issue. In these cases, the owner should settle the issue with the tenant prior to the beginning of assistance.

F. TERM OF VOUCHER [24 CFR 982.303, 982.54(d)(11)]

During the briefing session, each household will be issued a voucher which represents a contractual agreement between the HA and the Family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective.

Expirations

The voucher is valid for a period of at least sixty calendar days from the date of issuance. The family must submit a Request for Approval of the Tenancy and Lease within the sixty-day period unless an extension has been granted by the HA.

If the voucher has expired, and has not been extended by the HA or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

Suspensions

When a Request for Approval of Tenancy is received, the HA will deduct the number of days required to process the request from the 60 day term of the voucher.

Extensions

If the family needs an extension in excess of 60 days, the HA will extend the voucher term for the amount of time reasonably required for said reasonable accommodation to make the program accessible to and usable by a family member with a disability.

A family may request a written request for an extension of the voucher time period. All requests for extensions must be received prior to the expiration date of the voucher.

Extensions are permissible at the discretion of the HA up to a maximum of an additional 60 days primarily for these reasons:

> **Extenuating circumstances such as hospitalization or a family emergency for an extended period of time which has affected the family's ability to find a unit within the initial sixty-day period. Verification is required.**
>
> **The HA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the HA, throughout the initial sixty-day period. A completed search record** is **required.**
>
> **The family was prevented from finding a unit due to disability accessibility requirements or large size four and five bedroom unit requirement. The Search Record** is **part of the required verification.**

The HA extends in one or more increments. Unless approved by a Supervisor or Director, no more than two extensions of 30 days or less will be granted and never for a total of more than an additional sixty days.

Assistance to Voucher Holders

Families who require additional assistance during their search may call the HA Office to request assistance. Voucher holders will be notified at their briefing session that the HA periodically updates the listing of available units and how the updated list may be obtained.

The HA will assist families with negotiations with owners and provide other assistance related to the families' search for housing.

G. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS

[24 CFR 982.315]

In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, the Housing Program Specialist shall consider the following factors to determine which of the families will continue to be assisted:

> **Which of the two new family units has custody of dependent children.**
>
> **Which family member was the head of household when the voucher was initially issued (listed on the initial application).**
>
> **The composition of the new family units, and which unit contains elderly or disabled members.**

Whether domestic violence was involved in the breakup.

Which family members remain in the unit.

Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, the HA will terminate assistance on the basis of failure to provide information necessary for a recertification.

H. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER

[24 CFR 982.315]

To be considered the remaining member of the tenant family, the person must have been previously approved by the HA to be living in the unit.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

In order for a minor child to continue to receive assistance as a remaining family member:

The court has to have awarded emancipated minor status to the minor, or

The HA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.

A reduction in family size may require a reduction in the voucher family unit size.

Chapter 9

REQUEST FOR APPROVAL TENANCY

[24 CFR 982.302]

INTRODUCTION [24 CFR 982.305(a)]

The HA's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. The HA's objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the HA, or outside of the HA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with the HA. This chapter defines the types of eligible housing, the HA's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests For Tenancy Approval (RFTA).

A. REQUEST FOR TENANCY APPROVAL [24 CFR 982.302, 982.305(b)]

The Request for Approval of Tenancy (RFAT) and a copy of the proposed lease, including the HUD prescribed tenancy addendum, must be submitted by the family during the term of the voucher. The family must submit the Request for Approval of Tenancy in the form and manner required by the HA.

The Request for Approval of Tenancy must be signed by both the owner and voucher holder.

The HA will not permit the family to submit more than one RFTA at a time.

The HA will review the proposed lease and the Request for Tenancy Approval documents to determine whether or not they are approvable. The request will be approved if:

The unit is an eligible type of housing

The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan)

The rent is reasonable

The security deposit is approvable in accordance with any limitations in this plan.

The proposed lease complies with HUD and HA requirements (See "Lease Review" section below).

The owner is approvable, and there are no conflicts of interest (See "Owner Disapproval" section below).

In addition to the above, *at the time a family initially receives assistance in a unit (new admissions and moves), if the gross rent for the unit exceeds the applicable payment standard for the family, the family share of rent may not exceed 40 percent of the family monthly adjusted income (See "Owner Rents, Rent Reasonableness and Payment Standards" chapter of this Administrative Plan).*

Disapproval of RFTA

If the HA determines that the request cannot be approved for any reason, the landlord and the family will be notified in writing. The HA will instruct the owner and family of the steps that are necessary to approve the request.

The owner will be given 14 calendar days to submit an approvable RFTA from the date of disapproval.

When, for any reason, an RFTA is not approved, the HA will furnish another RFTA form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.

B. ELIGIBLE TYPES OF HOUSING [24 CFR 982.353]

The HA will approve any of the following types of housing in the voucher program:

All structure types can be utilized.

Manufactured homes where the tenant leases the mobile home and the pad.

Single room occupancy

Congregate Facilities (only the shelter rent is assisted)

Units owned (but not subsidized) by the HA (following HUD-prescribed requirements).

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.

The HA may not permit a voucher holder to lease a unit which is receiving project-based Section 8 assistance or any duplicative rental subsidies.

C. LEASE REVIEW [24 CFR 982.308]

The HA will review the lease, particularly noting the approvability of optional charges and compliance with regulations and state and local law. The tenant also must have legal capacity to enter a lease under state and local law. Responsibility for utilities, appliances and optional services must correspond to those provided on the on the Request For Tenancy Approval.

The family and owner must submit a standard form of lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with state and local law.

The lease must specify:

The names of the owner and tenant, and

The address of the unit rented (including apartment number, if any), and

The amount of the monthly rent to owner, and

The utilities and appliances to be supplied by the owner, and

The utilities and appliances to be supplied by the family.

The HUD prescribed tenancy addendum must be included in the lease word-for-word before the lease is executed.

Effective September 15, 2000, the owner's lease must include the Lead Warning Statement and disclosure information required by 24 CFR 35.92(b).

The lease must provide that drug-related criminal activity engaged in by the tenant, any household member, or any guest on or near the premises, or any person under the tenant's control on the premises is grounds to terminate tenancy.

The lease must also provide that owner may evict family when the owner determines that:

Any household member is illegally using a drug; or

A pattern of illegal use of drug by any household member interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

The lease must provide that the following types of criminal activity by a "covered person" are grounds to terminate tenancy:

Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises);

Any criminal activity that threatens the health, safety or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or

Any violent criminal activity on or near the premises by a tenant, household member, or guest; or

Any violent criminal activity on the premises by any other person under the tenant's control.

The lease must provide that the owner may terminate tenancy if a tenant is:

Fleeing to avoid prosecution or custody or confinement after conviction for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees (high misdemeanor in NJ); or

Violating a condition of probation or parole imposed under Federal or State law.

House Rules of the owner may be attached to the lease as an addendum, provided they are approved by the HA to ensure they do not violate any fair housing provisions and do not conflict with the tenancy addendum.

<u>Actions before Lease Term</u>

All of the following must always be completed before the beginning of the initial term of the lease for a unit:

The HA has inspected the unit and has determined that the unit satisfies the HQS;

The HA has determined that the rent charged by the owner is reasonable;

The landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum;

The HA has approved leasing of the unit in accordance with program requirements;

When the gross rent exceeds the applicable payment standard for the family, the HA must determine that the family share (total family contribution) will not be more than 40% of the family's monthly adjusted income.

D. SEPARATE AGREEMENTS

Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.

The family is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the HA.

Any appliances, services or other items which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.

All agreements for special items or services must be attached to the lease approved by the HA. If agreements are entered into at a later date, they must be approved by the HA and attached to the lease.

The HA will not approve separate agreements for modifications to the unit for persons with disabilities. The modifications are usually within the dwelling and are critical to the use of the dwelling.

E. INITIAL INSPECTIONS [24 CFR 982.305(a) & (b)]

See "Housing Quality Standards and Inspections" chapter of this Administrative Plan.

F. RENT LIMITATIONS [24 CFR 982.507]

The HA will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

By accepting each monthly housing assistance payment from the HA, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the

premises. The owner is required to provide the HA with information requested on rents charged by the owner on the premises or elsewhere.

At all times during the tenancy, the rent to owner may not be more than the most current reasonable rent as determined by the HA.

G. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]

In any of the programs, if the proposed gross rent is not reasonable, at the family's request, the HA will negotiate with the owner to reduce the rent to a reasonable rent. *If, in the voucher program, the rent is not affordable because the family share would be more than 40% of the family's monthly adjusted income, the HA will negotiate with the owner to reduce the rent to an affordable rent for the family.*

> At the family's request, the HA will negotiate with the owner to reduce the rent or include some or all of the utilities in the rent to owner.

If the rent can be approved after negotiations with the owner, the HA will continue processing the Request for Tenancy Approval and lease. If the revised rent involves a change in the provision of utilities, a new Request for Tenancy Approval must be submitted by the owner.

If the owner does not agree on the rent to owner after the HA has tried and failed to negotiate a revised rent, the HA will inform the family and owner that the lease is disapproved.

H. INFORMATION TO OWNERS [24 CFR 982.307(b), 982.54(d) (7)]

In accordance with HUD requirements, the HA will furnish prospective owners with the family's current address as shown in the HA's records and, if known to the HA, the name and address of the landlord at the family's current and prior address.

The HA will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

The HA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

A statement of the HA's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.

The HA will provide the following information, based on documentation in its possession:

> **Eviction history**
>
> **Damage to rental units**
>
> **Drug trafficking by family members**

The information will be provided for the last three years.

The information will be provided orally.

Only the Housing Programs Specialists may provide this information. The HA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

I. OWNER DISAPPROVAL [24 CFR 982.306]

See chapter on "Owner Disapproval and Restriction."

J. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

When the family reports changes in factors that will affect the total family share prior to the effective date of the HAP contract at admission, the information will be verified and the total family share will be recalculated. If the family does not report any change, the HA need not obtain new verifications before signing the HAP contract, even if verifications are more than 60 days old.

K. CONTRACT EXECUTION PROCESS [24 CFR 982.305(c)]

The HA prepares the Housing Assistance Contract and lease for execution. The family and the owner will execute the lease agreement, and the owner and the HA will execute the HAP contract. Copies of the documents will be furnished to the parties who signed the respective documents. The HA will retain a copy of all signed documents.

The HA makes every effort to execute the HAP contract before the commencement of the lease term. The HAP contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed.

The following HA representative(s) is/are authorized to execute a contract on behalf of the HA: Supervisor and Director.

Owners must provide an employer identification number or social security number.

The owner must provide a home telephone number and business number if applicable.

Unless their lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The HA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

L. CHANGE IN OWNERSHIP

See "Owner Disapproval and Restriction" chapter.

Chapter 10

HOUSING QUALITY STANDARDS AND INSPECTIONS

[24 CFR 982.401]

INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and HAP contract.

The HA will inspect each unit under contract at least annually. The HA will also have the Housing Inspector or supervisor perform quality control inspections on the number of files required for file sampling by SEMAP annually to maintain the HA's required standards and to assure consistency in the HA's program. This Chapter describes the HA's procedures for performing HQS and other types of inspections, and HA standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and HA requirements. (See the additions to HQS listed under "Acceptability Criteria and Exceptions to HQS" later in this chapter).

A. GUIDELINES/TYPES OF INSPECTIONS [24 CFR 982.401(a), 982.405]

The HA has adopted local requirements of acceptability in addition to those mandated by the HUD Regulations.

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards. The HA will not promote any additional acceptability criteria which is likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

All utilities must be in service prior to the effective date of the HAP contract. If the utilities are not in service at the time of inspection, the Inspector will notify the tenant or owner (whoever is responsible for the utilities according to the (RFTA) to have the utilities turned on. The owner and tenant will both certify that the utilities are on.

If the tenant is responsible for supplying the stove and/or the refrigerator, the HA will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS. The family must then certify that the appliances are in the unit and working. The HA will not conduct a reinspection.

There are four types of inspections the HA will perform:

1. Initial/Move-in: Conducted upon receipt Tenancy Approval.

2. Annual: Must be conducted within twelve months of the last annual inspection.

3. Special/Complaint: At request of owner, family or an agency or third party.

4. Quality Control

B. INITIAL HQS INSPECTION [24 CFR 982.401(a), 982.305(b) (2)]

Timely Initial HQS Inspection

The HA will inspect the unit, determine whether the unit satisfies the HQS and notify the family and owner of the determination within 15 days unless the Supervisor or Director determines that it is unable to do so in the stated timeframe, in which case the file will be appropriately documented.

The HA will make every reasonable effort to conduct initial HQS inspections for the family and owner in a manner that is time efficient and indicative of good customer service.

The HA will periodically conduct a quarterly review of the average time required for a family and owner to have a unit inspected from the time the RFTA is submitted by the family and owner to the HA.

If the HA determines after a quarterly review of files that the average time for a family and owner to obtain an initial inspection is longer than 15 days, the HA will review staffing needs relevant to HQS inspection.

The Initial Inspection will be conducted to:

Determine if the unit and property meet the HQS defined in this Plan.

Document the current condition of the unit as to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.

Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial Housing Quality Standards inspection, the family and owner will be advised to notify the HA once repairs are completed.

On an initial inspection, the owner will be given up to 14 days to correct the items noted as Fail, at the Inspector's discretion, depending on the amount and complexity of work to be done.

The owner will be allowed up to two re-inspections for repair work to be completed.

If the time period given by the Inspector to correct the repairs has elapsed, or the maximum number of failed re-inspections has occurred, the family must select another unit.

C. ANNUAL HQS INSPECTIONS [24 CFR 982.405(a)]

The HA conducts an inspection in accordance with Housing Quality Standards at least annually, 120 days prior to the last annual inspection, so that the inspections are

conducted at least annually, as required by SEMAP. Special inspections may be scheduled between anniversary dates.

HQS deficiencies which cause a unit to fail must be corrected by the landlord unless it is a fail for which the tenant is responsible.

The family must allow the HA to inspect the unit at reasonable times with reasonable notice. [24 CFR 982.551(d)]

Inspections will be conducted on business days only.

Reasonable hours to conduct an inspection are between 8:00 a.m. and 5:00 p.m.

The HA will notify the family in writing or by phone at least 14 days prior to the inspection.

Inspection: The family and owner are notified of the date and time of the inspection appointment by mail. If the family is unable to be present, they must re-schedule the appointment so that the inspection is completed within 30 days.

If the family does not contact the HA to re-schedule the inspection, or if the family misses three inspection appointments, the HA will consider the family to have violated a Family Obligation and their assistance will be terminated in accordance with the termination procedures in the Plan.

Re-inspection: The family and owner are mailed a notice of the inspection appointment by mail. If the family is not at home for the re-inspection appointment, appointment, a card will be left at the unit and another appointment is automatically scheduled. The appointment letter contains a warning of abatement (in the case of owner responsibility), and a notice of the owner's responsibility to notify the family.

The family is also notified that it is a Family Obligation to allow the HA to inspect the unit. If the family was responsible for a breach of HQS identified in the "Denial or Termination of Assistance" chapter of this Administrative Plan, they will be advised of their responsibility to correct.

Time Standards for Repairs

Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of notification. (See Emergency Repair Items section.)

For non-emergency items, repairs must be made within 30 days.

For major repairs, the Supervisor or Director may approve an extension beyond 30 days.

Rent Increases

Rent to owner increases may not be approved if the unit is in a failed condition.

D. SPECIAL/COMPLAINT INSPECTIONS [24 CFR 982.405(c)]

If at any time the family or owner notifies the HA that the unit does not meet Housing Quality Standards, the HA will conduct an inspection.

The HA may also conduct a special inspection based on information from third parties such as neighbors or public officials.

The HA will inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

If the annual inspection date is within 120 days of a special inspection, and as long as all times are inspected that are included in an annual inspection, the special inspection will be categorized as annual and all annual procedures will be followed.

E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b)]

Quality Control inspections will be performed by qualified Personnel designated by the Director of Section 8 on the number of files required by SEMAP. The purpose of Quality Control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS.

The sampling of files will include recently completed inspections (within the prior 3 months), a cross-section of neighborhoods, and a cross-section of inspectors.

F. ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS
[24 CFR 982.401 (a)]

The HA adheres to the acceptability criteria in the program regulations and local city codes, with the additions described below.

Additions

Walls:

In areas where plaster or drywall is sagging, severely cracked or otherwise damaged, it must be repaired or replaced.

Any exterior or interior surfaces with peeling or chipping paint must be scraped and painted with two coats of unleaded paint or other suitable material.

Windows:

All window sashes must be in good condition, solid and intact, and fit properly in the window frame. Damaged or deteriorated sashes must be replaced.

Windows must be weather stripped as needed to ensure a watertight seal.

Window screens must be in good condition. (Applies only if screens are present).

Any room for sleeping must have a window.

Doors:

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.

All interior doors must have no holes, have all trim intact, and be able to open without the use of a key.

Floors:

All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be re-secured and made level.

All floors must be in a finished state (no plywood).

All floors should have some type of baseshoe, trim, or sealing for a "finished look." Vinyl baseshoe may be used for kitchens and bathrooms.

Sinks:

All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

All sinks must have functioning stoppers.

Security:

If window security bars or security screens are present on emergency exit Window, they must be equipped with a quick release system. The owner is

Responsible for ensuring that the family is instructed on the use of the quick release system.

Owners are responsible for providing and replacing old batteries for battery powered units. Tenants will be instructed not to tamper with smoke detectors or remove batteries.

Bedrooms:

Bedrooms in basements or attics are not allowed unless they meet local code requirements and must have adequate ventilation and emergency exit capability.

Minimum bedroom ceiling height is 7'6" or local code, whichever is greater. Sloping ceilings may not slope to lower than five feet in the 70 square foot area.

Modifications

Modifications or adaptations to a unit due to a disability must meet all applicable HQS and building codes.

Extension for repair items not required by HQS will be granted for modifications/ adaptations to the unit if agreed to by the tenant and landlord. HA will allow execution of the HAP contract if unit meets all requirements and modifications do not affect the livability of the unit.

G. EMERGENCY REPAIR ITEMS [24 CFR 982.404(a)]

The following items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the Inspector:

- **Lack of security for the unit**
- **Waterlogged ceiling in imminent danger of falling**
- **Major plumbing leaks or flooding**
- **Natural gas leak or fumes**
- **Electrical problem which could result in shock or fire**
- **No heat when outside temperature is below 40 degrees Fahrenheit and temperature inside unit is below 40 degrees Fahrenheit.**

- **Utilities not in service**
- **No running hot water**
- **Broken glass where someone could be injured**
- **Obstacle which prevents tenant's entrance or exit**
- **Lack of functioning toilet**

In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to make the repair, proper authorities will be notified by the HA.

If the emergency repair item(s) are not corrected in the time period required by the HA, and the owner is responsible, the housing assistance payment will be abated and the HAP contract will be terminated.

If the emergency repair item(s) are not corrected in the time period required by the HA, and it is an HQS breach which is a family obligation, the HA will terminate the assistance to the family.

Smoke Detectors

The HA will issue a written warning to any family determined to have purposely disconnected the unit's smoke detector. Warning will state that deliberate disconnection of the unit's smoke detector is a health and fire hazard and is considered a violation of the HQS.

H. CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS) [24 CFR 982.405, 982.453]

When it has been determined that a unit on the program fails to meet Housing Quality Standards, and the owner is responsible for completing the necessary repair(s) in the time period specified by the HA, the assistance program payment to the owner will be abated.

Abatement

A Notice of Abatement will be sent to the owner, and the abatement will be effective from the day after the date of the failed inspection. The notice is generally for 14 days, depending on the nature of the repair(s) needed.

The HA will inspect abated units within 3 days of the owner's notification that the work has been completed.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection.

The family will be notified of the re-inspection date and requested to inform the owner.

No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS. **The notice of abatement states that the tenant is not responsible for the HA's portion of rent that is abated.**

Reduction of Payments

The HA will grant an extension in lieu of abatement in the following cases:

The owner has a good history of HQS compliance.

The failed items are minor in nature.

There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services.

The owner makes a good faith effort to make the repairs.

The repairs are expensive (such as exterior painting or roof repair) and the owner needs time to obtain the funds.

The repairs must be delayed due to climate conditions.

The extension will be made for a period of time not to exceed 30 days. At the end of that time (at the HA's discretion), if the work is not completed or substantially completed, the HA will begin the abatement/termination of assistance.

Termination of Contract

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the end of the abatement period, the owner will be sent a HAP Contract Proposed Termination Notice. Prior to the effective date of the termination, the abatement will remain in effect.
If repairs are completed before the effective termination date, the termination will be rescinded by the HA if the tenant chooses to remain in the unit. Only one Housing Quality Standards inspections will be conducted after the termination notice is issued.

I. DETERMINATION OF RESPONSIBILITY [24 CFR 982.404, 982.54(d) (14)]

Certain HQS deficiencies are considered the responsibility of the family:

Tenant-paid utilities not in service

Failure to provide or maintain family-supplied appliances

Damage to the unit or premises caused by a household member or guest beyond normal wear and tear

"Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.

The owner is responsible for all other HQS violations.

The owner is responsible for vermin infestation even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The HA may terminate the family's assistance on that basis.

If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

J. CONSEQUENCES IF FAMILY IS RESPONSIBLE [24 CFR 982.404(b)]

If the emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the HA will require the family make any repair(s) or corrections within 30 days. If the repair(s) or correction(s) are not made in this time period, the HA will terminate assistance to the family, after providing an opportunity for an informal hearing. Extensions in these cases must be approved by the Supervisor or Director of Section 8. The owner's rent will not be abated for items which are the family's responsibility.

If the tenant is responsible and corrections are not made, the HAP Contract will terminate when assistance is terminated.

Chapter 11

OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

[24 CFR 982.502, 982.503, 982.504, 982.505, 982.507]

INTRODUCTION

The policies in this chapter reflect the amendments to the HUD regulations, which were implemented by the Quality Housing and Work Responsibility Act of 1998 for the Section 8 Tenant-Based Assistance Program. These amendments became effective on October 1, 1999, which is referred to as the "merger date". These amendments complete the merging of the Section 8 Certificate and Voucher Programs into one program, called the Housing Choice Voucher Program.

- **All Section 8 participants have been transitioned to the Housing Choice Voucher Program on or before October 1, 2001. Rent calculation methods for the Housing Choice Voucher Program are described at 24 CFR 982.505. The rent calculation formula is specific and is not subject to interpretation.**

The HA will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is the HA's responsibility to ensure that the rents charged by owners are reasonable based upon unassisted comparables in the rental market, using the criteria specified in 24 CFR 982.507(b).

This chapter explains the HA's procedures for determination of rent-reasonableness, payments to owners, adjustments to the payment standards, and rent adjustments.

A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM

The rent to owner is limited only by rent reasonableness. The HA must demonstrate that the rent to owner is reasonable in comparison to rent for other comparable unassisted units.

The only other limitation on rent to owner is the maximum rent standard at initial occupancy (24 CFR 982.508). At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, whether it is a new admission or a move to a different unit, if the gross rent for the unit exceeds the applicable payment standard for the family, the family share may not exceed 40 percent of the family's monthly adjusted income.

During the initial term of the lease, the owner may not raise the rent to owner.

B. MAKING PAYMENTS TO OWNERS [24 CFR 982.451]

Once the HAP contract is executed, the HA begins processing payments to the landlord. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made **automatically** to the HAP Register for the following month. Checks are disbursed by the Finance Department to the owner each month. Checks **may** be picked up by owner at the HA. **Checks will only be disbursed on the Section 8 Checks and Retro days of the month**. **Exceptions may be made with the approval of Director of Housing Assistance Programs in cases of hardship**.

Checks that are not received will not be replaced until a written request has been received from the payee and a stop payment has been put on the check.

Excess Payments

The total of rent paid by the tenant plus the HA housing assistance payment to the owner may not be more than the rent to owner. The owner must immediately return any excess payment to the HA.

Owners who do not return excess payments will be subject to penalties as outlined in the "Owner or Family Debts to the HA" chapter of this Administrative Plan.

Late Payments to Owners

In keeping with generally accepted practices in the local housing market, the HA must make housing assistance payments to the owner promptly and in accordance with the HAP contract.

Proof of "Mailed to" date will be the:

Date the HAP Register was run

Proof of "Received by Owner" will be:

Five calendar days after date of mailing by HA

To assist the HA in its outreach efforts to owners, and to provide better customer service, the HA will offer to make automatic monthly HAP deposits into the bank account of the owner. If the owner agrees to such an arrangement with the HA, the date the bank shows as the deposit date will be the official date of record and will be the determining factor in cases involving late payment penalties.

The HA will not be obligated to pay any late payment penalty if HUD determines that late payment is due to factors beyond the HA's control, such as a delay in the receipt of program funds from HUD. The HA will use administrative fee income or the administrative fee reserve as its only source for late payment penalty.

The HA will not use any program funds for the payment of late fee penalties to the owner.

C. RENT REASONABLENESS DETERMINATIONS [24 CFR 982.507]

The HA will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all programs.

The HA will not approve a lease until the HA determines that the initial rent to owner is a reasonable rent. The HA must redetermine the reasonable rent before any increase in the rent to owner, and if there is a five percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.

The HA must redetermine rent reasonableness if directed by HUD and based on a need identified by the HA's auditing system. The HA may elect to redetermine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the HA

The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

If requested, the owner must give the HA information on rents charged by the owner for other units in the premises or elsewhere. **The HA will only request information on the owner's units elsewhere if the HA has cause to demonstrate that the owner has a tendency to charge higher rents to program participants or if needed for rent reasonableness comparables.**

The data for other unassisted units will be gathered from **newspapers, Realtors, professional associations, inquiries of owners, market surveys, and other available sources**.

The market areas for rent reasonableness are **zip codes/subdivisions/census tracts/neighborhoods** within the HA's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items will be used for rent reasonableness documentation:

Size (number of Bedrooms/square footage)

Location

Quality

Amenities (bathrooms, dishwasher, air conditioning, etc.)

Housing Services

Age of unit

Unit Type

Maintenance

Utilities

Rent Reasonableness Methodology

The HA utilizes a rent reasonableness system which includes and defines the HUD factors listed above. The system has a total point count which is divided into rating categories.

The HA uses a "standard deviation" method and uses automation to identify the average rent for units of like size and type within the same market area. The average is adjusted up or down based on the dollar value of all HUD required comparable items.

The HA maintains an automated database which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data is updated on an ongoing basis and purged when it is more than twelve months old.

D. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM [24 CFR 982.503]

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation, and at the HA's discretion, the Voucher Payment Standard amount is set by the HA between 90 percent and 110 percent of the HUD published FMR. This is considered the basic range. The HA reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, the HA will ensure that the Payment Standard is always within the range of 90 percent to 110 percent of the new FMR, unless an exception payment standard has been approved by HUD.

The HA will establish a single voucher payment standard amount for each FMR area in the HA jurisdiction. For each FMR area, the HA will establish payment standard amounts for each "unit size". The HA may have a higher payment standard within the HA's jurisdiction if needed to expand housing opportunities outside areas of minority or poverty concentration, as long as the payment standard is within the 90-110% of FMR range.

The HA may approve a higher payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities.

E. ADJUSTMENTS TO PAYMENT STANDARDS [24 CFR 982.503]

Payment Standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. The HA will not raise Payment Standards solely to make "high end" units available to Voucher holders. The HA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.

Assisted Families' Rent Burdens

The HA will review its voucher payment standard amounts at least annually to determine whether more than 40 percent of families in a particular unit size are paying more than 30% of their annual adjusted income for rent.

If it is determined that particular unit sizes in the HA's jurisdiction have payment standard amounts that are creating rent burdens for families, the HA will modify its payment standards for those particular unit sizes.

The HA will increase its payment standard within the basic range for those particular unit sizes to help reduce the percentage of annual income that participant families in the HA's jurisdiction are paying.

Quality of Units Selected

The HA will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.

HA Decision Point

The HA will review the average percent of income of families on the program. If more than (40%) of families are paying more than 30% of monthly adjusted income, the HA will determine whether there is a difference by voucher size, whether families are renting units larger than their voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by the HA in the Administrative Plan.

If families are paying more than 30% of their income for rent due to the selection of larger bedroom size units or luxury units, the HA may decline to increase the payment standard. If these are not the primary factors for families paying higher rents, the HA will continue increasing the payment standard.

Rent to Owner Increases

The HA may review a sample of the units to determine how often owners are increasing rents and the average percent of increase by bedroom size.

Time to Locate Housing

The HA may consider the average time period for families to lease up under the Voucher program. If more than 33 percent of Voucher holders are unable to locate suitable housing within the term of the voucher and the HA determines that this is due to 50 percent of rents in the jurisdiction being unaffordable for families even with the presence of a voucher the Payment Standard may be adjusted.

Lowering of the Payment Standard

Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below 90 percent of the FMR without authorization from HUD.

Financial Feasibility

Before increasing the Payment Standard, the HA may review the budget to determine the impact projected subsidy increases would have on funding available for the program and number of families served.

For this purpose, the HA will compare the number of families who could be served under a higher Payment Standard with the number assisted under current Payment Standards.

File Documentation

A file will be retained by the HA for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

F. EXCEPTION PAYMENT STANDARDS

If the dwelling unit is located in an exception area, the HA must use the appropriate payment standard amount established by the HA for the exception area in accordance with regulation at 24 CFR 982.503(c).

G. OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM

[24 CFR 982.308(g)]

The owner is required to notify the HA, in writing, at least sixty days before any change in the amount of rent to owner is scheduled to go into effect. Any requested change in rent to owner will be subject to rent reasonableness requirements. See 24 CFR 982.503.

Chapter 12

RECERTIFICATIONS

[24 CFR 982.516]

INTRODUCTION

In accordance with HUD requirements, the HA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition. This Chapter defines the HA's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ANNUAL ACTIVITIES [24 CFR 982.516, 982.405]

There are two activities the HA must conduct on an annual basis. **These activities will be coordinated whenever possible:**

Recertification of income and family composition

HQS inspection

The HA produces a monthly listing of units under contract to ensure that timely reviews of housing quality, and factors related to total tenant payment/family share can be made.

Reexamination of the family's income and composition must be conducted at least annually.

Annual inspections: See "Housing Quality Standards and Inspections" chapter.

Rent adjustments: See "Owner Rents, Rent Reasonableness and Payment Standards" chapter.

B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 982.516]

Families are required to be recertified at least annually.

Moves between Reexaminations

When families move to another dwelling unit:

> **An annual recertification will be scheduled (unless a recertification has occurred in the last** 120 **days and the anniversary date will be changed.)**

Income limits are not used as a test for continued eligibility at recertification.

Reexamination Notice to the Family

The HA will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview at least 120 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the HA will provide the notice in an accessible format. The HA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

Procedure

The HA's procedure for conducting annual recertifications will be:

> **Schedule the date and time of appointments and mail a notification to the family** and owner**.**

Completion of Annual Recertification

The HA will have all recertifications for families completed before the anniversary date. This includes notifying the family of any changes in rent at least 30 days before the scheduled date of the change in family rent.

Persons with Disabilities

Persons with disabilities who are unable to come to the HA's office will be granted an accommodation by conducting the interview **at the person's home,** upon verification that the accommodation requested meets the need presented by the disability.

Collection of Information [24 CFR 982.516(f)]

The HA has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate.

The HA will allow the family to complete the recertification form.

The HA will require the family to complete a Personal Declaration Form prior to all recertification interviews.

Requirements to Attend

The following family members will be required to attend the recertification interview:

The head of household and spouse or co-head

All adult household members

If the head of household is unable to attend the interview:

The spouse/co-head/any adult **may recertify for the family, provided that the head comes in within 14 days to recertify**

Failure to Respond to Notification to Recertify

The written notification must state which family members are required to attend the interview. The family may call to request another appointment date up to 3 days prior to the interview.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the HA**,** the HA **will** reschedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the HA will:

Send family notice of termination and offer them an informal hearing

Exceptions to these policies may be made by HPS if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability.

Documents Required From the Family

In the notification letter to the family, the HA will include instructions for the family to bring the following:

Documentation of all assets

Documentation of any deductions/allowances

Personal Declaration Form completed by head of household

Other: Documentation of income for all family members

Verification of Information

The HA will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than 120 days old.

Tenant Rent Increases

If tenant rent increases, a thirty day notice is mailed to the family prior to the scheduled effective date of the annual recertification.

If less than thirty days are remaining before the scheduled effective date of the annual recertification, the tenant rent increase will be effective on the first of the month following the thirty day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual recertification.

Tenant Rent Decreases

If tenant rent decreases, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the HA.

C. REPORTING INTERIM CHANGES [24 CFR 982.516]

Program participants must report all changes in household composition to the HA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must obtain HA approval prior to all other additions to the household.

If any new family member is added, family income must include any income of the new family member. The HA will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after moving into the unit.

Increases in Income

Interim Reexamination Policy

The HA **will conduct** interim reexaminations when families have an increase in income.

Families will be required to report all increases in income/assets within 30 days.

Decreases in Income

Participants may report a decrease in income and other changes which would reduce the amount of tenant rent, such as an increase in allowances or deductions. The HA must calculate the change if a decrease in income is reported.

HA Errors

If the HA makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable; retroactive to when the decrease for the change would have been effective if calculated correctly.

D. OTHER INTERIM REPORTING ISSUES

An interim reexamination does not affect the date of the annual recertification.

An interim reexamination will be scheduled for families with **zero** income every 60 days.

Any changes reported by participants other than those listed in this section **will be noted in the file by the staff person but** will not be processed between regularly-scheduled annual recertifications.

E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS [24 CFR 5.615]

The HA will not reduce the family share of rent for families whose welfare assistance is reduced due to a "specified welfare benefit reduction," which is a reduction in benefits by the welfare agency specifically because of:

Fraud in connection with the welfare program; or

Noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

However, the HA will reduce the rent if the welfare assistance reduction is a result of:

The expiration of a lifetime time limit on receiving benefits, or

A situation where the family has complied with welfare program requirements but cannot or has not obtained employment, or

A situation where a family member has not complied with other welfare agency requirements.

Definition of Covered Family

A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program.

Definition of "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 included in the family's income for purposes of determining rent.

The amount of imputed welfare income is determined by the HA, based on written information supplied to the HA by the welfare agency, including:

The amount of the benefit reduction

The term of the benefit reduction

The reason for the reduction

Subsequent changes in the term or amount of the benefit reduction

The family's annual income will include the imputed welfare income, as determined at the family's annual or interim reexamination, during the term of welfare benefits reduction (as specified by the welfare agency).

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

If the family was not an assisted resident when the welfare sanction began, imputed welfare income will not be included in annual income.

If the family claims the amount of imputed welfare income has been calculated incorrectly, the HPS will review the calculation for accuracy. If the imputed welfare income amount is correct, the HA will prove a written notice to the family that includes:

A brief explanation of how the amount of imputed welfare income was determined;

A statement that the family may request an informal hearing if they do not agree with the HA determination.

(See "Verification Procedures" chapter.)

Verification before Denying a Request to Reduce Rent

The HA will obtain written verification from the welfare agency stating that the family's benefits have been reduced due to fraud or noncompliance with welfare agency economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

The HA will rely on the welfare agency's written notice to the HA regarding welfare sanctions.

Cooperation Agreements [24 CFR 5.613]

The HA has executed **a** Memorandum of Understanding **with the local welfare agency to ensure timely and accurate verification of noncompliance.**

The HA has taken a proactive approach to culminating an effective working relationship between the HA and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to Section 8 tenant-based assistance families.

The HA and the local welfare agency have mutually agreed to exchange information regarding any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 tenant-based assistance families.

Family Dispute of Amount of Imputed Welfare Income

If the family disputes the amount of imputed income and the HA denies the family's request to modify the amount, the HA will provide the tenant with a notice of denial, which will include:

An explanation for the HA's determination of the amount of imputed welfare income

A statement that the tenant may request an informal hearing.

A statement that the grievance information received from the welfare agency cannot be disputed at the informal hearing, and the issue to be examined at the informal hearing will be the HA's determination of the amount of imputed welfare income, not the welfare agency's determination to sanction the welfare benefits.

F. NOTIFICATION OF RESULTS OF RECERTIFICATIONS [HUD Notice PIH 98-6]

The HUD Form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. Signatures **are not** required by the HA. If the family disagrees with the rent adjustment, they may request an informal hearing.

G. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)

[24 CFR 982.516(c)]

Standard for Timely Reporting of Changes

The HA requires that families report interim changes to the HA within 30 days of when the change occurs. Any information, document, or signature needed from the family which is needed to verify the change must be provided 30 days of the change.

An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within 30 days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Procedures when the Change is Reported in a Timely Manner

The HA will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

> Increases in the Tenant Rent are effective on the first of the month following at least thirty days' notice.
>
> Decreases in the Tenant Rent are effective the first of the month following that in which the change is reported. **However, no rent reductions will be processed until all the facts have been verified, even if a retroactive adjustment results.**

The change will not be made until the third party verification is received.

Procedures when the Change is Not Reported by the Family in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

> Increase in Tenant Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to **sign a Repayment Agreement/make a lump sum payment**.
>
> Decrease in Tenant Rent will be effective on the first of the month following the month that the change was reported.

Procedures when the Change is Not Processed by the HA in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the HA in a timely manner.

In this case, an increase will be effective after the required thirty days' notice prior to the first of the month after completion of processing by the HA.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

H. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES [24 CFR 982.516(c)]

(See "Subsidy Standards" chapter.)

I. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.518]

Under the Noncitizens Rule, "mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

The Noncitizens Rule was implemented prior to November 29, 1996, and "mixed" families who were participants as of June 19, 1995, shall continue receiving full assistance if they meet all of the following criteria:

> **The head of household or spouse is a U.S. citizen or has eligible immigrant status; AND**
>
> **All members of the family other than the head, the spouse, parents of the head or the spouse, and children of the head or spouse are citizens or eligible immigrants. The family may change the head of household to qualify under this provision.**

J. MISREPRESENTATION OF FAMILY CIRCUMSTANCES

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the HA may terminate assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum.)

Chapter 13

MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

[24 CFR 982.314, 982.353, 982.355(a)]

INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the HA's jurisdiction, or to a unit outside of the HA's jurisdiction under portability procedures. The regulations also allow the HA the discretion to develop policies which define any limitations or restrictions on moves. This chapter defines the procedures for moves, both within and outside of, the HA's jurisdiction, and the policies for restriction and limitations on moves.

A. ALLOWABLE MOVES

A family may move to a new unit with continued assistance if:

The assisted lease for the old unit has terminated because the HA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.

The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family (unless assistance to the family will be terminated).

The family has given proper notice of lease termination (and if the family has a right to terminate the lease on notice to owner).

B. RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552(a)]

Families will **be permitted to move within the HA's jurisdiction during the initial year of assisted occupancy.**

Families will not be permitted to move outside the HA's jurisdiction under portability procedures during the initial year of assisted occupancy if they were living outside of Monterey County when they submitted their housing application. These applicants will be required to reside in Monterey County for the first year of their participation in the HCV Program.

The HA will deny permission to move if there is insufficient funding for continued assistance.

The HA **will** deny permission to move if:

The family has violated a family obligation.

The family owes the HA money.

The Director of Housing Assistance Program or Section 8 Supervisor may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.

C. PROCEDURE FOR MOVES [24 CFR 982.314]

Issuance of Voucher

Subject to the restrictions on moves, if the family has not been re-certified within the last **120** days, the HA will issue the voucher to move **after conducting the re-certification/as soon as the family requests the move**.

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

The annual re-certification date will be changed to coincide with the new lease-up date.

Notice Requirements

Briefing sessions emphasize the family's responsibility to give the owner and the HA proper written notice of any intent to move.

The family must give the owner the required number of days written notice of intent to vacate specified in the lease and must give a copy to the HA simultaneously.

Time of Contract Change

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move

In a move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy, unless proper notice was given to end a lease midmonth. Assistance will start on the new unit on the effective date of the lease and contract. Assistance payments may overlap for the month in which the family moves.

D. PORTABILITY [24 CFR 982.353]

Portability applies to families moving out of or into the HA's jurisdiction within the United States and its territories.

E. OUTGOING PORTABILITY [24 CFR 982.353, 982.355]

Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit outside the HA's jurisdiction, anywhere in the United States, in the jurisdiction of a HA with a tenant-based program. When a family requests to move outside of the HA's jurisdiction, the request must specify the area to which the family wants to move.

Restrictions on Portability

Applicants

If neither the head or spouse had a domicile (legal residence) in the HA's jurisdiction at the date of their initial application for assistance, the family **will not** be permitted to exercise portability upon initial issuance of a voucher.,

For a portable family that was not already receiving assistance in the HA's based program, the HA must determine whether the family is eligible for admission under the receiving HA's program.

Participants

After an applicant has leased-up in the jurisdiction of the initial housing agency, they cannot exercise portability during the first year of assisted occupancy, except in the following circumstances.

The receiving and initial HA agree to allow the move.

The family's move relates to an opportunity for education, job training or employment

To accommodate a person with disabilities or for serious medical condition.

The HA will not permit families to exercise portability:

If the family is in violation of a family obligation.

If the family owes money to the HA.

If the family has moved out of its assisted unit in violation of the lease.

Receiving HA's will be required to submit hearing determinations to the HA within 30 days.

F. INCOMING PORTABILITY [24 CFR 982.354, 982.355]

Absorption or Administration

The HA will accept a family with a valid voucher from another jurisdiction and administer or absorb the voucher. If administering, the family will be issued a "portable" voucher by the HA. The term of the voucher will not expire before the expiration date of any initial HA voucher. The family must submit a request for approval of tenancy for an eligible unit to the receiving HA during the term of the receiving HA voucher. The receiving HA may grant extensions in accordance with this Administrative Plan. However, if the family decides not to lease-up in the HA's jurisdiction, they must contact the initial HA to request an extension.

The HA may absorb all incoming portable families provided that there is funding available.

When the HA does not absorb the incoming voucher, it will administer the initial HA's voucher and the receiving HA's policies will prevail.

For admission to the program a family must be income eligible in the area where the family initially leases a unit with assistance under the program.

The receiving HA does not re-determine eligibility for a portable family that was already receiving assistance in the initial HA Section 8 tenant-based program.

The HA will issue a "portability voucher" according to its own Subsidy Standards. If the family has a change in family composition which would change the voucher size, the HA will change to the proper size based on its own Subsidy Standards.

Income and Total Tenant Payment of Incoming Portables [982.353(d)]

As receiving HA, the HA will conduct a re-certification interview but only verify the information provided if the documents are missing or are over 120 **days old, whichever is applicable, or there has been a change in the family's circumstances.**

If the HA conducts a re-certification of the family it will not cause a delay in the issuance of a voucher.

If the family's income is such that a $0 subsidy amount is determined prior to lease-up in the HA's jurisdiction, the HA will refuse to enter into a contract on behalf of the family at $0 assistance.

Requests for Tenancy Approval

When the family submits a Request for Tenancy Approval, it will be processed using the HA's policies. If the family does not submit a Request for Tenancy Approval or does not execute a lease, the initial HA will be notified within 60 days by the HA.

If the family leases up successfully, the HA will notify the initial HA within 60 days, and the billing process will commence.

The HA will notify the initial HA if the family fails to submit a request for approval of tenancy for an eligible unit within the term of the voucher.

If the HA denies assistance to the family, the HA will notify the initial HA within 60 days and the family will be offered a review or hearing.

The HA will notify the family of its responsibility to contact the initial HA if the family wishes to

move outside the HA's jurisdiction under continued portability.

Regular Program Functions

The HA will perform all program functions applicable the tenant-based assistance program, such as:

Annual reexaminations of family income and composition;

Annual inspection of the unit; and

Interim examinations when requested or deemed necessary by the HA

Terminations

The HA will notify the initial HA in writing of any termination of assistance within 14 days of the termination. If an informal hearing is required and requested by the family, the hearing will be conducted by the HA, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the initial HA.

The initial HA will be responsible for collecting amounts owed by the family for claims paid and for monitoring repayment. If the initial HA notifies the HA that the family is in arrears or the family has refused to sign a payment agreement, the HA will terminate assistance to the family.

Required Documents

As receiving HA, the HA will require the documents listed on the HUD Portability Billing Form from the initial HA.

Billing Procedures

As receiving HA, the HA will bill the initial HA 30 days for housing assistance payments. The billing cycle for other amounts, including administrative fees and special claims will be 30 days unless requested otherwise by the initial HA.

The HA will bill 100% of the housing assistance payment, 100% of special claims and 80% of the administrative fee (at the initial HA's rate) for each "portability" voucher leased as of the first day of the month.

The HA will notify the initial HA of changes in subsidy amounts and will expect the initial HA to notify the HA of changes in the administrative fee amount to be billed.

Chapter 14

CONTRACT TERMINATIONS

[24 CFR 982.311, 982.314]

INTRODUCTION

The Housing Assistance Payments (HAP) contract is the contract between the owner and the HA which defines the responsibilities of both parties. This chapter describes the circumstances under which the contract can be terminated by the HA and the owner, and the policies and procedures for such terminations.

A. CONTRACT TERMINATION [24 CFR 982.311]

The term of the HAP contract is the same as the term of the lease. The contract between the owner and the HA may be terminated by the HA, or by the owner or tenant terminating the lease.

No future subsidy payments on behalf of the family will be made by the HA to the owner after the month in which the contract is terminated. The owner must reimburse the HA for any subsidies paid by the HA for any period after the contract termination date.

If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner. The owner will have no right to claim compensation from the HA for vacancy loss under the provisions of certificate HAP contracts effective before October 2, 1995.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit. The contract for the new unit may begin during the month in which the family moved from the old unit.

B. TERMINATION BY THE FAMILY: MOVES [24 CFR 982.314(c)(2)]

Family termination of the lease must be in accordance with the terms of the lease.

C. TERMINATION OF TENANCY BY THE OWNER: EVICTIONS

[24 CFR 982.310, 982.455]

If the owner wishes to terminate the lease, the owner must provide proper notice as stated in the lease. The owner must provide the HA with a copy for the file.

During the term of the lease, the owner may not terminate the tenancy except for the grounds stated in the HUD regulations.

During the term of the lease the owner may only evict for:

Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease;

Violations of Federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises or any drug-related criminal activity on or near the premises.

Other good cause.

During the initial term of the lease, the owner may not terminate the tenancy for "other good cause" unless the owner is terminating the tenancy because of something the family did or failed to do (see 982.310)

Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines they have engaged in the criminal activity:

Regardless of arrest or conviction

Without satisfying the standard of proof used for a criminal conviction

Termination of Tenancy Decisions

If the law and regulation permit the owner to take an action but don’t require action to be taken, the owner can decide whether to take the action. Relevant circumstances for consideration include:

The seriousness of the offense

The effect on the community

The extent of participation by household members

The effect on uninvolved household members

The demand for assisted housing by families who will adhere to responsibilities

The extent to which leaseholder has shown personal responsibility and taken all

reasonable steps to prevent or mitigate the offending action

The effect on the integrity of the program

Exclusion of culpable household member

The owner may require a tenant to exclude a household member in order to continue to reside in the assisted unit.

Consideration of Rehabilitation

When determining whether to terminate the tenancy for illegal drug use or alcohol abuse, the owner may consider whether the member:

Is no longer participating

Has successfully completed a supervised drug or alcohol rehab program

Has otherwise been successfully rehabilitated

The owner may require the tenant to submit evidence of any of the three (above).

Actions of termination by the owner must be consistent with the fair housing and equal opportunities as stated in 24 CFR 5.105.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

The HA requires that the owner specify the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for the HA's decision regarding termination of assistance.

Housing assistance payments are paid to the owner under the terms of the HAP contract. If the owner has begun eviction and the family continues to reside in the unit, the HA must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

The HA will continue housing assistance payments until the family moves or is evicted from the unit.

If the action is finalized in court, the owner must provide the HA with the documentation,

including notice of the lock-out date.

The HA must continue making housing assistance payments to the owner in accordance with the contract as long as the tenant continues to occupy the unit and the contract is not violated. By endorsing the monthly check from the HA, the owner certifies that the tenant is still in the unit, the rent is reasonable and s/he is in compliance with the contract.

If an eviction is not due to a serious or repeated violation of the lease, and if the HA has no other grounds for termination of assistance, the HA may issue a new voucher so that the family can move with continued assistance.

D. TERMINATION OF THE CONTRACT BY HA

[24 CFR 982.404(a), 982.453, 982.454, 982.552(a)(3)]

The term of the HAP contract terminates when the lease terminates, when the HA terminates program assistance for the family, and when the owner has breached the HAP contract. (See "Owner Disapproval and Restriction" chapter)

The HA may also terminate the contract if:

The HA terminates assistance to the family.

The family is required to move from a unit when the unit does not meet the HQS space standards because of an increase in family size or a change in family composition.

Funding is no longer available under the ACC.

The contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

Notice of Termination

When the HA terminates the HAP contract under the violation of HQS space standards, the HA will provide the owner and family written notice of termination of the contract, and the HAP contract terminates at the end of the calendar month that follows the calendar month in which the HA gives such notice to the owner.

Chapter 15

DENIAL OR TERMINATION OF ASSISTANCE

[24 CFR 5.902, 5.902, 5.903, 5.905, 982.4, 982.54, 982.552, 982.553]

INTRODUCTION

The HA may deny or terminate assistance for a family because of the family's action or failure to act. The HA will provide families with a written description of the family obligations under the program, the grounds under which the HA can deny or terminate assistance, and the HA's informal hearing procedures. This chapter describes when the HA is required to deny or terminate assistance, and the HA's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

A. GROUNDS FOR DENIAL/TERMINATION [24 CFR 982.54, 982.552, 982.553]

If denial or termination is based upon behavior resulting from a disability, the HA will delay the denial or termination in order to determine if there is an accommodation that would negate the behavior resulting from the disability.

Form of Denial/Termination

Denial of assistance for an applicant may include any or all of the following:

Denial for placement on the HA waiting list

Denying or withdrawing a voucher

Refusing to enter into a HAP contract or approve a tenancy

Refusing to process or provide assistance under portability procedures

Termination of assistance for a participant may include any or all of the following:

Refusing to enter into a HAP contract or approve a tenancy

Terminating housing assistance payments under an outstanding HAP contract

Refusing to process or provide assistance under portability procedures

Refusing to issue a transfer voucher

Mandatory Denial and Termination [24 CFR 982.54 (d), 982.552(b), 982.553(a), 982.553(b)]

The HA must deny assistance to applicants, and terminate assistance for participants if the family is under contract and 180 days (or 12 months, depending on the HAP contract used) have elapsed since the HA's last housing assistance payment was made. (See "Contract Terminations" chapter.)

The HA must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.

The HA must deny admission to the program for applicants, and terminate assistance for program participants if the HA determines that any household member is currently engaging in illegal use of a drug. See section B of this chapter for the HA's established standards.

The HA deny admission to the program for applicants, and terminate assistance for program participants if the HA determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents. See Section B of this chapter for the HA's established standards.

The HA must deny admission to an applicant if the HA determines that any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. See section B of this chapter for the HA's established standards regarding criminal background investigation and determining whether a member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

The HA must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.

The HA must deny admission to the program for an applicant or terminate program assistance for a participant if any member of the family fails to sign and submit consent forms for obtaining information in accordance with Part 5, subparts B and F.

The HA must deny admission or terminate assistance when required under the regulations to establish citizenship or eligible immigration status.

<u>Grounds for Denial or Termination of Assistance</u> [24 CFR 982.552(c)]

The HA will deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

If any family member violates any family obligation under the program as listed in 24 CFR 982.551.

If any family member has violated the family obligation under 24 CFR 982.551 not to engage in any drug-related criminal activity within the past five years from the date of occurrence.

If any family member has violated the family obligation under 24 CFR 982.551 not to engage in any violent criminal activity within the past five years from the date of occurrence.

If any household member is currently engaged in or has engaged in other criminal activity which may threaten the health or safety of the premises for other residents, the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the HA, including a HA employee.

If any household member is fleeing to avoid prosecution, custody, or confinement after conviction for a crime under Federal or State law.

Any member of the family has been evicted from federally assisted housing in the last five years.

If the family is evicted from any assisted housing program for serious violation of the lease.

If any HA has ever terminated assistance under the program for any member of the family.

If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

The family currently owes rent or other amounts to the HA or to another HA in connection with Section 8 or public housing assistance under the 1937 Act.

The family has not reimbursed any HA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

The family breaches an agreement with a HA to pay amounts owed to a HA, or amounts paid to an owner by a HA. The HA at its discretion may offer the

family the opportunity to enter into a repayment agreement. The HA will prescribe the terms of the agreement. (See "Repayment Agreements" chapter.)

If the family fails to fulfill its obligation under the Section 8 welfare-to-work voucher program.

The family has engaged in or threatened abusive or violent behavior toward HA personnel.

"Abusive or violent behavior towards HA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

"Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

Actual physical abuse or violence will always be cause for termination.

If any member of the family engages in, or has engaged in drug or alcohol abuse that interferes with the health, safety or peaceful enjoyment of other residents. See section B of this chapter.

If any member of the family commits drug-related criminal activity, or violent criminal activity. (See Section B of this chapter and 982.553 of the regulations)

Refer to "Eligibility for Admission" chapter, “Other Criteria for Admission” section for further information.

B. SCREENING AND TERMINATION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY

Purpose

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of **Housing Authority of the County of Monterey** to fully endorse and implement a policy designed to:

Help create and maintain a safe and drug-free community

Keep our program participants free from threats to their personal and family safety

Support parental efforts to instill values of personal responsibility and hard work

Help maintain an environment where children can live safely, learn and grow up to be productive citizens

Assist families in their vocational/educational goals in the pursuit of self-sufficiency

Administration

All screening and termination of assistance procedures shall be administered fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability, sex or other legally protected groups.

To the maximum extent possible, the HA will involve other community and governmental entities in the promotion and enforcement of this policy.

This policy will be made readily available to applicants and participants upon request.

Screening of Applicants

In an effort to prevent future drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by 24 CFR 982, Subpart L and CFR Part 5, Subpart J, the HA will endeavor to screen applicants as thoroughly and fairly as possible for drug-related and violent criminal behavior on all adults in the household. Criminal background checks will be conducted on any adult being added to a participant's family composition, including a live-in aide.

All adult members of families porting into the HA's jurisdiction, whether a new admission or a participant, will be screened for criminal background history.

The receiving HA may deny or terminate assistance for family action or inaction in accordance with CFR 982.552 and CFR 982.553.

Such screening will apply to any member of the household who is 18 years of age or older or who is an emancipated minor, including a live-aide.

HUD Definitions

Covered person, for purposes of 24 CFR Part 982 and this chapter, means a tenant, any member of the tenant's household, a guest or another person under the tenant's control.

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-related criminal activity means 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.

Guest, for purposes of this chapter and 24 CFR part 5, subpart A and 24 CFR Part 982, means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. The requirements of part 982 apply to a guest as so defined.

Household, for the purposes of 24 CFR Part 982 and this chapter, means the family and HA-approved live-in aide.

Other person under the tenant's control, for the purposes of the definition of*covered person* and for 24 CFR Parts 5 and 982 and for this chapter, means that the person, although not staying as a guest (as defined in this chapter) in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not *under the tenant's control.*

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

Standard for Violation

The HA will deny participation in the program to applicants and terminate assistance to participants in cases where the HA determines there is reasonable cause to believe that a household member is illegally using a drug or if the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents, including cases where the HA determines that there is a pattern of illegal use of a drug or a pattern of alcohol abuse.

The HA will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous 3 months.

"Engaged in or engaging in" violent criminal activity means any act within the past five years by an applicant or participant or household member which involved 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, which resulted in the arrest and/or conviction of the applicant or participant, household member, guests or live-in aide..

The activity is being engaged in by any family member.

The existence of the above-referenced behavior by any household member, regardless of the applicant or participant's knowledge of the behavior, shall be grounds for denial or termination of assistance.

In evaluating evidence of negative past behavior, the HA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.

Drug Related and Violent Criminal Activity

Ineligibility for admission if evicted for Drug-Related Activity: Persons evicted from federally assisted housing because of drug-related criminal activity are ineligible for admission to the Section 8 program for a **five**-year period beginning on the date of such eviction.

> **However, the household may be admitted if, after considering the individual circumstances of the household, the HA determines that:**
>
> > **The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the HA.**
> >
> > **The circumstances leading to eviction no longer exist because:**
> >
> > > **The criminal household member has died.**
> > >
> > > **The criminal household member is imprisoned.**

Applicants will be denied assistance if they have been:

> evicted from federally assisted housing **for violent criminal activity within the last five years prior to the date of the certification interview.**

Denial of Assistance for Sex Offenders

The HA will deny admission if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. In screening applicants, the HA will perform criminal history background checks to determine whether any household member is subject to a lifetime sex offender registration requirement.

Termination of Assistance for Participants

Termination of Assistance for Drug-related Criminal Activity or Violent Criminal Activity:

Under the family obligations listed at 24 CFR 982.551, the members of the household must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. HUD regulations at 24 CFR 982.553(b) require the HA to establish standards for termination of assistance when this family obligation is violated. The Housing Authority of the County of Monterey has established the following standards for termination of assistance for the family when a household member has violated the family obligation to refrain from participating in drug-related or violent criminal activity.

Assistance will be terminated for participants who have been:

> **evicted from a unit assisted under any federally assisted housing program** for drug-related or violent criminal activity during participation in the program, and within the last five years prior to the date of the notice to terminate assistance.

If any member of the household violates the family obligations by engaging in drug-related or violent criminal activity, the HA will terminate assistance.

In appropriate cases, the HA may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the HA may consider individual circumstances with the advice of Juvenile Court officials.

The HA will waive the requirement regarding drug-related criminal activity if:

> **The person demonstrates successful completion of a credible rehabilitation program approved by the HA, or**
>
> **The circumstances leading to the violation no longer exist because the person who engaged in drug-related criminal activity or violent criminal activity is no longer in the household due to death or incarceration.**

Terminating Assistance for Alcohol Abuse by Household Members

Under the family obligations listed at 24 CFR 982.551, the members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. Assistance will be terminated due to violation of a family obligation if the HA determines that a member of the household has demonstrated a pattern of alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

Assistance will be terminated if a household member is arrested for any alcohol-related criminal activity on or near the premises within any (3) month period.

In appropriate cases, the HA may **permit the family to continue receiving assistance provided that household members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the HA may consider individual circumstances with the advice of Juvenile Court officials.**

Notice of Termination of Assistance

In any case where the HA decides to terminate assistance to the family, the HA must give the family written notice which states:

The reason(s) for the proposed termination,

The effective date of the proposed termination,

The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.

The date by which a request for an informal hearing must be received by the HA.

If the HA proposes to terminate assistance for criminal activity as shown by a criminal record, the HA will provide the subject of the record and the tenant with a copy of the criminal record.

The HA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reason for termination of assistance.

Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Credible evidence may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

The HA will pursue fact-finding efforts as needed to obtain credible evidence.

Confidentiality of Criminal Records

The HA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

All criminal reports, while needed, will be housed in a locked file with access limited to individuals responsible for screening and determining eligibility for initial and continued assistance and to upper level Section 8 management.

Misuse of the above information by any employee will be grounds for termination of employment. Legal penalties for misuses are contained in Federal and California Code.

If the family is determined eligible for initial or continued assistance, the criminal report shall be shredded as soon as the information is no longer needed for eligibility or continued assistance determination.

If the family's assistance is denied or terminated, the criminal record information shall be shredded immediately upon completion of the review or hearing procedures and a final decision has been made.

The HA will document in the family's file the circumstances of the criminal report and the date the report was destroyed.

C. FAMILY OBLIGATIONS [24 CFR 982.551]

The family must supply any information that the HA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR 982.551). "Information" includes any requested certification, release or other documentation.

The family must supply any information requested by the HA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

The family must disclose and verify Social Security Numbers (as provided by 24 CFR 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.

All information supplied by the family must be true and complete.

The family is responsible for an HQS breach caused by the family as described in 982.404(b).

The family must allow the HA to inspect the unit at reasonable times and after reasonable notice.

The family may not commit any serious or repeated violations of the lease.

The family must notify the owner and, at the same time, notify the HA before the family moves out of the unit or terminates the lease upon notice to the owner.

The family must promptly give the HA a copy of any owner eviction notice.

The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

The composition of the assisted family residing in the unit must be approved by the HA. The family must promptly inform the HA of the birth, adoption or court-awarded custody of a child. The family must request HA approval to add any other family member as an occupant of the unit.

The family must promptly notify the HA if any family member no longer resides in the unit.

If the HA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or HA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.

Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.

The family must not sublease or let the unit.

The family must not assign the lease or transfer the unit.

The family must supply any information or certification requested by the HA to verify that the family is living in the unit, or relating to family absence from the unit, including any HA-requested information or certification on the purposes of family absences. The family must cooperate with the HA for this purpose. The family must promptly notify the HA of absence from the unit.

The family must not own or have any interest in the unit.

The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.

The household members may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

Housing Authority Discretion [24 CFR 982.552(c)]

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the HA has discretion to consider all of the circumstances in each case, including the seriousness of the case. The HA will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. The HA may also review the family's more recent history and record of compliance, and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.

The HA may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in, or were culpable for the action or failure to act, will not reside in the unit. The HA may permit the other members of a family to continue in the program.

Enforcing Family Obligations

Explanations and Terms

The term "promptly" when used with the family obligations always means "within **14** days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach

The **inspector/supervisor** will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by **HPS.**

Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the HA determines that the cause is a serious or repeated violation of the lease based on available evidence, or

If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, or

If there are police reports, neighborhood complaints or other third party information, that has been verified by the HA, or

If the owner terminates tenancy through court action for serious or repeated violation of the lease.

Nonpayment of rent is considered a serious violation of the lease.

Notification of Eviction

If the family requests assistance to move and they did not notify the HA of an eviction within **14** days of receiving the Notice of Lease Termination, the move will be denied.

Proposed Additions to the Family

The HA will deny a family's request to add additional family members who are:

Persons who have been evicted from public housing.

Persons who have previously violated a family obligation listed in 24 CFR 982.551 of the HUD regulations.

Persons who have been part of a family whose assistance has been terminated under the Certificate or Voucher program.

Persons who commit drug-related criminal activity or violent criminal activity.

Persons who do not meet the HA's definition of family.

Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

Persons who currently owe rent or other amounts to the HA or to another HA in connection with Section 8 or public housing assistance under the 1937 Act.

Persons who have engaged in or threatened abusive or violent behavior toward HA personnel.

Family Member Moves Out

Families are required to notify the HA if any family member leaves the assisted household. When the family notifies the HA, they must furnish the following information:

The date the family member moved out.

The new address, if known, of the family member.

A statement as to whether the family member is temporarily or permanently absent.

Limitation on Profit-Making Activity in Unit

If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business which is not available for sleeping, it will be considered a violation.

If the HA determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a program violation.

If the HA determines the business is not legal, it will be considered a program violation.

Interest in Unit

The owner may not reside in the assisted unit regardless of whether (s)he is a member of the assisted family, unless the family owns the mobile home and rents the pad.

Fraud

In each case, the HA will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent members.

In the event of false citizenship claims: (See section below)

D. PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.518]

Denial or Termination due to Ineligible Immigrant Status

Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The HA must offer the family an opportunity for a hearing. (See "Eligibility for Admission" chapter, section on Citizenship/Eligible Immigration Status.)

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

False or Incomplete Information

When the HA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual will be given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the HA will give him/her an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend their status.

The HA will then verify eligible status, deny, terminate, or prorate as applicable.

Procedure for Denial or Termination

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with the HA either after the INS appeal or in lieu of the INS appeal.

After the HA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).

E. ZERO ($0) ASSISTANCE TENANCIES [24 CFR 982.455 (a)]

The family may remain in the unit at $0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If, within the 180 day timeframe, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, the HA will resume assistance payments for the family.

In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

F. OPTION NOT TO TERMINATE FOR MISREPRESENTATION [24 CFR 982.551, 982.552(c)]

If the family has misrepresented any facts that caused the HA to overpay assistance, the HA may choose not to terminate and may offer to continue assistance provided that the family **executes a Repayment Agreement and makes payments in accordance with the agreement and makes payments in accordance with the agreement or reimburses the HA in full within 14 calendar days.**

G. MISREPRESENTATION IN COLLUSION WITH OWNER [24 CFR 982.551, 982.552 (c)]

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, the HA will deny or terminate assistance.

In making this determination, the HA will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

H. MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552 (c)]

It is a Family Obligation to supply information, documentation, and certification as needed for the HA to fulfill its responsibilities. The HA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the HA to inspect the unit, and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the HA, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the HA to inspect the unit.

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

Eligibility for Admissions

Verification Procedures

Certificate/Voucher Issuance and Briefings

Housing Quality Standards and Inspections

Recertifications

Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

Medical emergency

Family emergency

Procedure when Appointments are Missed or Information not provided

For most purposes in this Plan, the family will be given **two** opportunities before being issued a notice of termination or denial for breach of a family obligation.

After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing:

> **The notice will be rescinded if the family offers to cure and the family does not have a history of non-compliance.**

Reserved

Chapter 16

OWNER DISAPPROVAL AND RESTRICTION

[24 CFR 982.54, 982.306, 982.453]

INTRODUCTION

It is the policy of the HA to recruit owners to participate in the Voucher program. The HA will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of the HA. The regulations define when the HA must disallow an owner participation in the program, and they provide the HA discretion to disapprove or otherwise restrict the participation of owners in certain categories. This Chapter describes the criteria for owner disapproval, and the various penalties for owner violations.

A. DISAPPROVAL OF OWNER [24 CFR 982.306, 982.54(d)(8)]

The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

The HA will disapprove the owner for the following reasons:

HUD **or other agency directly related** has informed the HA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

HUD has informed the HA that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.

HUD has informed the HA that a court or administrative agency has determined that the has owner violated the Fair Housing Act or other federal equal opportunity requirements.

Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The HA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

In cases where the owner and tenant bear the same last name, the HA may, at its discretion, require the family and/or owner to certify whether they are related to each other in any way.

The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).

The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.

The owner has engaged in drug-related criminal activity or any violent criminal activity.

The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.

The owner has a history or practice of renting units that fail to meet State or local housing codes.

The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

> **Threatens the right to peaceful enjoyment of the premises by other residents;**
>
> **Threatens the health or safety of other residents, of employees of the HA, or of owner employees or other persons engaged in management of the housing.**
>
> **Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or**
>
> **Is drug-related criminal activity or violent criminal activity.**

The owner has not paid State or local real estate taxes, fines or assessments.

The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.

B. OWNER RESTRICTIONS AND PENALTIES [24 CFR 982.453]

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, the HA will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The HA may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner the HA will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

See Program Integrity Addendum for guidance as to how owner fraud will be handled.

C. CHANGE IN OWNERSHIP

A change in ownership **does not** require execution of a new contract **and lease**.

The HA will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title, recorded deed and the Employee Identification Number or Social Security number of the new owner.

If the new owner does not want an assignment of the contract, the HA will terminate the HAP contract with the old owner, since they are no longer the owner. The new owner may offer the family a new assisted lease. The family may elect to enter into the new lease or move to another unit.

Reserved

Chapter 18

OWNER OR FAMILY DEBTS TO THE HA

[24 CFR 982.552]

INTRODUCTION

This chapter describes the HA's policies for the recovery of monies which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the HA's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support the HA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

When families or owners owe money to the HA, the HA will make every effort to collect it. The HA will use a variety of collection tools to recover debts including, but not limited to:

Requests for lump sum payments

Civil suits

Payment agreements

Abatements

Reductions in HAP to owner

Collection agencies

Credit bureaus

Income tax set-off programs

A. PAYMENT AGREEMENT FOR FAMILIES [24 CFR 982.552 (c)(v-vii)]

A Payment Agreement as used in this Plan is a document entered into between the HA and a person who owes a debt to the HA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the HA upon default of the agreement.

The HA will prescribe the terms of the payment agreement, including determining whether to enter into a payment agreement with the family based on the circumstances surrounding the debt to the HA.

The maximum length of time the HA will enter into a payment agreement with a family is seventy-two (72) months**.**

Payment Schedule for Monies Owed to the HA

Initial Payment Due

(% of Total Amount)	Amount Owed	Maximum Term
50%	0 - $500	6 - 9 months
30%	$501 - $1,000	9 - 18 months
20%	$1,001 - $2,500	12 - 36 months
10%	**above $2501**	**72 - months**

B. DEBTS OWED FOR CLAIMS [24 CFR 792.103, 982.552 (c)(v-vii)]

If a family owes money to the HA for claims paid to an owner:

The HA will require the family to pay the amount in full.

Or

The HA will enter into a Payment Agreement.

Late Payments

A payment will be considered to be in arrears if:

The payment is not received by the close of the business day on the fifth day after the due date.

If the family's payment agreement is in arrears, and the family has not contacted or made arrangements with the HA, the HA will:

Require the family to pay the balance in full

Pursue civil collection of the balance due

Terminate the housing assistance

If the family requests a move to another unit and has a payment agreement in place for the payment of an owner claim, and the payment agreement is not in arrears:

The family will be permitted to move.

If the family requests a move to another unit and is in arrears on a payment agreement for the payment of an owner claim:

The family will be required to pay the balance in full, or be terminated from the program.

C. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION [24 CFR 982.163]

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

> Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.

Family Error/Late Reporting

Families who owe money to the HA due to the family's failure to report increases in income will be required to repay in accordance with the guidelines in the Payment Agreement Section of this Chapter.

Program Fraud

Families who owe money to the HA due to program fraud will be required to repay in accordance with the guidelines in the Payment Agreement Section of this Chapter.

If a family owes an amount which equals or exceeds **$**15,000 as a result of program fraud, the case will be referred to the Inspector General. Where appropriate, the HA will refer the case for criminal prosecution.

Payment Procedures for Program Fraud

Families who commit program fraud or untimely reporting of increases in income will be subject to the following procedures:

The maximum time period for a Payment Agreement will be 72 months.

(See Section A, Payment Schedule)

D. DEBTS DUE TO MINIMUM RENT TEMPORARY HARDSHIP

If the family goes into default on the payment agreement for back rent incurred during a minimum rent period, the HA will reevaluate the family's financial situation and determine whether the family has the ability to pay the increased rent amount and if not, restructure the existing payment agreement.

E. GUIDELINES FOR PAYMENT AGREEMENTS [24 CFR 982.552(c)(v-vii)]

Payment agreements will be executed between the HA and the head of household and spouse.

The payment agreement must be executed by the Housing Program Specialist.

A payment agreement will be considered to be in default when it is in arrears for five (5) days.

Payments may only be made by money order or cashier's check.

Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family, verification of the hardship, and the approval of the Director of Housing Assistance Program or Section 8 Supervisor.

No move will be approved until the debt is paid in full unless the move is the result of the following causes, and the payment agreement is current:

> **Family size exceeds the HQS maximum occupancy standards**
>
> **The HAP contract is terminated due to owner non-compliance or opt-out**
>
> **A natural disaster**

Additional Monies Owed: If the family already has a payment agreement in place and incurs an additional debt to the HA:

> **The HA will enter into more than one payment agreement with the family.**
>
> **If a payment agreement is in arrears more than five (5) days, any new debts must be paid in full.**

F. OWNER DEBTS TO THE HA [24 CFR 982.453(b)]

If the HA determines that the owner has retained housing assistance or claim payments the owner is not entitled to, the HA may reclaim the amounts from future housing assistance or claim payments owed the owner for any units under contract.

If future housing assistance or claim payments are insufficient to reclaim the amounts owed, the HA will:

> **Require the owner to pay the amount in full within 60 days.**
>
> **Enter into a payment agreement with the owner for the amount owed.**
>
> **Pursue collections through the local court system.**
>
> **Restrict the owner from future participation.**

G. WRITING OFF DEBTS

Debts will be written off if:

The debtor's whereabouts are unknown and the debt is more than one (1) year old.

A determination is made that the debtor is judgment proof.

The debtor is deceased.

The debtor is confined to an institution indefinitely or for more than one (1) year.

The amount is less than $150.00 and the debtor cannot be located.

Chapter 19

COMPLAINTS AND APPEALS

INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the HA. This Chapter describes the policies, procedures and standards to be used when families disagree with a HA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the HA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE HA

The HA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The HA may require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone.

The HA hearing procedures will be provided to families in the briefing packet.

Categories of Complaints

Complaints from families: If a family disagrees with an action or inaction of the HA or owner.

> **Complaints from families will be referred to the HPS. If a complaint is not resolved, it will be referred to the Supervisor or the Director.**

Complaints from owners: If an owner disagrees with an action or inaction of the HA or a family.

> **Complaints from owners will be referred to the Supervisor and Director.**

Complaints from staff: If a staff person reports an owner or family either violating or not complying with program rules, the complaint will be referred to the Supervisor and Director.

Complaints from the general public: Complaints or referrals from persons in the community in regard to the HA, a family or an owner.

> **Complaints from the general public will be referred to the HPS. If a complaint is not resolved, it will be referred to the Supervisor or the Director.**

B. PREFERENCE DENIALS [24 CFR 5.415]

When the HA denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with HA staff to discuss the reasons for the denial and to dispute the HA's decision.

The person who conducts the meeting will be:

> **An employee of the HA who is at or above the level of Eligibility Specialist.**

C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

[24 CFR 982.54(d)(12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP Contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

When the HA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

The reason(s) they are ineligible,

The procedure for requesting a review if the applicant does not agree with the decision and

The time limit for requesting a review.

When denying admission for criminal activity as shown by a criminal record, the HA will provide the subject of the record and the applicant with a copy of the criminal record upon which the decision to deny was based.

The HA must provide applicants with the opportunity for an Informal Review of decisions denying:

Qualification for preference

Listing on the HA's waiting list

Issuance of a Voucher

Participation in the program

Assistance under portability procedures

Informal Reviews are not required for established policies and procedures and HA determinations such as:

Discretionary administrative determinations by the HA

General policy issues or class grievances

A determination of the family unit size under the HA subsidy standards

Refusal to extend or suspend a Voucher

A HA determination not to grant approval of the tenancy

Determination that unit is not in compliance with HQS

Determination that unit is not in accordance with HQS due to family size or composition

Procedure for Review

A request for an Informal Review must be received in writing by the close of the business day, no later than 14 days from the date of the HA's notification of denial of assistance. The informal review will be scheduled within 10 days from the date the request is received.

The Informal Review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person.

The Review may be conducted by:

The Conflict Resolution and Mediation Center of Monterey County

The applicant will be given the option of presenting oral or written objections to the decision. Both the HA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

The review will be conducted in person.

A Notice of the Review findings will be provided in writing to the applicant within 10 days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

D. INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d)(13)]

When the HA makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The HA will give the family prompt notice of such determinations which will include:

The proposed action or decision of the HA;

The date the proposed action or decision will take place;

The family's right to an explanation of the basis for the HA's decision.

The procedures for requesting a hearing if the family disputes the action or decision;

The time limit for requesting the hearing.

To whom the hearing request should be addressed

When terminating assistance for criminal activity as shown by a criminal record, the HA will provide the subject of the record and the tenant/participant with a copy of the criminal record upon which the decision to terminate was based.

The HA must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following HA determinations:

Determination of the family's annual or adjusted income and the computation of the housing assistance payment

Appropriate utility allowance used from schedule

Family unit size determination under HA subsidy standards

Determination to terminate assistance for any reason.

Determination to terminate a family's FSS Contract, withhold supportive services, or propose forfeiture of the family's escrow account.

The HA must always provide the opportunity for an informal hearing before termination of assistance.

Informal Hearings are not required for established policies and procedures and HA determinations such as:

Discretionary administrative determinations by the HA

General policy issues or class grievances

Establishment of the HA schedule of utility allowances for families in the program

A HA determination not to approve an extension or suspension of a voucher term

A HA determination not to approve a unit or lease

A HA determination that an assisted unit is not in compliance with HQS (HA must provide hearing for family breach of HQS because that is a family obligation determination)

A HA determination that the unit is not in accordance with HQS because of the family size

A HA determination to exercise or not exercise any right or remedy against the owner under a HAP contract

Notification of Hearing

It is the HA's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the HA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

Conflict Resolution and Mediation Center of Monterey County:

All persons requesting an Informal Hearing must complete a "Request For Informal Hearing," which will be provided by the Housing Authority. The completed form must then be mailed within 14 days by the assisted family to the "Conflict Resolution and Mediation Center of Monterey County," at: 2560 Garden Road, Monterey, CA 93940 TEL: 649-6110 or 424-4694.

The Hearing Officer will be appointed by the "Conflict Resolution and Mediation Center," and will schedule the date, time, place, and notify all parties of the hearing.

If a family does not appear at a scheduled hearing and has not requested to have the hearing rescheduled in advance, the hearing will proceed as scheduled and the Hearing Officer will render a decision based upon the evidence and testimony provided.

Families have the right to:

Present written or oral objections to the HA's determination.

Examine the documents in the file which are the basis for the HA's action, and all documents submitted to the Hearing Officer;

Copy any relevant documents at their expense;

Present any information or witnesses pertinent to the issue of the hearing;

Request that HA staff be available or present at the hearing to answer questions pertinent to the case; and

Be represented by legal counsel, advocate, or other designated representative at their own expense.

If the family requests copies of documents relevant to the hearing, the HA will make the copies for the family and assess a charge of $.10 per copy. In no case will the family be allowed to remove the file from the HA's office.

In addition to other rights contained in this Chapter, the HA has a right to:

Present evidence and any information pertinent to the issue of the hearing;

Be notified if the family intends to be represented by legal counsel, advocate, or another party;

Examine and copy any documents to be used by the family prior to the hearing;

Have its attorney present; and

Have staff persons and other witnesses familiar with the case present.

The Informal Hearing shall be conducted by the Hearing Officer appointed by the Conflict Resolution and Mediation Center of Monterey County.

The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The family must request an audio recording of the hearing, if desired, five days prior to the hearing date.

The Hearing Officer may ask the family for additional information and/or might adjourn the Hearing in order to reconvene at a later date, before reaching a decision.

If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the HA shall take effect and another hearing will not be granted.

The Hearing Officer will determine whether the action, inaction or decision of the HA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the Hearing Findings shall be provided in writing to the HA and the family within ten days and shall include:

-A clear summary of the decision and reasons for the decision;

-If the decision involves money owed, the amount owed; and documentation of the calculation of monies owed;

-The date the decision goes into effect.

The HA is not bound by hearing decisions:

Which concern matters in which the HA is not required to provide an opportunity for a hearing

Which conflict with or contradict to HUD regulations or requirements;

Which conflict with or contradict Federal, State or local laws; or

Which exceed the authority of the person conducting the hearing.

The HA shall send a letter to the participant if it determines the HA is not bound by the Hearing Officer's determination within 10 days. The letter shall include the HA's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS" [24 CFR Part 5, Subpart E]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while the HA hearing is pending but assistance to an applicant may be delayed pending the HA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the HA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the HA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the HA a copy of the appeal and proof of mailing or the HA may proceed to deny or terminate. The time period to request an appeal may be extended by the HA for good cause.

The request for a HA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the HA will:

Deny the applicant family

Defer termination if the family is a participant and qualifies for deferral

Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, the HA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.

Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

F. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES [24 CFR 982.204, 982.552(c)]

When applicants are denied placement on the waiting list, or the HA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.

(Examples of mitigating circumstances are: a) A person with a cognitive disorder may not have understood the requirement to report increases in income, b) A person may not understand the need to make regular repayments on a promissory note, c) Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.)

Reserved

Chapter 20

SPECIAL HOUSING TYPES

[24 CFR 982.601]

INTRODUCTION

The HA will permit the use of any special housing types in its program.

The HA will only permit the use of Shared Housing in its program when requested and needed as a reasonable accommodation for persons with disabilities.

Verification of Need for Reasonable Accommodation

Acceptable documentation as verification of the need for reasonable accommodation would be a letter to the HA describing how the special housing type requested provides the accommodation of which the person is in need. The request and documentation will be reviewed by the Supervisor and a written response stating approval or disapproval will be sent to the applicant/participant within 14 days of receipt of the request.

A copy of the HA's response with supporting documentation will be maintained in the applicant/participant's file. The requested housing type must be approvable by all other HUD standards and HQS requirements in accordance with 24 CFR 982 Section M - Special Housing Types.

A. SINGLE ROOM OCCUPANCY [24 CFR 982.602]

The HA has determined that there is a demand for SRO's in this area. Therefore, a single person may reside in an SRO housing unit.

The HA will use a separate lease and housing assistance payment contract for each assisted person residing in a SRO. [24 CFR 982.603]

SRO Rent and Housing Assistance Payment [24 CFR 982.604]

Voucher Program

The HA SRO payment standard is 75 percent of the zero bedroom payment standard schedule. For a person residing in an exception area the payment standard is 75 percent of the HUD-approved zero bedroom exception payment standard amount. While an assisted person resides in SRO housing, the SRO payment standard must be used to calculate the housing assistance payment.

Utility Allowance

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

Housing Quality Standards

The HA will ensure that all SRO units approved for the program are in compliance with all of the Housing Quality Standards for SROs as regulated in 24 CFR 982.605.

B. CONGREGATE HOUSING [24 CFR 982.606]

An elderly person or a person with disabilities may reside in a congregate housing unit.

The HA may approve a family member or live-in aide to reside with the elderly person or person with disabilities.

The HA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Congregate Housing Lease and HAP Contract [24 CFR 982.607]

For congregate housing there will be a separate lease and HAP contract for each assisted family.

Unless there is a live-in aide, the payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard on the HA payment standard schedule.

However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities),

the payment standard for a family that resides in a congregate housing unit is the one bedroom payment standard amount.

If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

Housing Quality Standards

The HA will ensure that all congregate housing units approved for the program are in compliance with all of the Housing Quality Standards for congregate housing as regulated in 24 CFR 982.609.

C. GROUP HOMES [24 CFR 982.610, 982.612]

A group home must be licensed, certified, or otherwise approved in writing by the State, or the State's licensing department.

An elderly person or a person with disabilities may reside in a State-approved group home. If approved by the HA, a live-in aide may reside with a person with disabilities.

The HA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Except for a live-in aide, all residents of a group home must be elderly persons or persons with disabilities.

The HA will not approve assistance for a person to live in a group home if file documentation indicates that the person is in need of continual medical or nursing care.

No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

Group Home Lease and HAP Contract [24 CFR 982.611]

There will be a separate HAP contract and lease for each assisted person living in a group home. For a group home the term "pro-rata portion" means that which is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any HA-approved live-in Aide.

Group Home Rent and HAP Contract [24 CFR 982.613]

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with 982.503. In determining reasonable rent the HA will consider whether sanitary facilities, and facilities for food

preparation and service, are common facilities or private.

Maximum Subsidy

Unless there is a live-in aide, the family unit size is **one bedroom**. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard amount on the HA payment standard schedule for the group home size.

Utility Allowance

The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

Housing Quality Standards

The HA will ensure that all group home units approved for the program are in compliance with all of the Housing Quality Standards for group homes as regulated in 24 CFR 982.614.

D. SHARED HOUSING [24 CFR 982.615]

Occupancy

An assisted family may reside in shared housing. In shared housing, an assisted family may share a unit with another resident or residents of a unit. The unit may be a house or an apartment.

The HA may approve a live-in aide to reside with a family in order to care for a person with a disability. The HA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Other persons who are assisted or not assisted under the tenant-based program may reside in a shared housing unit. The owner of a shared housing unit may reside in the unit.

A resident owner may enter into a HAP contract with the HA. However, housing assistance may not be paid on behalf of an owner. The HA will not approve assistance for a person or family that is related by blood or marriage to a resident owner.

There will be a separate housing assistance payment contract and lease for each assisted family residing in a shared housing unit.

Rent and HAP Contract

For shared housing, the term "pro-rata portion" means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five-bedroom unit, the ratio would be 3/5.

The rent to owner to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit. The reasonable rent must be in accordance with the guidelines set in the "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

Maximum Subsidy

For a family that resides in a shared housing unit the payment standard is the lower of the payment standard amount on the HA payment standard schedule for the family unit size or the pro-rata portion of the payment standard amount on the HA payment standard for the shared housing unit size.

If the HA approves a live-in aide, the live-in aide will be counted in determining the family unit size.

Utility Allowance

The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

Housing Quality Standards

The HA will ensure that all shared housing units approved for the program are in compliance with all of the Housing Quality Standards for shared housing as regulated in 24 CFR 982.618.

E. COOPERATIVE HOUSING [24 CFR 982.619]

The HA will approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families The HA will not approve assistance for a family in cooperative housing until the HA has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

The reasonable rent in cooperative housing is determined in accordance with "Owner Rents, Rent Reasonableness, and Payment Standards" chapter. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperatives debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility.

For a cooperative, rent adjustments are applied to the carrying charge as determined in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Section 8 limitations on rent to owner. The housing assistance payment will be determined in accordance with the guidelines in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The HA may approve a live-in aide to reside with the family to care for a person with disabilities. The HA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. If the HA approves a live-in aide, the live-in aide will be counted when determining the family unit size.

Housing Quality Standards

The HA will ensure that all cooperative housing units approved for the program are in compliance with all of the Housing Quality Standards outlined in the "Housing Quality Standards and Inspections" chapter, and regulated by 24 CFR 982.401.

F. MANUFACTURED HOMES [24 CFR 982.620]

The HA will permit a family to lease a manufactured home and space with assistance under the program. The HA will provide assistance for a family that owns the manufactured home and leases only the space.

The HA may approve a live-in aide to reside with a family to care for a person with disabilities. The HA will approve a live-in aide if needed as a reasonable accommodation so that the program is accessible to and usable by persons with disabilities. If the HA approves a live-in aide, the live-in aide must be counted when determining the family unit size.

Housing Quality Standards [24 CFR 982.621]

A manufactured home must meet all the HQS requirements outlined in the "Housing Quality Standards and Inspections" chapter and regulated by 24 CFR 982.401. In addition the manufactured home also must meet the following requirements:

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.

A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

Manufactured Home Space Rental [24 CFR 982.622]

Rent to owner for a manufactured home space will include payment for maintenance services that the owner must provide to the tenant under the lease for the space.

Rent to owner does not include the cost of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

Reasonable Rent

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined by the HA.

The HA will not approve a lease for a manufactured home space until the HA has determined that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the HA will redetermine that the rent is reasonable.

The HA will determine whether the rent to owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. The HA will consider the size and location of the space and any services and maintenance provided by the owner in accordance with the lease.

By accepting each monthly housing assistance payment from the HA, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. If requested by the HA, the owner must provide the HA information on rents for other manufactured home space.

Housing Assistance Payments for Manufactured Home Space [24 CFR 982.623]

The FMR for a manufactured home space will be determined by HUD.

HAP for the Regular Tenancy Program

For the Regular Tenancy Program the initial rent to owner for leasing a manufactured home space may not exceed the published FMR for a manufactured home space.

During the term of a certificate tenancy, entered prior to the merger date, the amount of the monthly housing assistance payment equals the lesser of:

The manufactured home space cost minus the:

The Total Tenant Payment; OR

The rent to owner for the manufactured home space.

"Manufactured home space cost" means the sum of: the amortization cost, the utility allowance, and the rent to owner for the manufactured home space.

The HA **will** include as part of the monthly amortization payment, set-up charges incurred before the family became an assisted family, if monthly payments are still being made to amortize such charges.

HAP for the Voucher Tenancy

There is a separate FMR for a family renting a manufactured home space. The payment standard is used to calculate the monthly housing assistance payment for a family. The FMR for rental of a manufactured home space is generally 40 percent of the published FMR for a two-bedroom unit.

Subsidy Calculation for the Voucher Program

During the term of a voucher tenancy, the amount of the monthly housing assistance payment for a family will equal the lesser of:

The payment standard minus the total tenant payment; or

The rent paid for rental of the real property on which the manufactured home owned by the family is located (the space rent) minus the total tenant payment.

The space rent is the sum of the following as determined by the HA:

Rent to owner for the manufactured home space;

Owner maintenance and management charges for the space;

The utility allowance for tenant paid utilities.

Utility Allowance Schedule for Manufactured Home Space Rental **[**24 CFR 982.624]

The HA will establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move.

Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place.

Utility allowances for manufactured home space will not be applied to cover the costs of digging a well or installation of a septic system.

G. HOMEOWNERSHIP [24 CFR 982.625]

General

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family.

The HA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

The HA may make homeownership available to all who qualify, or restrict homeownership to families or purposes defined by the HA. The HA may also limit the number of families assisted with homeownership.

The HA may provide homeownership assistance in the form of monthly payments, or as a down payment assistance grant. The HA may choose to offer either or both forms, or may choose not to offer homeownership assistance. If the HA offers both forms of assistance, the family chooses which form to receive.

The HA must offer either form of assistance if necessary as a reasonable accommodation. However, the HA may determine that homeownership assistance is not a reasonable accommodation if the HA has otherwise opted not to implement a homeownership program.

A family may receive only one form of homeownership assistance. A family that includes a person who was an adult member of a family that previously received either form of homeownership assistance may not receive the other form from any HA.

Families selected to receive homeownership assistance may choose either monthly assistance payments or a down payment assistance grant.

Monthly Homeownership Assistance Payments

The HA will offer monthly homeownership assistance only to participating families who:

> **Are currently enrolled in the Family Self-Sufficiency (FSS) Program and in compliance with the FSS contract.**
>
> **Participants / Tenants who have participated in homebuyer education program.**

Monthly Homeownership Assistance: Eligibility Requirements [24 CFR 982.627]

The family must meet all of the requirements listed below before the commencement of homeownership assistance.

The family must be eligible for the Housing Choice Voucher program.

The family must qualify as a first-time homeowner, or may be a co-operative member.

The family must meet the Federal minimum income requirement. The family must have a gross annual income equal to the Federal minimum wage multiplied by 2000, based on the income of adult family members who will own the home.

For elderly or disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.

Welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement.

The HA may establish a higher income standard for disabled families and/or for non-disabled families. However, a family that meets the federal minimum income requirement (but not the HA's requirement) will be considered to meet the minimum income requirement if it can demonstrate that it has been pre-qualified or pre-approved for financing.

The family must meet the Federal minimum employment requirement.

At least one adult family member who will own the home must be currently employed full time and must have been continuously employed for one year prior to homeownership assistance.

HUD regulations define “full time employment” as not less than an average of 30 hours per week.

A family member will be considered to have been continuously employed even if that family member has experienced a break in employment, provided that the break in employment:

did not exceed 30 calendar days**; and**

did not occur within the 9 month **period immediately prior to the family’s request to utilize the homeownership option; and**

has been the only break in employment within the past 12 calendar months.

The Federal minimum employment requirement does not apply to elderly or disabled families.

Any family member who was an adult member of a family that previously defaulted on a

mortgage obtained through the homeownership option is barred from receiving future homeownership assistance.

The HA will impose the following additional initial requirements:

The family has had no family-caused violations of HUD's Housing Quality standards within the last 1 year

The family is not within the initial 1-year period of a HAP Contract.

The family does not owe money to the HA.

The family has not committed any serious or repeated violations of a HA-assisted lease within the past 1 year

The family has not been late paying their rent in the past 24 months

Homeownership Counseling Requirements [24 CFR 982.630]

When the family has been determined eligible, they must attend and complete homeownership counseling sessions. These counseling sessions will conducted by **HUD-approved housing counseling agency.** Such counseling shall be consistent with HUD-approved housing counseling.

The following topics will be included in the homeownership counseling sessions:

Home maintenance (including care of the grounds);

Budgeting and money management;

Credit counseling;

How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;

How to find a home, including information about homeownership opportunities, schools, and transportation in the HA jurisdiction;

Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;

Information about RESPA, state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions;

Eligible Units [24 CFR 982.628]

The unit must meet all of the following requirements:

The unit must meet HUD's "Eligible Housing" requirements. The unit may not be any of the following:

A public housing or Indian housing unit;

A unit receiving Section 8 project-based assistance;

A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;

A college or other school dormitory;

On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.

The unit was already existing or under construction at the time the family was determined eligible for homeownership assistance.

The unit is a one-unit property or a single dwelling unit in a cooperative or condominium.

The unit has been inspected by the HA and by an independent inspector designated by the family.

The unit meets HUD Housing Quality Standards.

The unit may be a home where the family will not own fee title to the real property (such as a manufactured home), if the home has a permanent foundation and the family has the right to occupy the site for at least 40 years.

The HA must not approve the seller of the unit if the HA has been informed that the seller is debarred, suspended, or subject to a limited denial of participation. The HA may disapprove the seller for any reason provided for disapproval of an owner in the voucher program.

HA Search and Purchase Requirements [24 CFR 982.629]

The HA has established the maximum time that will be allowed for a family to locate and purchase a home.

The family's deadline date for locating a home to purchase will be 6 **months** from the date the family's eligibility for the homeownership option is determined.

The family must obtain financing for the home within six **months** of **locating a home to purchase.**

The family must purchase the home **within 6 months** of **the date eligibility for the homeownership program is determined**

The HA **will** require periodic reports on the family's progress in finding and purchasing a home. **Such reports will be provided by the family monthly.**

If the family is unable to purchase a home within the maximum time limit, the HA **will place the family's name on the waiting list for a voucher.**

Inspection and Contract [24 CFR 982.631]

The unit must meet Housing Quality Standards, and must also be inspected by an independent professional inspector selected and paid by the family.

The independent inspection must cover major building systems and components. The inspector must be qualified to identify physical defects and report on property conditions, including major building systems and components. These systems and components include, but are not limited to:

Foundation and structure;

Housing interior and exterior;

Roofing;

Plumbing**,** electrical and heating systems.

The independent inspector must not be a HA employee or contractor. The HA will not require the family to use an independent inspector selected by the HA, but the HA has established the following standards for qualification of inspectors selected by the family.

The HA requires the following qualifications for independent inspectors:

Copies of the independent inspection report will be provided to the family and the HA. Based on the information in this report, the family and the HA will determine whether any pre-purchase

repairs are necessary.

The HA may disapprove the unit for homeownership assistance because of information in the report.

The family must enter into a contract of sale with the seller of the unit. A copy of the contract must be given to the HA. The contract of sale must specify the price and terms of sale, and provide that the purchaser will arrange for a pre-purchase independent inspection of the home. The contract must also:

Provide that the purchaser is not obligated to buy the unit unless the inspection is satisfactory;

Provide that the purchaser is not obligated to pay for necessary repairs; and

Contain the seller's certification that he or she has not been debarred, suspended or subject to a limited denial of participation.

Financing [24 CFR 982.632]

The family is responsible for securing financing. The HA has established financing requirements, listed below, and may disapprove proposed financing if the HA determines that the debt is unaffordable.

The HA will prohibit the following forms of financing:

balloon payment mortgages

variable interest rate loans

seller financing

seller financing on a case-by-case basis

The HA will impose a minimum initial equity requirement of $5000 by the family.

Continued Assistance [24 CFR 982.633]

Homeownership assistance may only be paid while the family is residing in the home. The family or lender is not required to refund homeownership assistance for the month when the family moves out.

The family must comply with the following obligations:

> The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
>
> The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to CFR 982.551 (h) and (i).
>
> The family must supply information to the HA or HUD as specified in CFR 982.551(b). The family must further supply any information required by the HA or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
>
> The family must notify the HA before moving out of the home.
>
> The family must notify the HA if the family defaults on the mortgage used to purchase the home.
>
> No family member may have any ownership interest in any other residential property.
>
> **The family must attend and complete ongoing homeownership counseling.**
>
> **The home must pass a HUD Housing Quality Standards inspection** yearly for the first three years**.**

Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership option.

Maximum Term of Homeownership Assistance [24 CFR 982.634]

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

15 years, if the initial mortgage term is 20 years or longer, or

10 years in all other cases.

The elderly exception only applies if the family qualified as elderly at the start of homeownership assistance. The disabled exception applies if, at any time during receipt of homeownership assistance, the family qualifies as disabled.

If the family ceases to qualify as elderly or disabled during the course of homeownership assistance, the maximum term becomes applicable from the date assistance commenced. However, such a family must be afforded at least six months of homeownership assistance after the maximum term becomes applicable.

If the family receives homeownership assistance for different homes, or from different HAs, the total is subject to the maximum term limitations.

Homeownership Assistance Payments and Homeownership Expenses [24 CFR 982.635]

The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.

In determining the amount of the homeownership assistance payment, the HA will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described in this plan for the Housing Choice Voucher program.

The HA will pay the homeownership assistance payment **directly to a lender on behalf of the family.**

Some homeownership expenses are allowances or standards determined by the HA in accordance with HUD regulations. These allowances are used in determining expenses for all homeownership families and are not based on the condition of the home.

Homeownership expenses include:

Principal and interest on mortgage debt.

Mortgage insurance premium.

Taxes **and insurance.**

The HA utility allowance used for the voucher program.

The HA allowance for routine maintenance costs **of $200 a year.**

The HA allowance for major repairs and replacements **$250 a year.**

Principal and interest on debt for improvements.

If the home is a cooperative or condominium, expenses also include operating expenses or maintenance fees assessed by the homeowner association.

Portability [24 CFR 982.636, 982.353(b) and (c), 982.552, 982.553]

Subject to the restrictions on portability included in HUD regulations and in Chapter 13 of this plan, the family may exercise portability if the receiving HA is administering a voucher homeownership program and accepting new homeownership families.

The receiving HA may absorb the family into its voucher program, or bill the initial HA. The receiving HA arranges for housing counseling and the receiving HA's homeownership policies apply.

Moving With Continued Assistance [24 CFR 982.637]

A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.

The HA prohibits more than one move by the family during any one year period.

The HA will deny permission to move with continued rental or homeownership assistance if the HA determines that it does not have sufficient funding to provide continued assistance.

The HA will require the family to complete additional homeownership counseling prior to moving to a new unit with continued assistance under the homeownership option.

Denial or Termination of Assistance [24 CFR 982.638]

Termination of homeownership assistance is governed by the policies for the Housing Choice Voucher program contained in chapter 15 of the Administrative Plan. However, the provisions of CFR 982.551 (c) through (j) are not applicable to homeownership.

The HA will terminate homeownership assistance if the family is dispossessed from the home due to a judgment or order of foreclosure.

The HA will not permit such a family to move with voucher rental assistance.

The HA will terminate homeownership assistance if the family violates any of the family obligations contained in this section.

The HA will terminate homeownership assistance if the family violates any of the following family obligations:

Transfer or conveyance of ownership of the home;

Providing requested information to the HA or HUD;

Notifying the HA before moving out of the home;

Down payment Assistance Grants (24 CFR 982.643)

Most of the regulations governing monthly homeownership assistance apply to down payment assistance grants. However, families receiving down payment assistance are not subject to the regulations concerning continued assistance, family obligations, the maximum term of assistance, amount and distribution of payments, or moves with continued assistance.

Eligibility for down payment assistance is limited to current participants in the voucher program.

The maximum down payment assistance grant is the HA's payment standard minus the family's TTP, multiplied by 12.

Down payment assistance must be applied to the down payment for purchase of the home. The HA may allow the grant to be applied to reasonable and customary closing costs as defined by the HA. If the family purchases a home with FHA mortgage insurance, closing costs are subject to FHA requirements.

The down payment assistance grant must be applied to the down payment for the home and the following closing costs:

Loan origination fees

Credit report fees

Escrow fees

Title insurance fees

Recording fees

Appraisal reports

Survey fees

Housing Insurance

Pilot Program for Homeownership Assistance for Disabled Families [CFR 982.642]

The HA has the option of offering assistance under the pilot program instead of, or in addition to, the homeownership assistance described in this section. Most of the regulations governing homeownership assistance apply to the pilot program.

Eligibility: the family must meet the definition of "disabled family." The family is not required to meet the low-income requirement, but annual income cannot exceed 99% of the area median. The family must not be a current homeowner and must close on the home within 3 years of July 23, 2001. The family need not meet the definition of "first-time homeowner."

Homeownership Assistance Payments: Payments are calculated as described in this section. A low-income family receives the full assistance payment. A family whose annual income is between 81% and 89% of area median receives 66% of the assistance payment. A family whose annual income is between 90% and 99% of area median receives 33% of the assistance payment. The HA must make payments to the lender.

Mortgage Defaults: The HA may permit the family to move with continued homeownership assistance if the default is due to catastrophic medical reasons or to the impact of a federally declared disaster.

The HA will not **offer homeownership assistance under the pilot program for disabled families**.

To the extent applicable, the HA's policies for homeownership assistance apply to families participating in the pilot program.

Reserved

Chapter 20

SPECIAL HOUSING TYPES

[24 CFR 982.601]

INTRODUCTION

The HA will permit the use of any special housing types in its program.

The HA will only permit the use of Shared Housing in its program when requested and needed as a reasonable accommodation for persons with disabilities.

Verification of Need for Reasonable Accommodation

Acceptable documentation as verification of the need for reasonable accommodation would be a letter to the HA describing how the special housing type requested provides the accommodation of which the person is in need. The request and documentation will be reviewed by the Supervisor and a written response stating approval or disapproval will be sent to the applicant/participant within 14 days of receipt of the request.

A copy of the HA's response with supporting documentation will be maintained in the applicant/participant's file. The requested housing type must be approvable by all other HUD standards and HQS requirements in accordance with 24 CFR 982 Section M - Special Housing Types.

A. SINGLE ROOM OCCUPANCY [24 CFR 982.602]

The HA has determined that there is a demand for SRO's in this area. Therefore, a single person may reside in an SRO housing unit.

The HA will use a separate lease and housing assistance payment contract for each assisted person residing in a SRO. [24 CFR 982.603]

SRO Rent and Housing Assistance Payment [24 CFR 982.604]

Voucher Program

The HA SRO payment standard is 75 percent of the zero bedroom payment standard schedule. For a person residing in an exception area the payment standard is 75 percent of the HUD-approved zero bedroom exception payment standard amount. While an assisted person resides in SRO housing, the SRO payment standard must be used to calculate the housing assistance payment.

Utility Allowance

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

Housing Quality Standards

The HA will ensure that all SRO units approved for the program are in compliance with all of the Housing Quality Standards for SROs as regulated in 24 CFR 982.605.

B. CONGREGATE HOUSING [24 CFR 982.606]

An elderly person or a person with disabilities may reside in a congregate housing unit.

The HA may approve a family member or live-in aide to reside with the elderly person or person with disabilities.

The HA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Congregate Housing Lease and HAP Contract [24 CFR 982.607]

For congregate housing there will be a separate lease and HAP contract for each assisted family.

Unless there is a live-in aide, the payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard on the HA payment standard schedule.

However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities),

the payment standard for a family that resides in a congregate housing unit is the one bedroom payment standard amount.

If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

Housing Quality Standards

The HA will ensure that all congregate housing units approved for the program are in compliance with all of the Housing Quality Standards for congregate housing as regulated in 24 CFR 982.609.

C. GROUP HOMES [24 CFR 982.610, 982.612]

A group home must be licensed, certified, or otherwise approved in writing by the State, or the State's licensing department.

An elderly person or a person with disabilities may reside in a State-approved group home. If approved by the HA, a live-in aide may reside with a person with disabilities.

The HA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Except for a live-in aide, all residents of a group home must be elderly persons or persons with disabilities.

The HA will not approve assistance for a person to live in a group home if file documentation indicates that the person is in need of continual medical or nursing care.

No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

Group Home Lease and HAP Contract [24 CFR 982.611]

There will be a separate HAP contract and lease for each assisted person living in a group home. For a group home the term "pro-rata portion" means that which is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any HA-approved live-in Aide.

Group Home Rent and HAP Contract [24 CFR 982.613]

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with 982.503. In determining reasonable rent the HA will consider whether sanitary facilities, and facilities for food

preparation and service, are common facilities or private.

Maximum Subsidy

Unless there is a live-in aide, the family unit size is **one bedroom**. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard amount on the HA payment standard schedule for the group home size.

Utility Allowance

The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

Housing Quality Standards

The HA will ensure that all group home units approved for the program are in compliance with all of the Housing Quality Standards for group homes as regulated in 24 CFR 982.614.

D. SHARED HOUSING [24 CFR 982.615]

Occupancy

An assisted family may reside in shared housing. In shared housing, an assisted family may share a unit with another resident or residents of a unit. The unit may be a house or an apartment.

The HA may approve a live-in aide to reside with a family in order to care for a person with a disability. The HA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Other persons who are assisted or not assisted under the tenant-based program may reside in a shared housing unit. The owner of a shared housing unit may reside in the unit.

A resident owner may enter into a HAP contract with the HA. However, housing assistance may not be paid on behalf of an owner. The HA will not approve assistance for a person or family that is related by blood or marriage to a resident owner.

There will be a separate housing assistance payment contract and lease for each assisted family residing in a shared housing unit.

Rent and HAP Contract

For shared housing, the term "pro-rata portion" means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five-bedroom unit, the ratio would be 3/5.

The rent to owner to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit. The reasonable rent must be in accordance with the guidelines set in the "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

Maximum Subsidy

For a family that resides in a shared housing unit the payment standard is the lower of the payment standard amount on the HA payment standard schedule for the family unit size or the pro-rata portion of the payment standard amount on the HA payment standard for the shared housing unit size.

If the HA approves a live-in aide, the live-in aide will be counted in determining the family unit size.

Utility Allowance

The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

Housing Quality Standards

The HA will ensure that all shared housing units approved for the program are in compliance with all of the Housing Quality Standards for shared housing as regulated in 24 CFR 982.618.

E. COOPERATIVE HOUSING [24 CFR 982.619]

The HA will approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families The HA will not approve assistance for a family in cooperative housing until the HA has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

The reasonable rent in cooperative housing is determined in accordance with "Owner Rents, Rent Reasonableness, and Payment Standards" chapter. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperatives debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility.

For a cooperative, rent adjustments are applied to the carrying charge as determined in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Section 8 limitations on rent to owner. The housing assistance payment will be determined in accordance with the guidelines in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The HA may approve a live-in aide to reside with the family to care for a person with disabilities. The HA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. If the HA approves a live-in aide, the live-in aide will be counted when determining the family unit size.

Housing Quality Standards

The HA will ensure that all cooperative housing units approved for the program are in compliance with all of the Housing Quality Standards outlined in the "Housing Quality Standards and Inspections" chapter, and regulated by 24 CFR 982.401.

F. MANUFACTURED HOMES [24 CFR 982.620]

The HA will permit a family to lease a manufactured home and space with assistance under the program. The HA will provide assistance for a family that owns the manufactured home and leases only the space.

The HA may approve a live-in aide to reside with a family to care for a person with disabilities. The HA will approve a live-in aide if needed as a reasonable accommodation so that the program is accessible to and usable by persons with disabilities. If the HA approves a live-in aide, the live-in aide must be counted when determining the family unit size.

Housing Quality Standards [24 CFR 982.621]

A manufactured home must meet all the HQS requirements outlined in the "Housing Quality Standards and Inspections" chapter and regulated by 24 CFR 982.401. In addition the manufactured home also must meet the following requirements:

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.

A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

Manufactured Home Space Rental [24 CFR 982.622]

Rent to owner for a manufactured home space will include payment for maintenance services that the owner must provide to the tenant under the lease for the space.

Rent to owner does not include the cost of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

Reasonable Rent

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined by the HA.

The HA will not approve a lease for a manufactured home space until the HA has determined that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the HA will redetermine that the rent is reasonable.

The HA will determine whether the rent to owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. The HA will consider the size and location of the space and any services and maintenance provided by the owner in accordance with the lease.

By accepting each monthly housing assistance payment from the HA, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. If requested by the HA, the owner must provide the HA information on rents for other manufactured home space.

Housing Assistance Payments for Manufactured Home Space [24 CFR 982.623]

The FMR for a manufactured home space will be determined by HUD.

HAP for the Regular Tenancy Program

For the Regular Tenancy Program the initial rent to owner for leasing a manufactured home space may not exceed the published FMR for a manufactured home space.

During the term of a certificate tenancy, entered prior to the merger date, the amount of the monthly housing assistance payment equals the lesser of:

The manufactured home space cost minus the:

The Total Tenant Payment; OR

The rent to owner for the manufactured home space.

"Manufactured home space cost" means the sum of: the amortization cost, the utility allowance, and the rent to owner for the manufactured home space.

The HA **will** include as part of the monthly amortization payment, set-up charges incurred before the family became an assisted family, if monthly payments are still being made to amortize such charges.

HAP for the Voucher Tenancy

There is a separate FMR for a family renting a manufactured home space. The payment standard is used to calculate the monthly housing assistance payment for a family. The FMR for rental of a manufactured home space is generally 40 percent of the published FMR for a two-bedroom unit.

Subsidy Calculation for the Voucher Program

During the term of a voucher tenancy, the amount of the monthly housing assistance payment for a family will equal the lesser of:

The payment standard minus the total tenant payment; or

The rent paid for rental of the real property on which the manufactured home owned by the family is located (the space rent) minus the total tenant payment.

The space rent is the sum of the following as determined by the HA:

Rent to owner for the manufactured home space;

Owner maintenance and management charges for the space;

The utility allowance for tenant paid utilities.

Utility Allowance Schedule for Manufactured Home Space Rental **[**24 CFR 982.624]

The HA will establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move.

Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place.

Utility allowances for manufactured home space will not be applied to cover the costs of digging a well or installation of a septic system.

G. HOMEOWNERSHIP [24 CFR 982.625]

General

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family.

The HA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

The HA may make homeownership available to all who qualify, or restrict homeownership to families or purposes defined by the HA. The HA may also limit the number of families assisted with homeownership.

The HA may provide homeownership assistance in the form of monthly payments, or as a down payment assistance grant. The HA may choose to offer either or both forms, or may choose not to offer homeownership assistance. If the HA offers both forms of assistance, the family chooses which form to receive.

The HA must offer either form of assistance if necessary as a reasonable accommodation. However, the HA may determine that homeownership assistance is not a reasonable accommodation if the HA has otherwise opted not to implement a homeownership program.

A family may receive only one form of homeownership assistance. A family that includes a person who was an adult member of a family that previously received either form of homeownership assistance may not receive the other form from any HA.

Families selected to receive homeownership assistance may choose either monthly assistance payments or a down payment assistance grant.

Monthly Homeownership Assistance Payments

The HA will offer monthly homeownership assistance only to participating families who:

> **Are currently enrolled in the Family Self-Sufficiency (FSS) Program and in compliance with the FSS contract.**
>
> **Participants / Tenants who have participated in homebuyer education program.**

Monthly Homeownership Assistance: Eligibility Requirements [24 CFR 982.627]

The family must meet all of the requirements listed below before the commencement of homeownership assistance.

The family must be eligible for the Housing Choice Voucher program.

The family must qualify as a first-time homeowner, or may be a co-operative member.

The family must meet the Federal minimum income requirement. The family must have a gross annual income equal to the Federal minimum wage multiplied by 2000, based on the income of adult family members who will own the home.

For elderly or disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.

Welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement.

The HA may establish a higher income standard for disabled families and/or for non-disabled families. However, a family that meets the federal minimum income requirement (but not the HA's requirement) will be considered to meet the minimum income requirement if it can demonstrate that it has been pre-qualified or pre-approved for financing.

The family must meet the Federal minimum employment requirement.

At least one adult family member who will own the home must be currently employed full time and must have been continuously employed for one year prior to homeownership assistance.

HUD regulations define “full time employment” as not less than an average of 30 hours per week.

A family member will be considered to have been continuously employed even if that family member has experienced a break in employment, provided that the break in employment:

did not exceed 30 calendar days**; and**

did not occur within the 9 month **period immediately prior to the family’s request to utilize the homeownership option; and**

has been the only break in employment within the past 12 calendar months.

The Federal minimum employment requirement does not apply to elderly or disabled families.

Any family member who was an adult member of a family that previously defaulted on a

mortgage obtained through the homeownership option is barred from receiving future homeownership assistance.

The HA will impose the following additional initial requirements:

The family has had no family-caused violations of HUD's Housing Quality standards within the last 1 year

The family is not within the initial 1-year period of a HAP Contract.

The family does not owe money to the HA.

The family has not committed any serious or repeated violations of a HA-assisted lease within the past 1 year

The family has not been late paying their rent in the past 24 months

Homeownership Counseling Requirements [24 CFR 982.630]

When the family has been determined eligible, they must attend and complete homeownership counseling sessions. These counseling sessions will conducted by **HUD-approved housing counseling agency.** Such counseling shall be consistent with HUD-approved housing counseling.

The following topics will be included in the homeownership counseling sessions:

Home maintenance (including care of the grounds);

Budgeting and money management;

Credit counseling;

How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;

How to find a home, including information about homeownership opportunities, schools, and transportation in the HA jurisdiction;

Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;

Information about RESPA, state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions;

Eligible Units [24 CFR 982.628]

The unit must meet all of the following requirements:

The unit must meet HUD's "Eligible Housing" requirements. The unit may not be any of the following:

A public housing or Indian housing unit;

A unit receiving Section 8 project-based assistance;

A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;

A college or other school dormitory;

On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.

The unit was already existing or under construction at the time the family was determined eligible for homeownership assistance.

The unit is a one-unit property or a single dwelling unit in a cooperative or condominium.

The unit has been inspected by the HA and by an independent inspector designated by the family.

The unit meets HUD Housing Quality Standards.

The unit may be a home where the family will not own fee title to the real property (such as a manufactured home), if the home has a permanent foundation and the family has the right to occupy the site for at least 40 years.

The HA must not approve the seller of the unit if the HA has been informed that the seller is debarred, suspended, or subject to a limited denial of participation. The HA may disapprove the seller for any reason provided for disapproval of an owner in the voucher program.

HA Search and Purchase Requirements [24 CFR 982.629]

The HA has established the maximum time that will be allowed for a family to locate and purchase a home.

The family's deadline date for locating a home to purchase will be 6 **months** from the date the family's eligibility for the homeownership option is determined.

The family must obtain financing for the home within six **months** of **locating a home to purchase.**

The family must purchase the home **within 6 months** of **the date eligibility for the homeownership program is determined**

The HA **will** require periodic reports on the family's progress in finding and purchasing a home. **Such reports will be provided by the family monthly.**

If the family is unable to purchase a home within the maximum time limit, the HA **will place the family's name on the waiting list for a voucher.**

Inspection and Contract [24 CFR 982.631]

The unit must meet Housing Quality Standards, and must also be inspected by an independent professional inspector selected and paid by the family.

The independent inspection must cover major building systems and components. The inspector must be qualified to identify physical defects and report on property conditions, including major building systems and components. These systems and components include, but are not limited to:

Foundation and structure;

Housing interior and exterior;

Roofing;

Plumbing**,** electrical and heating systems.

The independent inspector must not be a HA employee or contractor. The HA will not require the family to use an independent inspector selected by the HA, but the HA has established the following standards for qualification of inspectors selected by the family.

The HA requires the following qualifications for independent inspectors:

Copies of the independent inspection report will be provided to the family and the HA. Based on the information in this report, the family and the HA will determine whether any pre-purchase

repairs are necessary.

The HA may disapprove the unit for homeownership assistance because of information in the report.

The family must enter into a contract of sale with the seller of the unit. A copy of the contract must be given to the HA. The contract of sale must specify the price and terms of sale, and provide that the purchaser will arrange for a pre-purchase independent inspection of the home. The contract must also:

Provide that the purchaser is not obligated to buy the unit unless the inspection is satisfactory;

Provide that the purchaser is not obligated to pay for necessary repairs; and

Contain the seller's certification that he or she has not been debarred, suspended or subject to a limited denial of participation.

Financing [24 CFR 982.632]

The family is responsible for securing financing. The HA has established financing requirements, listed below, and may disapprove proposed financing if the HA determines that the debt is unaffordable.

The HA will prohibit the following forms of financing:

balloon payment mortgages

variable interest rate loans

seller financing

seller financing on a case-by-case basis

The HA will impose a minimum initial equity requirement of $5000 by the family.

Continued Assistance [24 CFR 982.633]

Homeownership assistance may only be paid while the family is residing in the home. The family or lender is not required to refund homeownership assistance for the month when the family moves out.

The family must comply with the following obligations:

> The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
>
> The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to CFR 982.551 (h) and (i).
>
> The family must supply information to the HA or HUD as specified in CFR 982.551(b). The family must further supply any information required by the HA or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
>
> The family must notify the HA before moving out of the home.
>
> The family must notify the HA if the family defaults on the mortgage used to purchase the home.
>
> No family member may have any ownership interest in any other residential property.
>
> **The family must attend and complete ongoing homeownership counseling.**
>
> **The home must pass a HUD Housing Quality Standards inspection** yearly for the first three years**.**

Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership option.

Maximum Term of Homeownership Assistance [24 CFR 982.634]

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

15 years, if the initial mortgage term is 20 years or longer, or

10 years in all other cases.

The elderly exception only applies if the family qualified as elderly at the start of homeownership assistance. The disabled exception applies if, at any time during receipt of homeownership assistance, the family qualifies as disabled.

If the family ceases to qualify as elderly or disabled during the course of homeownership assistance, the maximum term becomes applicable from the date assistance commenced. However, such a family must be afforded at least six months of homeownership assistance after the maximum term becomes applicable.

If the family receives homeownership assistance for different homes, or from different HAs, the total is subject to the maximum term limitations.

Homeownership Assistance Payments and Homeownership Expenses [24 CFR 982.635]

The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.

In determining the amount of the homeownership assistance payment, the HA will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described in this plan for the Housing Choice Voucher program.

The HA will pay the homeownership assistance payment **directly to a lender on behalf of the family.**

Some homeownership expenses are allowances or standards determined by the HA in accordance with HUD regulations. These allowances are used in determining expenses for all homeownership families and are not based on the condition of the home.

Homeownership expenses include:

Principal and interest on mortgage debt.

Mortgage insurance premium.

Taxes **and insurance.**

The HA utility allowance used for the voucher program.

The HA allowance for routine maintenance costs **of $200 a year.**

The HA allowance for major repairs and replacements **$250 a year.**

Principal and interest on debt for improvements.

If the home is a cooperative or condominium, expenses also include operating expenses or maintenance fees assessed by the homeowner association.

Portability [24 CFR 982.636, 982.353(b) and (c), 982.552, 982.553]

Subject to the restrictions on portability included in HUD regulations and in Chapter 13 of this plan, the family may exercise portability if the receiving HA is administering a voucher homeownership program and accepting new homeownership families.

The receiving HA may absorb the family into its voucher program, or bill the initial HA. The receiving HA arranges for housing counseling and the receiving HA's homeownership policies apply.

Moving With Continued Assistance [24 CFR 982.637]

A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.

The HA prohibits more than one move by the family during any one year period.

The HA will deny permission to move with continued rental or homeownership assistance if the HA determines that it does not have sufficient funding to provide continued assistance.

The HA will require the family to complete additional homeownership counseling prior to moving to a new unit with continued assistance under the homeownership option.

Denial or Termination of Assistance [24 CFR 982.638]

Termination of homeownership assistance is governed by the policies for the Housing Choice Voucher program contained in chapter 15 of the Administrative Plan. However, the provisions of CFR 982.551 (c) through (j) are not applicable to homeownership.

The HA will terminate homeownership assistance if the family is dispossessed from the home due to a judgment or order of foreclosure.

The HA will not permit such a family to move with voucher rental assistance.

The HA will terminate homeownership assistance if the family violates any of the family obligations contained in this section.

The HA will terminate homeownership assistance if the family violates any of the following family obligations:

Transfer or conveyance of ownership of the home;

Providing requested information to the HA or HUD;

Notifying the HA before moving out of the home;

Down payment Assistance Grants (24 CFR 982.643)

Most of the regulations governing monthly homeownership assistance apply to down payment assistance grants. However, families receiving down payment assistance are not subject to the regulations concerning continued assistance, family obligations, the maximum term of assistance, amount and distribution of payments, or moves with continued assistance.

Eligibility for down payment assistance is limited to current participants in the voucher program.

The maximum down payment assistance grant is the HA's payment standard minus the family's TTP, multiplied by 12.

Down payment assistance must be applied to the down payment for purchase of the home. The HA may allow the grant to be applied to reasonable and customary closing costs as defined by the HA. If the family purchases a home with FHA mortgage insurance, closing costs are subject to FHA requirements.

The down payment assistance grant must be applied to the down payment for the home and the following closing costs:

Loan origination fees

Credit report fees

Escrow fees

Title insurance fees

Recording fees

Appraisal reports

Survey fees

Housing Insurance

Pilot Program for Homeownership Assistance for Disabled Families [CFR 982.642]

The HA has the option of offering assistance under the pilot program instead of, or in addition to, the homeownership assistance described in this section. Most of the regulations governing homeownership assistance apply to the pilot program.

Eligibility: the family must meet the definition of "disabled family." The family is not required to meet the low-income requirement, but annual income cannot exceed 99% of the area median. The family must not be a current homeowner and must close on the home within 3 years of July 23, 2001. The family need not meet the definition of "first-time homeowner."

Homeownership Assistance Payments: Payments are calculated as described in this section. A low-income family receives the full assistance payment. A family whose annual income is between 81% and 89% of area median receives 66% of the assistance payment. A family whose annual income is between 90% and 99% of area median receives 33% of the assistance payment. The HA must make payments to the lender.

Mortgage Defaults: The HA may permit the family to move with continued homeownership assistance if the default is due to catastrophic medical reasons or to the impact of a federally declared disaster.

The HA will not **offer homeownership assistance under the pilot program for disabled families**.

To the extent applicable, the HA's policies for homeownership assistance apply to families participating in the pilot program.

Reserved

Chapter 21

FAMILY UNIFICATION PROGRAM

INTRODUCTION [24 CFR Parts 882 and 982]

This program is designed to promote family unification by providing rental assistance to families for whom the lack of adequate housing is a primary factor in the separation, or the threat of imminent separating of children from their families.

A. ELIGIBILITY CRITERIA FOR FAMILY UNIFICATION PROGRAM (FUP)

Family Unification eligibility is based on a family fitting the following criteria, Federal Regulation/vol.14, no. 43, dated March 5, 1999.

1. The imminent placement of the family's child or children in out-of-home care

2. The delay of discharge of a child or children to the family from out-of-home care

B. DEFINITIONS

For purposes of the Family Unification Program:

1. Family Unification eligible family means a family:

    a. Whom the public child welfare agency has certified is a family for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child or children in out-of-home care, or in the delay of discharge of a child or children to the family from out-of-home care; and

    b. Whom the Housing Authority has determined is eligible for Section 8 Housing Choice Voucher Assistance.

2. Lack of Adequate Housing means a situation in which a family is living in substandard housing, or is, or will be involuntarily displaced from a housing unit.

3. Public child welfare agency means the public agency that is responsible under applicable State Law for determining that a child in out-of-home care under the supervision of the public agency may be returned to his or her family.

C. THE ROLE AND RESPONSIBILITIES OF THE HOUSING AGENCY (HA) IN THE SELECTION OF FAMILIES FOR THE FAMILY UNIFICATION PROGRAM

1. Determining whether the families referred by the CSD are eligible for any Section 8 Housing Choice Voucher assistance , the HA does not re-determine eligibility for FUP program;

2. The HA will review the existing Section 8 waiting list to identify families that may be eligible for the Family Unification Program. The HA will continue to review new applicants for the Section 8 program and refer the families on the Section 8 waiting list to the CSD for a determination of whether the family meets eligibility requirements;

3. Processing of housing subsidies and distribution to families in the order referred;

4. Make changes in administrative and equal opportunity plan where necessary;

5. Maintain quality program data for future program evaluation;

6. If Section 8 assistance to any FUP family is terminated, the Housing Choice Voucher will be reissued to another eligible family. The HA guarantees that 50 Section 8 Housing Choice Vouchers will be available for FUP families.

7. The HA will expedite the process for third party verification of a family's income and eligibility to the maximum extent possible. The HA will complete the third party verification while the family is searching for a unit and will use oral verification where applicable.

D. THE ROLE AND RESPONSIBILITIES OF THE CHILD WELFARE AGENCY (CSD IN THE CERTIFICATION OF FAMILIES FOR THE FAMILY UNIFICATION PROGRAM)

1. Establish and implement a system to identify eligible families within the agency's caseload and reviewing referrals from the HA; CSD is responsible for certifying families eligible for FUP;

2. Develop procedures for referring FUP eligible families to the HA and provide written certification to the HA that a family qualifies for the FUP;

3. Commit staff to ensure that eligible families are identified and the certification process is completed in a timely manner; and

4. CSD agrees to maintain relevant data and provide written information as requested for program evaluation.

E. PROCEDURE FOR USE OF THE HA WAITING LIST FOR SECTION 8 RENTAL ASSISTANCE

1. The HA will first review its list to determine if there are any CSD referred families already on the list who may be eligible.

2. In those instances where the Housing Authority waiting list is closed, and the waiting lists have been exhausted for FUP families, the HA may open the list for family Unification Program eligible families only. These families may be referred by the CSD, private service providers or families may refer themselves.

3. Once a list of FUP eligible families has been made, FUP Housing Choice Vouchers will be disbursed in the rank order of the Section 8 waiting list.

F. HA TENANT SELECTION OF FAMILIES

Families on the Eligibility List for the Family Unification Program that also qualify for Section 8 Housing Choice Vouchers will be offered housing based on:

1. Their rank order on the Section 8 waiting list, or the order in which they were referred, and;

2. Availability of a Family Unification Program Section 8 Housing Choice Voucher of the budget allotment needed;

G. FAMILY UNIFICATION PROGRAM HEARING/GRIEVANCE PROCEDURE

1. All persons applying to or enrolled in the Family Unification Program can request an informal hearing from the HA on their Section 8 application.

2. The HA is responsible for defending its eligibility decisions, pertaining to the family's eligibility for Section 8 rental assistance. Section 8 informal hearing procedures will be utilized.

3. The CSD is responsible for defending its FUP family eligibility determinations

4. The procedure to be used in these instances shall be the same as currently in effect for Section 8 Participants, as set forth in Chapter 19 of the Administrative Plan.

H. TERMINATION OF RENTAL ASSISTANCE

The termination of rental assistance shall be in accordance with Chapter 15 of the Administrative Plan.

1. If Section 8 Assistance for a family under this program is terminated the Housing Choice Voucher must be reissued to another eligible family under FUP.

I. Refer to Chapter 7 for the Local Preferences for Family Unification Program

THE FAMILY SELF-SUFFICIENCY PROGRAM (FSS)

INTRODUCTION

The purpose of the Family Self-Sufficiency (FSS) is to establish a relationship between public and private agencies and the Housing Authority of the County of Monterey (HACM), that will enable very low-income families who are eligible to receive assistance under the Section 8 Housing Choice Voucher program to also receive high quality comprehensive supportive services. It is the Housing Authorities intent that these supportive services may in turn enable housing assistance recipients to achieve economic independence and self-sufficiency.

The ultimate goal is to eliminate the tenant's dependency on welfare assistance and subsidized housing. Various local resources, such as childcare, transportation, etc. will be provided to the FSS program participants. The community services will be coordinated and delivered to the participating families within their five-year contract period. This assistance will position them to obtain the employment and educational training that they require so they can attain self-sufficiency.

The objective of the FSS program is to reduce the dependency of low-income families on welfare assistance, Section 8 housing assistance, and other Federal, State, and local subsidies.

The FSS program links participants to high quality, comprehensive supportive services including education, job training, counseling, and other forms of social service assistance necessary to achieve self-sufficiency. A successful FSS program in the County of Monterey will enhance the standard of living and self-esteem of the participants as they become more productive members of the community and are no longer dependent on governmental assistance. All rules and regulations and eligibility requirements of the Section 8 program apply to the FSS participants except where noted.

The Housing Authority of the County of Monterey is fully supportive of the FSS program. The HACM realizes that an effective FSS program will require a combination of flexibility and creativity for participating families, service providers, and HACM staff. The HACM understands that there are both personal and systematic roadblocks to overcome before a family can escape from long-term poverty and gain economic independence. Nonetheless, achievement of the families' goals is possible, and the HACM is committed to the FSS program's efforts.

The HACM will periodically contact agencies providing supportive services to participating families. The Authority will use this contact as a means of measuring the participant's progress. Agency responses will also be used to
determine if any of the participants needs are not being met and to work on ways to better serve the program participants.

We believe that, for a motivated client, gainful employment and family stability are attainable within a five- year period. However, the likelihood of success is significantly higher when self-sufficiency is pursued within the context of a system of support services. True economic self-sufficiency is a goal that clients must continue to pursue long after the completion of the FSS Contract of Participation.

A. FSS PROGRAM SIZE [24 CFR 984.105 (ii)]

When funding is available, the HACM will enroll eligible applicants or existing Section 8 participants whose eligibility has been determined.

The HACM will not discriminate against otherwise qualified persons because of their disabilities and will make reasonable accommodations to the person's disability to allow participation in the program. The HACM may decide that an accommodation is not reasonable if it causes undue financial and/or administrative burdens.

FSS Coordinator Funding

For continued funding of the FSS Coordinator position for the Housing Authority of the County of Monterey, the Authority will determine the number of mandatory FSS vouchers per HUD regulations [24 CFR 984.105].

B. INCENTIVES TO ENCOURAGE PARTICIPATION [24 CFR 984.201 (5)]

The HACM has established many incentives to encourage participation in the FSS program. Listed below are just a few of the inducements being offered to participating families on the FSS program:

Opportunity

The primary incentive given to FSS participants is the opportunity to change the household's social and economic status from one of dependence on subsidies to one of self-sufficiency and self-reliance.

Community Resources

A host of community resource agencies is at the disposal of each program participant to access and utilize on an as-needed basis for training, education, and workshop purposes. Each participant will be linked with job training, educational, and supportive service agencies to provide the supportive services necessary to develop self-sufficiency. FSS families will be provided with information on local homeownership opportunities also.

Escrow Account

An escrow account will be opened for each FSS participant who signs the Contract of Participation (COP). The escrow account will be funded by the families increase in earned income. It will be maintained in accordance with the requirements set forth in 24 CFR 984.305 of the Federal Register published May 27, 1993, 24 CFR Part 905 et al., and Family Self Sufficiency Program Final Rule. The HACM will deposit the FSS account funds of all participating families into a single depository account.

Assurances of Non-Interference with Rights of Non-Participating Families
[24 CFR 984.201 (10)]

Tenant participation in the FSS program is strictly voluntary. Therefore, all tenants will be notified in all literature related to the FSS program should they decide not to participate in the FSS program, it will not affect their Section 8 housing subsidy. The family will retain their right to occupancy according to their lease.

C. OUTREACH EFFORTS FOR FSS PARTICIPANTS [24 CFR 984.103 (2)]

The HACM will recruit potential FSS participants through a variety of modes to ensure high levels of participation and to gain acceptance and support of the FSS program concept in the local community. Therefore, program outreach activities will be targeted primarily to all eligible families on the Section 8 program.

The HACM will provide sufficient information to interested families to allow them to make an informed decision concerning participation in the FSS program. Recruitment activities will include, but are not limited to:

- Mailing informational brochures and/or flyers to all Section 8 recipients including FSS information in related HACM publications.
- Posting FSS information on bulletin boards and providing informational brochures at the HACM office and other social service agencies.
- Providing information regarding the FSS program to caseworkers from other social service agencies.
- Presentations at community meetings as the need arises.
- Promotion through the local media
- Eligible Section 8 recipients may be told of the benefits of the FSS program at the time new vouchers are issued and at each annual re-examination appointment.

Outreach materials will provide basic information on how the FSS program works, what a family needs to do to get involved and a contact person for more information. An explanation of the incentives offered to encourage participation will also be included. Outreach methods and

materials will comply with all applicable Fair Housing and Equal Opportunity requirements. As tenant turnover occurs, the FSS Coordinator will provide written information concerning the FSS program to all eligible tenants in the Section 8 Housing Choice Voucher program.

If these measures do not result in sufficient enrollment in the FSS program according to HUD requirements, the HACM will implement additional outreach activities to eligible Section 8 families.

D. FAMILY SELECTION PROCEDURES [24 CFR 984.203]

Families selected for participation in the FSS program will consist ofeligible recipients of the Housing Choice Voucher Program. Selection will be made without regard to race, color, religion, sex, handicap, familial status, or national origin.

FSS Preferences

The HACM gives an FSS selection preference in the following order:

1. Incoming portable families with active FSS Contracts of Participation in accordance with the Portability section (Chapter 13) of the Section 8 Administrative Plan;
2. Existing Section 8 families;
3. Eligible waitlist applicants.

FSS Enrollment Process: Prospective FSS participants will be given an FSS program application in addition to informational materials describing the program.

Applications: The submission of a completed application form constitutes notification to the HACM of the applicant's interest in the FSS program. Applicants will be placed on an FSS waitlist by the date and time their application was received by the HACM.

In-Take Interviews: Each client that wished to enroll in the FSS program is scheduled for an in-take interview. The potential participant is instructed to complete a Client Profile form and bring it to the in-take interview. FSS staff uses the profile as a starting point in conducting the in-take interview, assessing the client and family's needs, and developing the Individual Training and Service Plan (ITSP).

Motivational Screening: The HACM will use the following as a means of screening for interest and motivation to participate in the FSS program:

- Prompt attendance at the in-take interview.
- Completion of the Client Profile form prior to the interview.
- Completion of assigned tasks as part of the development of the ITSP.

Good Standing: Clients interested in enrolling in the FSS program must be in good standing with the HACM. A client will not be considered for the FSS program if he or she is in violation of a written agreement with the HACM to repay amounts paid to a landlord by the Housing Authority

on behalf of the family. A delinquent balance or a pattern of missed payments under an executed repayment agreement will render a client ineligible for the FSS program. A client with an executed repayment agreement and a record of timely payments is considered a client in good standing.

Eligibility: The Housing Authority will consider a family eligible for the FSS program when the following conditions are met:

- The family has submitted an FSS application.
- The family does not owe money to the HACM or any other Housing Authority.
- The family is not in violation of any Section 8 regulations including Housing Quality Standards (HQS).
- The family has completed assessments or assignments required for the purpose of developing an ITSP.
- The family must be willing to pursue the goals of the FSS program and be willing to enter into a contractual agreement with the Housing Authority.

When space is available in the FSS program, the next eligible family on the waitlist will be contacted for an interview with the FSS Coordinator to complete the ITSP and sign a Contract of Participation (COP). Applicants who do not schedule and attend the interview or who are not willing to sign an FSS COP will be taken off the FSS waitlist.

Participation in the FSS program is strictly voluntary. A family's election not to participate in the FSS program will in no way jeopardize their right to occupancy in accordance with their Section 8 program. They will retain their right to tenancy in the Section 8 housing assistance program.

The HACM will consider a family ineligible for the FSS Program under the following conditions:

- The family was terminated from a previous FSS program.
- The family completed the FSS Contract of Participation.
- The family owes money to the HACM.
- The family was previously on the FSS program and was awarded their escrow funds.

Denial of FSS Participation

The HACM may, at its discretion, deny participation in the FSS program to a family that:

- Previously participated and was terminated from FSS because they did not meet their FSS obligations as per the COP.
- Does not meet the requirements of the family selection procedures described in the Family Selection Procedures section on page (4) of this document.

Families denied participation in the FSS program may request an informal hearing to determine whether the decision was made in accordance with HUD regulations and the guidelines in this plan. The request for an informal hearing must be made in writing within seven (7) working days of the date of notification of the decision to deny participation.

Equal Opportunity: The Housing Authority of the County of Monterey assures that selection of participating families will be made in a nondiscriminatory manner without regard to race, color, religion, sex, family status, national origin, sexual orientation, disability, or political affiliation in compliance with Title VI of the Civil Rights Act of 1964 as amended, Title VII of the Civil Rights Act of 1968 as amended and Executive Order 11063.

E. IDENTIFICATION OF FAMILY SUPPORT NEEDS

FSS program participants will be required to complete a detailed client profile that will help determine family support needs. After reviewing the response to the client profile, the FSS Coordinator will work with the participant to develop an ITSP tailored to that client. The type of supportive services and resources to be provided to eligible participating families will be based on individual needs. The Housing Authority anticipates that the major needs for services and resources will be in the following categories:

- Education
- Job Training
- Childcare
- Transportation
- Money Management/Financial Strategies
- Homeownership Counseling

With the support of the FSS staff, the client sets his/her own goals. FSS staff is available to provide information, offer guidance, support, suggest options, and make constructive observations about the appropriateness of the client's goals. If there are adult members in the family who are also interested in participating in the FSS program, they will also be interviewed and guided in the development of options and goals.

The Individual Training and Service Plan is developed as a result of discussions between the FSS Coordinator and the perspective participant. Specific goals are identified, defined, and sequenced. The client will receive assistance with mapping out the sequence of interim steps that need to be taken to achieve each goal and to establish realistic target dates for their completion. All goals are concrete, measurable, reasonable, appropriate, and include the mandatory final goal of obtaining and maintaining suitable employment.

In addition to stating the participant's final goals, the ITSP also delineates the supportive services the participant will need in order to meet each short and long- term goal. Just as the participant commits himself/herself to fulfilling the goals specified in the ITSP, the Housing Authority makes a commitment to ensure that the client has access to key services and resources essential to the accomplishment of his/her goals. FSS staff assists in accessing an array of supportive services provided by the network of private, public, and community agencies that have lent their support to the Family Self-Sufficiency program.

Applicants may be required to complete assessments or assignments relating specifically to the development of an ITSP. Assignments may include, but are not limited to:

- Completing career exploration
- Developing a family budget
- Seeking professional assistance for family members with substance abuse, health, or mental health issues.

When finalized, the ITSP becomes an attachment to the COP. Execution of the Contract of Participation enrolls the client in the FSS program.

Community Resources: A host of community resource agencies is at the disposal of each program participant to use on an as needed basis for training, education, and workshop purposes. Each participant will be linked with job training, educational, and supportive services agencies to provide the services necessary to develop self-sufficiency. FSS families will also be provided with information on local homeownership opportunities.

F. CONTRACT OF PARTICIPATION

Each client entering the FSS program must execute a COP with the Housing Authority. The Contract of Participation (HUD form 52650) is executed after the FSS Coordinator and the client have worked together to identify and prioritize the client's needs and goals. The COP with attached ITSP establishes the terms and conditions governing FSS participation; the rights and responsibilities of the client and the Housing Authority; the services to be provided to the client; and the activities the client agrees to undertake.

The effective date of he COP is the first day of the month after the contract is executed. The contract term is five (5) years. At the request of the family, an extension of up to two (2) years may be granted. Extensions are granted for good cause only and at the HACM sole discretion. If the FSS participant exercises portability and enters another Housing Authority's FSS program, the new contract will be for the term remaining on the initial contract, with the initial income base.

The Contract of Participation is signed by the head of the FSS family. The head of the FSS family is defined as the head of the client's household for purposes of determining income eligibility and rent. The head of the FSS family need not necessarily be the leaseholder.

The COP must include an ITSP for the FSS client and any family member (18) years or older who chooses to participate in the FSS program. All applicable Individual Training and Service Plans and the COP must be signed by the FSS client (or participating family member), and the FSS Coordinator. The plan outlines the resources and services the Housing Authority agrees to provide, and it contains clear and specific short and long-term goals with completion dates by which progress toward self-sufficiency can be measured and evaluated. The plan also provides a format for recording each goal the client agrees to fulfill. It will also detail the sequence of steps that must be taken to meet each goal and the services needed to support the client's efforts.

Family Obligations: The ITSP must state the final goal of: 1) obtaining and maintaining suitable employment throughout the contract term; 2) for all members to be free of welfare assistance at least one year before the contract expiration date, including any extensions; and 3) consideration of homeownership.

Head of Household **Must:**

- Seek and maintain suitable employment throughout the contract term;
- Complete activities in the ITSP within the specified dates;
- Provide the HACM with information about the family's participation in the FSS program upon request, including information regarding employment, job interviews, training, education, attendance, and other FSS services and activities.

All family members **must:**

- Comply with the terms of the Section 8 program and lease agreement;
- Comply with the family obligations under the Section 8 program; and
- Live in the jurisdiction of the FSS program at lease twelve (12) consecutive months from the effective date of the contract, unless waived by the HACM;
- Be free from welfare assistance at least twelve (12) months prior to the expiration date of the COP.

In order to fulfill the employment requirement, the participant must actively and consistently pursue job opportunities, submit employment applications, attend job interviews, etc. Participants are expected to routinely provide reports to the FSS program on his/her progress in obtaining suitable employment. The suitability of employment is based on the labor market for the area. The HACM is responsible for assessing the suitability of the job(s) the participant is seeking. However, decisions regarding suitability are made with the maximum input and involvement of the participant. Our aim is to help our participants seek and obtain employment that pays the client a "living wage."

Participants whose ITSP contains interim educational goals are required to seek and maintain a suitable job after the contracted course of study is completed. We also encourage participants who are part-time students to seek and obtain a part-time job while in school. The requirements to seek and maintain employment during the term of the FSS contract cannot be met by merely attending school or a training program.

Extensions: The COP may be extended for a period of up two (2) years when the Housing Authority determines that circumstances beyond the family's control prevent the timely completion of the goals in the ITSP. Extensions will only be granted in cases of extenuating circumstances, such as major illness, involuntary job loss, or to allow families to meet the interim goal of independence from welfare assistance for twelve consecutive months prior to graduation. If the client believes that he/she has a good cause for needing a contract extension, he/she must submit a written request to the Housing Authority **prior** to the expiration date of the COP.

All extensions to the term of the COP will be granted at the sole discretion of the FSS Coordinator and Director of Housing Assistance Programs. If the client is employed and has earned income in excess of the amount stated on the COP, credits will continue to be posted to the client's FSS escrow account during the contract extension.

Modifications: If the Housing Authority and the family mutually agree, the Contract of Participation may be modified in the following areas: content of the ITSP; designation of FSS head of household, and contract term (see Extensions).

The FSS program will make every effort to ensure that all needed support services are provided to the family. If an agency is unable to provide the agreed upon services, the HACM will make a good faith effort to obtain the services from another agency. If that is not possible, we will explore with the client the option of providing an alternative service. If the unavailable services are essential to the family's ability to achieve self-sufficiency, the ITSP will be revised to delete the unavailable services and/or add the alternative services.

If the family circumstances require that the ITSP be amended, the goals and support activities in the plan must be revised in writing, with the revisions signed and dated by the participant and the FSS Coordinator. However, all goal completion dates must be prior to the contract expiration date.

A change in the designated FSS head of household **must** be included as a written attachment to the Contract of Participation, signed and dated by the FSS Coordinator and the new head of the FSS family. If the FSS head of household leaves the home during the contract term, the family member that retains the voucher may be designated the new head of the FSS family. If the new head of the household plans to continue the family's participation in the FSS program, an ITSP will be established for the new head.

As a signatory to the COP, the newhead of the FSS family will be required to meet all contract obligations and FSS goals. If the new head of household does not wish to participate in the FSS program, the family's participation will be terminated and the escrow funds will be forfeited.

If an adult member of the household who was participating in FSS leaves the home, that persons ITSP will be deleted from the COP. A written revision to the COP is required for all changes in FSS household composition that involves the development of a new ITSP or deletion of plans for absent family members.

Completion: The Contract of Participation will be considered successfully completed when the family has fulfilled all of its contractual obligations on or before the expiration of the contract term, including any extensions. FSS staff will verify that: 1) the family has been free of welfare assistance for at least one year prior to the contract expiration date; 2) the head of household is suitably employed; and 3) the family has met all of the terms as specified in the COP.

The COP will also be deemed complete when 30% of the family's monthly- adjusted income exceeds or equals the existing Fair Market Rent (FMR) for the applicable unit size. Under this circumstance, the COP could be completed in less than the allotted five-year period.

A family may continue to receive Section 8 assistance following successful completion of the COP. A family remaining on the Section 8 program following successful completion of the FSS program will not be allowed to participate in the FSS program a second time.

The HACM has sole discretion to determine whether the family has successfully completed its Contract of Participation.

Procedures for Graduation

1) FSS Family Responsibility - To successfully graduate from the program, the family must:

    A. Demonstrate that all interim and final goals in the COP were completed on or before the expiration date of the contract.
    B. Submit verification that all household members are independent of welfare assistance.
    C. Submit verification that the head of household is suitably employed.
    D. Submit a request for consideration for graduation in writing to the HACM.

2) The HACM Responsibility:

    A. Requests for graduation consideration will be reviewed by the FSS Coordinator and the Director of Housing Assistance Programs (HAP).
    B. The HACM will disburse any accumulated escrow funds to the family upon determination of successful graduation.

Denial of Graduation Request

If the HACM determines that a participant did not successfully complete the program requirements, the participant may request an informal hearing to determine whether the decision to deny graduation was made in accordance with HUD regulations and the guidelines in this plan. A request for an informal hearing must be made in writing within ten (10) calendar days of the date of notification of the decision to deny graduation from the FSS program.

Non-Compliance

If the family does not comply with its obligation under the Contract of Participation, including the obligation to seek and maintain employment, the HACM will withhold supportive services, terminate the family's participation in the FSS program, and reclaim the funds in the family's escrow account. Prior to termination of FSS participation, the client will be counseled, warned in writing, permitted to revise the ITSP, if appropriate, and offered the choice of voluntary withdrawal from the FSS program. If the proposed FSS termination proceeds, the client will be afforded the opportunity for an informal hearing, as outlined in the Housing Authority's Administrative Plan.

The family is eligible to continue receiving Section 8 assistance following termination of FSS participation, however the family will not be eligible to re-apply for the FSS program in the future. At termination, the family will be reclassified as a non-FSS family, and a replacement family will be selected for the available program slot.

If the family's Section 8 assistance is terminated, its FSS participation will be terminated simultaneously. The client will be entitled to an informal hearing with regard to the termination of housing assistance; an additional informal hearing for the simultaneous FSS termination will not be granted.

Withdrawal: An FSS participant may withdraw from the program with written notice to the Housing Authority stating the reason for withdrawal. A withdrawal will be considered a termination by mutual consent. The participant will forfeit the funds in the escrow account. Following a withdrawal from the program, the participant will be eligible to re-apply for the FSS program in the future; however at the time of re-application; the participant's name will be placed at the bottom of the FSS waiting list. At the time of withdrawal, the family will be re-classified as a non-FSS family and a replacement family will be selected for the FSS program.

G. ESCROW ACCOUNTS

The Housing Authority of the County of Monterey offers monetary and non-monetary incentives to encourage participation in the FSS program as a means of rewarding participants to progress towards self-sufficiency.

Non-monetary: Participants receive numerous non-monetary benefits, such as comprehensive case management services, access to a network of resources, peer support, advocacy, and a safe setting to practice life skills. The individual attention, support and problem solving assistance provided by the FSS staff provides very real benefits in terms of sustaining gains in self-esteem, promoting family stability and unity during times of transition while fostering expectations of success.

Escrow Account: Monetary incentives are established via credits to a savings account in the name of the participant called an escrow account. The amount of the escrow account credit varies according to the family's increase in earned income. The base-line earned income figure is determined by the family's earned income at the time of the signing of the Contract of Participation. Escrow funds are placed in an interest bearing depository account and made available to the FSS client upon successful completion of the COP.
Credit Calculation: Families participating in the FSS program continue to pay rent in accordance with their incomes. Tenant rent is calculated according to the Housing Choice Voucher program regulations. Annual re-examinations for FSS are scheduled and conducted in accordance with re-examination procedures utilized for all HACM clients as outlined in the Administrative Plan. FSS clients are subject to the same requirements with respect to verifications of household income and composition. HUD requires all participants to report all changes in household composition to the Housing Authority between annual re-examinations. FSS participants are urged to report increases in earned income in order to accurately calculate escrow credit.

When the FSS COP is executed, the family's annual income, earned income, and family rent are inserted into the contract to be used as base-line figures for future escrow calculations. The Housing Choice Voucher program defines the family rent as 30% of the adjusted monthly income. The annual income, earned income, and family rent figures in the COP are derived from the family's most recent annual or interim re-examination provided that less than 120 days have elapsed between the effective date of the most recent re-examination and the effective date of contract. If more than 120 days have elapsed, a new re-examination shall be conducted prior to the execution of the COP.

The Housing Authority's Section 8 Administrative Plan states that families must report increases or decreases in income/assets between regular re-examinations (See Chapter 12.C Reporting Interim Changes [24 CFR 982.516]). FSS participants will be permitted to report an increase in family income in order to establish or increase FSS escrow credit while paying a higher rent. The client will be required to provide all appropriate documentation supporting the change in income to the Section 8 Housing Specialist. The rent increase and the posting of the corresponding escrow credit will take effect the first of the month after the standard (30) day notification period.

The FSS credit is based on the family' increase in earned income. It does not include increases in welfare benefits or other unearned income or the income of children under 18. If the FSS client marries, the spouse's earned income will be counted when computing the FSS escrow credit whether or not the spouse is actively participating in the program. If the family reports no income, no escrow credit will be received until earned income is generated and reported. Credits to the FSS escrow account will cease when the COP has been successfully completed, terminated, or otherwise nullified.

Escrow Accounting: Escrow funds are deposited in an interest bearing account managed by the Housing Authority County of Monterey Finance Department. A monthly balance sheet detailing the family's escrow credit and applicable interest accumulation is generated. Once the family begins to pay a rent portion based on the presence of earned income, the FSS credit will be computed according to HUD guidelines and credited to the family's account monthly. Each family receives an annual statement detailing the status of the escrow account that includes the balance and accrued interest.

In the event that the family becomes delinquent in their rent payments, the balance in the FSS account will be reduced by that amount prior to the pro-ration and distribution of interest income. FSS account balances are adjusted in cases of rent delinquency because the credit is based on the amount of rent the family actually paid, not the amount charged.

Disbursement of Escrow Funds: The amount in the FSS account in excess of any amount owed to the Housing Authority by the family will be paid to the head of the FSS family when the COP has been successfully completed and verified by the Housing Authority that no member of the FSS family has received any for of welfare assistance for at least on year.

If the family fulfills its FSS contract obligations prior to the end of the five year contract period, and the Housing Authority has verified that no member of the FSS family has received any welfare assistance for at least one year, the head of the FSS family will be paid the amount in the FSS account less any amount owed by the family to the Housing Authority. Early completion of the contract obligations can also occur when the family's tenant payment (30% of the monthly adjusted income) is equivalent to the Section 8 Fair Market Rent for the unit size for which the family qualifies.

Interim Disbursements: Escrow funds may be withdrawn before the completion of the contract if the family has completed specific interim goals designated by the Housing Authority of the County of Monterey. The determination to disburse funds will be at the sole discretion of the FSS Coordinator and the Director of Housing Assistance Programs under the following conditions:

- The funds are needed to complete goals in the family's COP (example: to pay for school tuition, job training, or business start-up expenses);
- The family can demonstrate completion of specific interim goals from its COP;
- Interim disbursements may not be granted for more than 50% of the family's escrow balance at the time of request;
- The HACM will not grant more than (2) interim disbursements per family;
- The request for interim disbursement must be in writing and include verification that the funds will be utilized for the completion of a goal as stated in the family's COP; and
- Interim escrow disbursements will be paid in the form of a check made payable to the agency or business providing the required items or services.

Succession: If the head of the FSS family ceases to reside in the assisted unit, the remaining members of the household may designate another family member to receive the escrow funds upon successful completion of the COP. The designation of an alternate family member to receive the escrow funds must be made in consultation with the FSS Coordinator. If the FSS head of the family separates from his/her spouse, the family member retaining the voucher may designate him/herself to receive the escrow as authorized by FSS regulations.

Forfeiture of Escrow Funds: [24 CFR 984.305 (f)]

If an FSS participant's COP is terminated or declared null and void the family has no right to receive funds from the family's FSS escrow account. The Housing Authority will close the family's escrow account and may use the forfeited funds in accordance with HUD regulations.

Escrow monies in the FSS account will be forfeited if the Housing Authority terminates the COP or if the COP is completed but the family is receiving welfare assistance when the contract expires, including any extensions. If an FSS family fails to pay rent per the lease agreement under the Section 8 Housing Choice Voucher program, the funds may be forfeited because compliance with the Section 8 housing lease is a family obligation under the contract. Non-payment of rent is grounds for terminating a family's FSS participation and forfeiture of the escrow account.

FSS account funds that are forfeited by a FSS family will be treated as program receipts for the payment of program expenses under the Housing Authority budget for the applicable Section 8 program, and shall be utilized in accordance with HUD requirements governing the use of such program receipts.

H. PORTABILITY

Potential candidates for the FSS program proceed through the intake process without regard to their status as portability clients. If an incoming portability client is selected for the FSS program, the client's voucher will be absorbed by the Housing Authority of the County of Monterey in order to facilitate the client's participation in the Family Self-Sufficiency program.

Out-Going Portables: As the FSS client begins to consider exercising portability, the FSS Coordinator will discuss all transfer options with the client. It is the responsibility of the FSS family to inform the receiving Housing Authority of its FSS status and to contact the FSS Coordinator at the receiving Housing Authority. FSS clients porting out of Monterey County must promptly re-enroll in the receiving housing authority's FSS program if they wish to continue their participation in the program. If the client is unable to continue participation in the receiving housing authority's FSS program and it is not feasible for the family to continue in the HACM FSS program after transfer, the family's participation in the HACM FSS program will be terminated. Support services will cease and the family will forfeit funds in the FSS account.

Incoming Portables: The Housing Authority of the County of Monterey is not obligated to accept incoming portable FSS participants into the FSS program. Acceptance of incoming portable clients is entirely at the discretion of the Housing Authority. A selection preference will not be granted to FSS families transferring in from other jurisdictions. The HACM will accept incoming FSS families as allotted FSS slots become available.

It is the responsibility of the FSS family exercising portability into the HACM jurisdiction to notify the Housing Authority of their status as an FSS participant. Families that notify HACM of their FSS status within ninety (90) days of the date of their lease up in the Housing Authority's jurisdiction may be accepted into the FSS program as space is available.

Denial of FSS Participation

The HACM may, at its discretion, deny participation in the FSS program to a family that previously participated and was terminated from the program because they did not meet their FSS obligations according to the COP.

Families denied participation in the FSS program may request an informal hearing to determine whether the decision was made in accordance with HUD regulations and the guidelines in this plan. The request for an informal hearing must be made in writing within seven (7) working days of the date of the decision to deny participation.

I. PROGRAM TERMINATION / WITH–HOLDING OF SERVICES AND AVAILABLE GRIEVANCE PROCEDURES [24 CFR 984.303]

Families that fail to meet their FSS obligations will be terminated from the FSS program. The COP will be cancelled, supportive services will be discontinued, and the funds in the escrow account will be forfeited. The family will be allowed to continue receiving Section 8 assistance provided that the family continues to meet all obligations under the Housing Choice Voucher program. The family will retain its voucher and will be re-classified as a non-FSS family. They will not be eligible to re-apply for the HACM FSS program in the future.

If a family's Section 8 voucher assistance is terminated for fraud, criminal activity, or violation of obligations under the Section 8 program the family will simultaneously be terminated from the FSS program. The FSS Contract of Participation will be cancelled, supportive services will cease, and any escrow funds accumulated will be forfeited.

The termination of an FSS family's Section 8 voucher assistance due to fraud, criminal activity, etc. shall be handled in a manner identical to that used for non-FSS families. An additional hearing in connection with the FSS termination will not be granted.

Reasons for Termination: The COP may be terminated before the scheduled contract term for any of the following reasons:

- Mutual consent by participant and the FSS Coordinator
- The FSS family fails to meet its obligations outlined in the COP
- The family withdraws from the FSS program
- Other acts deemed inconsistent with the purposes of the FSS program or by operation of law

Failure to meet the terms of the COP may include:

- Continued unexcused absences from scheduled meetings or appointments
- Failure to seek and maintain suitable employment
- Refusal to comply with the contract obligations
- Failure to complete the requirements of the ITSP

Available Grievance Procedure:

If the HACM staff determines the need to terminate or withhold a participant's supportive services under the COP for failing to comply with the terms of the contract, the participant will be allowed to request an informal hearing before the termination is executed.

All notices of termination will be in writing. The reason for termination will be specifically explained in the notice. All requests for a hearing must be in writing. The HACM will make a good-faith effort to informally resolve the complaint prior to a scheduled hearing. Participants shall have the right to withdraw their request for a hearing in writing any time prior to the scheduled hearing date.

Participants shall have the right to be represented, at their own expense, by a person(s) of their choosing at all levels of the compliant process. All complaints concerning FSS are to be made directly to the Housing Authority's FSS Coordinator.

Request for Hearing:

A participant has ten (10) calendar days from the date of termination notice in which to request a hearing. A request for a hearing that is not received within the ten-day time limit will no be considered. The HACM **will not** grant any extensions of time in which to file. The request for a hearing **must** include the following information:

- Full name, telephone number, and the mailing address of the participant,
- Written request for a hearing based upon the actions taken by the Housing Authority; and
- Summary statement of the reasons the participant feels that termination is not justified.

The Director of Housing Assistance Programs will review all requests for hearings filed by participants of the FSS program. The Director of Housing Assistance Programs may reinstate the program participant to the FSS program if extenuating circumstances offered by the participant warrant the reinstatement.

J. ASSURANCE OF NON-INTERFERENCE

Participation in the Family Self-Sufficiency Program is voluntary and is not a requirement for continued Section 8 voucher assistance. A family's election not to participate in the FSS program will not affect the family's admission to or continued participation in the Section 8 Housing Choice Voucher program or the family's right to occupancy in accordance with it lease.

K. PROGRAM COORDINATING COMMITTEE [24 CFR 984.202]

The Housing Authority of the County of Monterey will maintain a Program Coordinating Committee (PCC) to assist the FSS program in securing commitments from public and private resources for the operation of the FSS program. The PCC will act as an advisory body to the FSS program. Additionally, the PCC will expedite and coordinate agreements between the HACM and potential service providers. The PCC will meet annually.

Chapter 23

WELFARE-TO-WORK RENTAL VOUCHERS PROGRAM

INTRODUCTION

This program is targeted to welfare recipients for whom housing assistance is critical to obtaining or retaining employment.

The Quality Housing and Work Responsibility Act of 1998, provides enhanced incentives for work through practices such as income disregards, ceiling rents and it also allows Housing Authorities to create admissions preferences for families moving from welfare-to-work.

Families gain access to employment, training, education, case management and childcare and other services through programs. These and other programs work through partnerships with local public, private and nonprofit service providers.

For purposes of the Welfare-to-Work Program: Welfare-to-work rental voucher program eligible family means a family that meets the eligibility requirements of the normal tenant-based Section 8 assistance program.

A. ELIGIBILITY CRITERIA FOR WELFARE-TO-WORK RENTAL VOUCHERS PROGRAM

Welfare to Work eligibility is based on a family, which meets the following criteria, (Federal Regulation/Vol. 64, No.18, dated January 28, 1999.)

1. Families must be eligible to receive, be currently receiving, or shall have received within the preceding two years, assistance or services funded under the TANF program.

2. Tenant-based housing assistance must be determined to be critical to the family's ability to successfully obtain or retain employment; and

3. The family shall not already be receiving tenant-based assistance under Section 8 Housing Assistance Program.

4. To be eligible for selection for the Section 8 Welfare-to-Work Rental Voucher Program, families must be on the waiting list used by the Housing Authority for its tenant-based Section 8 program and meet the eligibility criteria of the welfare-to-work program.

B. APPLICANT ELIGIBILITY

- Applicants exempt from the CalWORKS requirements are not eligible for the Welfare to Work Program.

- The applicant does not qualify for the Welfare to Work Voucher if the applicant is not able to work or attend school.

C. PARTICIPANT CONTINUED ELIGIBILITY

- To continue to qualify for the WtW Voucher Program, the participant must be working or going to school.

- Employed is defined as working a minimum of 128 hours per month for a single parent or 140 hours per month for a two-parent household.

- Attending school is defined as a minimum of 6 units from an accredited college or as defined in a vocational training program or adult education facility.

- Maximum period of time a participant can be without employment or going to school is six (6) months accumulative during a 12-month period. Receiving unemployment benefits satisfies employment requirement.

- Success on WtW Program is when the family has been independent of welfare assistance for at least five (5) years.

- The WtW Voucher will be revoked and rental assistance will terminate upon breach of the WtW Contract of Participation.

- The WtW participant can transfer their voucher to another jurisdiction that has a WtW Program. Exceptions will be considered if the participant can verify with third party documentation that the move is a result of gaining or maintaining employment or to further their education.

- If a participant becomes disabled and eligible to receive SSI, the client will be issued a Section 8 Housing Choice Voucher.

- If a participant has received workman's compensation for a consecutive 12-month period, the client will be issued a Section 8 Housing Choice Voucher.

- If a participant is terminated for non-compliance, participant must wait for a period of one year before re-applying. If participant is re-admitted to the program for a second time and is terminated for non-compliance (a second time) must wait for a period of two years before re-applying. Each subsequent termination for non-compliance will be progressive.

D. WELFARE-TO-WORK WAITING LIST LOCAL PREFERENCES

All applications are ranked by the Ranking Point system and the date and time of application

Applicants who are graduating from a transitional housing program, who are receiving CalWORKs assistance, or are employed and who still receive supportive services paid by CalWORKs**.** **20 Points**

Applicants who are presently employed, and who have been employed for no more than one year, and who receive supportive services paid by CalWORKs. This includes childcare assistance, transportation assistance, health, food stamps, and other services.
15 Points

Applicants who are participating in a job training, preparation, job counseling, job development and placement program. **10 Points**

Applicants who are enrolled in an educational program such as remedial education or post secondary education. **10 Points**

Other CalWORKs household. Applicants that are now employed who are not receiving support services but had received AFDC/TANF within the last two years. **10 Points**

E. THE ROLE AND RESPONSIBILITIES OF THE HOUSING AUTHORITY IN THE SELECTION AND HOUSING OF FAMILIES FOR THE WELFARE-TO-WORK RENTAL VOUCHER PROGRAM

1. The Housing Authority's primary focus will be to conduct outreach to reach the targeted population, to provide housing counseling for clients during their housing search and at initial lease up to insure the successful retention of their housing.

2. The Housing Authority will review the existing Section 8 waiting list to identify families that may be eligible for the Welfare-to-Work Rental Voucher Program. The Housing Authority will continue to review new applicants for the Section 8 program and refer the

families on the Section 8 waiting list to the Department of Social Services for a certification of whether the family meets welfare-to-work eligibility requirements.

3. Processing of housing subsidies and distribution to families in the order of applications by date and time and priority rankings.

4. The Housing Authority will expedite the process for third party verification and if necessary will use other HUD accepted verification of a family's income and eligibility to the maximum extent possible.

5. The Eligibility Specialist will make the determination of whether housing assistance is critical to the family's success in the welfare to work program based on the information provided by referring agencies.

6. The Housing Authority will coordinate the housing assistance with the efforts of the CalWORKs and OET (Office for Employment and Training) programs.

7. The Housing Authority will provide outreach to landlords to promote fair housing and landlord acceptance of Section 8 Vouchers under the program.

8. The Family Self-Sufficiency Coordinator will assist families to address barriers to employment.

9. If Section 8 assistance to any Welfare-to-Work family is terminated, their voucher will be reissued to another WTW eligible family.

10. Maintain quality program data for future program evaluation.

11. Make changes in Administrative and Equal Opportunity Plan where necessary.

F. TENANT COUNSELING

Upon request of the participant, the FSS Coordinator will conduct a needs assessment in order to determine the supportive services needed by the family. The client may be referred to the following supportive services, which are available within the Community and / or paid for by CalWORKs

1. Childcare which provides sufficient hours of operation and which serves an appropriate range of ages to meet family needs.

2. Transportation resources that may be needed by a family.

3. Remedial Education and education to better job skills.

4. Education for completion of secondary or post secondary education or completion of a GED

5. Job Training, job preparation, and specialized counseling.

6. Referral to substance abuse programs for any member of the family.

7. Training in money management and credit repair.

8. Parenting skills classes.

9. Gang intervention specialist

10. Training in household management, housekeeping skills

11. Job Placement and follow up

12. Domestic violence counseling

Participants will be provided monthly opportunities for counseling in basic life skills, which will enhance the participant's ability to find and retain employment and any other service/resource as appropriate to assist the families to transition from welfare assistance.

G. THE ROLE AND RESPONSIBILITY OF PARTICIPATING AGENCIES IN THE REFERRAL AND CERTIFICATION OF FAMILIES FOR THE WELFARE-TO-WORK RENTAL VOUCHERS PROGRAM

1. Each agency will be responsible for individualized services, which are the focus of that Agency.

2. Applications may be distributed to potential WTW housing clients by One Stop Center as they are accessing employment services and other related services.

3. Community Agencies, which assist persons with disabilities to access services, will also be utilized for referral of their clients who are also actively participating in CalWORKs activities. These agencies include the Veterans Transition Center, John XIII AIDS Ministry, California Department of Rehabilitation, and the Center for Independent Living

4. Department of Social Services CalWORKs job programs and Community Partners Agencies will also be utilized to assist with the outreach and recruitment of eligible families to be included on the waiting list.

5. The local CalWORKs, Office for Employment Training, Adult School, Vocational Training, Community College, or other welfare-to-work program must certify the individual's preference eligibility and that the individual is actively participating in their CalWORKs activities.

6. Provision of supportive services to assist clients to remain employed as authorized by CalWORKs.

H. PROCEDURE FOR USE OF THE HOUSING AUTHORITY WAITING LIST FOR SECTION 8 WELFARE-TO-WORK RENTAL PROGRAM

1. The Housing Authority will first review its waiting list to determine if there are any Welfare-to-Work families already on the list who may be eligible.

2. In those instances where the Housing Authority waiting list is closed and the waiting lists have been exhausted for the Welfare-to-Work Rental Voucher Program families, the Housing Authority may open the list for Welfare-to-Work eligible families only. These families may be referred by the Department of Social Services, education facilities, or other service providers.

3. Once a list of Welfare-to-Work eligible families has been established, the Welfare-to-Work Rental Vouchers will be disbursed by the families place on the waiting list based on date and time of application and priority given.

Chapter 24

PROJECT BASED SECTION 8

INTRODUCTION

The Housing Authority is authorized under 24 CFR Subpart A, Section 983.1, to provide Section 8 project based assistance utilizing funds provided to the Housing Authority for the Section 8 Housing Choice Voucher Program.

A. PROJECT-BASE SECTION 8

Maximum of 25% of dwelling units in a building may have project-based assistance. Dwelling units in single-family properties, consisting of four units or less buildings, and dwelling units specifically for elderly / disabled families are exempt from the 25% limit.

Dwelling units where families receive supportive services will be exempt after rulemaking takes place to define supportive services.

Units for disabled families may not target a specific disability and should locate units for disabled families in the most integrated setting possible.

Existing housing is a unit that at the time of written notice of selection of the project for project-based assistance require less than $1,000 per unit, including the prorated share of any work to be performed in common areas or systems to meet Housing Quality Standards, and lead based paint standards. Existing housing is exempt from the site and neighborhood standards criteria.

B. METHOD OF UNIT SELECTION

Unit Selection Policy

Only applications that are received in response to the HA advertisement will be considered for project basing. The advertisement will solicit applications for new, rehabilitation construction, or existing units.

Existing housing for non-elderly and non-disabled units will selected in a non-competitive manner, not rated and ranked, as long as all information requested is contained in the application.

Applications will be selected by date and time received at the HA.

Separate advertisement shall be used for existing non-elderly and /or non-disabled units that will be held to the 25% unit limitations.

For existing elderly and disabled units in excess of the 25% limitation, ranking factors should include factors that address site, design, feasibility and experience of the participants in operation of such housing or programs.

All buildings selected must be located in census tracts with poverty levels of less than 20%.

For new construction and rehabilitation the Environmental Review Process must be completed prior to HAP. Subsidy layering review, if tax credits are involved must be completed. For new construction HUD will approve all site locations, and for rehabilitation, the HA approves site locations, unless it is a HA owned property.

C. AGENCY RESPONSIBILITIES

Overview of Project Based Role of Responsibilities
Purpose of Agreement

For any units assisted under the Project Based Program, the HA and the Owner enter into a contract, which includes the Housing Assistance Payment (HAP) Contract. The Agreement between the owner and the Housing Authority, states upon the satisfactory inspection of existing housing and verification that less than $1,000 is necessary for rehabilitation, or if new construction, or rental rehabilitation, the completion of new construction or rehabilitation, in accordance with the requirements outlined in the Agreement, the HA will enter into a HAP contract with the owner**.**

HAP Contract Responsibilities

The HA enters into a Housing Assistance Payment (HAP) contract to make housing assistance payments during the ten-year contract term for a specific unit, or for a period as long as the Housing Authority has funding under an ACC. The subsidy is paid when the owner leases the unit to an eligible family. To fill the vacant project based units, the HA refers families from its waiting list to the project owner. The assistance is tied to the unit, but if the family moves from the unit after a one-year period, the Housing Authority must issue a tenant based Voucher to allow the family to move wherever it chooses. When the family vacates the unit, the unit is rented to another eligible family.

D. CONTRACT TERM

The initial term is for a maximum of ten years, subject to future availability of appropriations. Term of renewal contract is for number of years HA selects, subject to future availability of appropriations and future availability of funding under the ACC.

The HA may deny extension of an ACC to a project owner for failure to maintain units or other owner misconduct specifically identified in the Section 8 program regulations and the administrative plan.

E. ELIGIBLE PROPERTIES

Existing housing for non-disabled, and non-elderly households, will have certain benefits to select for project basing, due to the inapplicability of certain factors including neighborhood standards (other than poverty level census tracts exceeding 20%), displacement and relocation, Davis Bacon Requirements, Environmental Review, minimum project expenditures, owner application submission prior to agreement and unit selection policy.

As long as existing housing requiring less than $1,000 to meet Housing Quality Standards (HQS), assistance may be attached to 25% or less of the units in a building. For units, that are occupied, all tenants must be income eligible for the Section 8 program. The owner application is not necessary for existing units.

At least 60 days prior to the effective date of the HAP contract the owner must notify the HA of any units expected to be vacant on the anticipated date of the HAP contract. The HA must refer to the owner from the separate waiting list, an appropriate sized family. When the HAP contract is executed, the owner must notify the HA of which units are vacant.

F. INELIGIBLE PROPERTIES

The HA may not attach Project Based Section 8 assistance to any of the following units:

Housing for which the construction or rental rehabilitation is initiated prior to an Agreement is executed with the HA. Existing housing is exempt from these criteria.

Housing for which the rehabilitation is initiated prior to an Agreement with the HA.

Shared housing, nursing homes; and facilities providing continual psychiatric, medical, nursing services board and care or intermediate care.

Units within the grounds of penal, reformatory, medical, mental, and similar public or private institutions;

Housing located in the Coastal Barrier Resources System designated under the Coastal Barrier Resources Act;

Housing located in an area that has been identified by the Federal Emergency Management Agency (FEMA) as having a special flood hazard, unless the community in which the area is situated is participating in the National Flood Insurance Program

A public housing or Indian housing unit.

College or other school dormitories;

A manufactured home;

A unit subsidized by any other form of Section 8 assistance either project or tenant based;
A unit subsidized by any local or State rental subsidy;

Section 236 Project (insured or uninsured); or a unit subsidized with Section 236 Rental assistance payments;

A Rural Development Administration 515 project;

A unit subsidized by rental assistance payments under the Section 521 program of the Housing Act of 1949 (Rural Development Adm. Program);

A Section 221(d)(3) project;

A project with a Section 202 or 811 Loan, including Supportive Housing for the Disabled or Elderly;

A Section 101 rent supplement;

A unit subsidized with tenant based assistance under the HOME Program;

Any unit with other duplicative Federal, State or local housing subsidy, as determined by HUD.

A unit occupied by the owner, however, cooperatives are considered to be rental housing for purposes of part 983.

Eligibility of Single Room Occupancy Units

The HA may attach assistance to units for use as single room occupancy (SRO) *only* if *the following occur:*

The property is located in an area in which there is a significant demand for these units, as determined by the HUD field office.

The HA and the unit of local government that has jurisdiction over the property, approve the attaching of assistance to these units; and

The HA and the unit of local government with jurisdiction over the property certify to HUD that the property meets applicable local health and safety standards.

HA Owned Units

A HA owned unit is a unit other than public housing which is owned by the Housing Authority that administers the assistance under part 983, under an ACC between HUD and the HA. This includes any entity substantially controlled by the HA.

Procedures for HA Owned Units

The HUD field office must select the HA owned unit pursuant to the competitive ranking and rating system outlined in this Project Based Plan.

The HUD field office must conduct all HA reviews required under part 983 before the execution of the Agreement to Project Base, and prior to initiation of construction or rehabilitation.

The HUD field office must establish the initial contract rents.

The HA shall conform with the regulations outlined at 982.352, Subpart H, relating to HA owned housing that requires the HA to obtain the services of an independent entity to perform the HA functions.

G. SITE, CONSTRUCTION AND REHABILITATION STANDARDS

All Housing quality and construction standards outlined in 982.401 apply to assistance designated under the Project Based Section 8 Program, including the following:

New Construction Standards
For all new construction, HUD must approve the new site as meeting the following site and neighborhood standards:

Must be of adequate size, shape and contour to accommodate the number and type of units, and have access to adequate utilities such as water, sewer, electricity and gas, and the streets must be available to service the site.

The site and surrounding neighborhood must be suitable from the perspective of furthering and facilitating full compliance with the applicable provisions of title VI of the Civil Rights Act of 1964, the Fair Housing Act, Executive Order 11063, and HUD implementing regulations.

The site must not be located in an area of minority concentration, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.

A project may be located in an area of minority concentration only if:

Sufficient, comparable opportunities exist for housing for minority families, in the income range to be served by the proposed project, outside areas of minority concentration.

The Project is necessary to meet overriding housing needs that cannot be met in that housing market area.

Sufficient does not require that in every locality there are an equal number of assisted units within and outside of areas of minority concentration. HUD interprets the application of this standard in a way that the production of a reasonable distribution of assisted units occur each year, that, over a period of several years, will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low-income minority families, and in relation to the racial mix of the locality's population.

Units are considered comparable, if they have the same household type, i.e., elderly, disabled, family, large family and tenure type, i.e., owner, or renter. Units must require the same tenant contribution towards rent; serve the same income group; be located in the same housing market; and are in standard condition.

Application of the sufficient standard involves assessing the overall impact of HUD assisted housing on the availability of housing choices for low-income minority households in and

outside areas of minority concentration, and must take into consideration the extent to which the following factors are present, along with other factors relevant to housing choice:

A significant number of assisted housing units are available outside areas of minority concentration.

There is significant integration of assisted housing projects constructed or rehabilitated in the past ten years relative to the racial mix of the eligible population.

There are racially integrated neighborhoods in the locality.

Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentrations.

Minority families have benefited from local activities, e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisition of units for use as assisted housing units) undertaken to expand choice for minority households outside of areas of minority concentration.

A significant proportion of minority households have been successful in finding units in the non-minority areas under the Section 8 certificate and voucher programs.

Comparable housing opportunities have been made in areas outside of minority concentration by other programs.

The site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.

The neighborhood must not be one which is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions, i.e., redevelopment activities, economic development.

The housing must be accessible to social, recreational, educational, commercial, and health facilities and services, and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods, consisting largely of unassisted, standard housing of similar market rentals.

Except for new construction housing designated for elderly persons, travel time and cost via public transportation or private automobile, from the neighborhood to places of employment providing a range of jobs for lower-income workers, must not be excessive.

Rehabilitation Standards, existing housing

To qualify for rehabilitation under part 983, the existing structure must meet site and neighborhood standards outlined below, and meet minimum expenditure of $1,000 per assisted unit. The inclusion of the prorated cost of common improvements shall be considered in the

costs of the individual units. The minimum cost shall include the unit's prorated share of work to be accomplished on common areas or systems.

Findings on Rehabilitation

The rehabilitation must be conducted in order to:

Upgrade the property to decent, safe, and sanitary condition to comply with the housing quality standards, or other standards as approved by HUD, from a condition below those standards.

Meet the $1,000 minimum rehabilitation per unit criteria.

Repair or replace major building systems or components in danger of failure within two years from the date of the initial HA inspection;

Convert or merge units to provide housing for large families; or

For up to seven percent of the units to be project based, accessibility improvements to the property necessary to meet the requirements of Section 504 of the Rehabilitation Act or 1973 and the Fair Housing Amendments Act of 1988.

Rehabilitation Site Standards

With the exception of HA owned or controlled projects, which will be reviewed by HUD, the HA approves the sites for rental rehabilitation. The site for rehabilitation must meet the following site and neighborhood standards, and comply with all standards outlined in 982.401. The site must be:

Adequate in size, exposure and contour to accommodate the number and types of units to be rehabilitated.

The site must be served by adequate utilities and streets must be available to service the site. An on-site private disposal system and private sanitary water supply for the site, approved in accordance with law, is considered adequate utilities.

The site must further and facilitate full compliance with Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, E.O. 11063, and HUD regulations.

The site must promote greater choice of housing opportunities and avoid undue concentration of assisted person in areas containing a high proportion of low-income persons.

The site must be accessible to social, recreational, educational, commercial and health facilities and services, and other municipal facilities and services which are equivalent to these typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.

Be located so that travel time and cost by public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive. Housing for the elderly must not be totally isolated from employment opportunities; therefore HUD does not interpret this requirement so rigidly for elderly housing.

H. SELECTION OF OWNER PARTICIPANTS

This criteria is not applicable to the attachment of project based Section 8 to existing housing, where 25% or less of the units in a building will be assisted. For selection of existing units where less than 25% of a building is to be project based, the units may be selected based upon first come first served, or time and date of submission of request to project base units. The advertisement criteria still exists for these units, as well as the 20% poverty level criteria for a census tract, in which a property may be located.

Advertise for Owner Participants

Each year over the five year targeted period to project base the amount of Section 8 to be project based, the Housing Authority will advertise in the Salinas Californian and the Monterey Herald newspapers that the HA will accept applications for project basing under Section 983, for specific development or rehabilitation projects. The advertisement will be submitted to HUD for approval prior to the initiation of the advertisement. For project basing of Section 8 **for existing units, where 25% or less of a** building will be assisted, a separate advertisement will be published, notifying owners of the date and time of final selection, and that the units must meet Housing Quality Standards, and require less than $1,000 to comply with the HQS.

The Advertisement samples for each ***model of project based assistance are contained in Appendix 2.***

Pursuant to regulations, all advertisements shall be:

Published once per week for three consecutive weeks;

Specify an application deadline at least 30 days after the date of advertisement is last published;

Specify the number of units the HA estimates for assistance under the funding the HA is making available for the Project Basing Plan;

Specify that the only applications submitted in response to the advertisement will be considered.

In all cases (i.e., existing housing, new construction, and rehabilitation) a Notice to the project owner that the property must meet Housing Quality Standards, the Lead Based Paint Inspection, and tenant section must be in accordance with the Housing Authority referrals from the merged waiting list, and the owner must confirm to all Fair Housing Laws. For Rehabilitation and New Construction an Environmental analysis pursuant to 24 CFR part 58 must occur. **For New construction or**

Rehabilitation of more than 9 assisted units the owner must comply with Davis Bacon Labor Standards.

Owner Application

Unit selection policy requires the owner to submit the following:

1. Project description which includes the overall number of units in each building in the project; the number of units the owner wishes to project base, number of units by size, unit plans, and a listing of the amenities; [E, NC, RC]**

2. A description of the property as is and a description of the proposed rehabilitation, and an estimated date of completion; [RC]

3. Evidence of site control; [NC, RC]

4. New construction site description; [NC]

5. Evidence of zoning compliance; [NC, RC]

6. A statement of whether or not the units are in a census tract with poverty rates of less than 20 percent; [E, NC, RC]

7. Proposed contract rent and an indication of what utilities and services are included in that rent; [E, NC, RC]

8. Projected utility costs; [E, NC, RC]

9. The number of units that will be vacant at the time of HAP; [E, RC]

10. Certification that there will be no displacement; [see 983.51(c)(5)] [E, RC]

11. Whether the development would house the Elderly, the Disabled; [E, NC, RC]

12. A description of support services available to families who will live in the development if applicable; [E, NC, RC]

13. Participant identification including owner, developer, builder, architect, management agent, other participants, and other parties having a substantial financial interest in the AHAP or HAP; [NC, RC]

14. Participant identification including owner, management agent, other participants, and other parties having a substantial financial interest in the HAP; [E]

15. Qualifications and experience of the principal participants; [NC, RC]

16. Disclosure of possible conflict of interest; [E, NC, RC]

17. Previous Participation Certifications; [NC, RC]

18. Project management plan; [NC, RC]

19. Evidence of financing; [NC, RC]

20. Disclosure of other government assistance; [E, NC, RC] and

21. Specify what local objectives as detailed in the HA Plan the project meets. [E, NC, RC]

** Existing units = E
New Construction = NC
Rehabilitation Construction = RC

Incomplete Owner Applications

Incomplete owner applications will be returned to the owner with an explanation of deficiencies noted.

An application will be considered to be incomplete if, for rehabilitation the $1,000 per unit threshold is not met.

If after return to the owner, there is still an available increment of Section 8 to project base, another screening will be held and the incomplete applications will be invited to participate in the screening.

Tied Scores- In the event there are tied scores, the project selection will be based upon project feasibility and timeliness to implement. The tied projects will be invited to submit additional data to allow the HA to determine additional points for a project which may be more timely implemented than one which may take longer to implement.

Applications that cannot be fully funded

If the HA determines that there is an insufficient allocation left to fully project base a project, the owner will be notified of the amount left to project base, and if the unit count is sufficient, and the owner agrees, the agency will project base that amount left. In the event the owner is not able to agree to reduce the number of units to project base, the left over increment will be allocated for the next year's project basing selection.

Other Site Selection

Existing Housing where less than 25% of the units in a building will be Project Based

Project description including a site map, with units to be project based depicted.

Statement of whether the units are located in a census tract of less than *20% poverty rate, -to be verified by HA staff.*

Proposed contract rent and statement of utilities to be included in the rent.

Projected utility costs for the units to be Project Based;

The projected number of units projected to be vacant at the time the owner will sign the HAP contract;

Certification that there will be no displacement of tenants;

If project serves elderly or disabled tenants, identification of any supportive services available to the tenants;

Participant identification including the owner, management agent and other participants or parties having substantial financial interest in the property;

Disclosure of any possible conflict of interest;

Disclosure of all other governmental assistance assigned to the property.

I. EXISTING UNITS FOR ELDERLY AND DISABLED WHERE MORE THAN 25% OF UNITS IN A BUILDING WILL BE PROJECT BASED

Future guidance to come from HUD

J. REHABILITATION OR NEW CONSTRUCTION ASSISTED WITH PROJECT BASED SECTION 8

HUD Mandatory factors:

Site- Submittal of Evidence of Site Control**.** For new construction the identification and description of the proposed site, site plan and description of the neighborhood, utilizing census data. For new construction HUD approves all sites pursuant to the site selection criteria outlined in IV, 1.

For rehabilitation a discussion of the surrounding site, existing conditions and location within a redevelopment area.

Evidence that the proposed new construction or rehabilitation is permitted by current zoning or ordinances or regulation or evidence to indicate that the needed rezoning is likely and will not delay the project.

Flood Zone Certifications: For both new construction and rehabilitation the HA will determine if the site is located within a flood zone. The project owner shall submit a certification of the location of the project from the local building or Planning Department that identifies the FEMA Flood Map and Zone of the project location.
If in a flood zone area the owner shall submit a flood elevation certificate or other documentation that specifies construction elevations, or remedies for existing construction.

Design-Includes a description of the housing to be constructed or rehabilitated, including the number of units by size and square footage, lot sizes, bedroom count, bathroom count, sketches of the proposed new construction or rehabilitation, unit plans, listing of amenities and services, and estimate date of completion. For any rehabilitation the description must describe the property as is, and must describe the proposed rehabilitation.

For rehabilitation the work must equal at least $1,000 per unit as outlined in Section 982.8.

For all rehabilitation the owner shall submit work write-ups prepared by an architect or licensed cost estimator, which documents the requirements that the property meets the $1,000 per assisted unit rehabilitation requirement under Section 982.8.

Previous Experience of owner and other participants in the development

Identification of owner and project principals including the names of officers and principal members, shareholders, investors, and other parties having a substantial interest in the property, management of the property, or development of the property.

The owner must certify that all parties are not on the U.S. General Services list of parties excluded from Federal procurement and non-procurement programs. The owner must disclose any possible conflict of interest by any of the parties involved in the project that would potentially be a violation of the Agreement or the HAP contract. Information shall be submitted on the qualifications and experience of the principal participants. Any unknown information concerning any participant who is not known at the time of the owner's submission must be provided to the HA as soon as that participant is known.

Marketing-An overview of the proposed contract rent per unit, including an identification of utility costs, services and equipment are included in the rent and those that are not included in the rent. For any utilities that are not included in the rent, an estimate of the average monthly cost for each unit type for the first year of occupancy, based upon reliable data.
A plan for Affirmatively Marketing the project and conforming to all Fair Housing and Equal Opportunity Laws and Section 504 regulations. The marketing plan must contain all the elements identified in the Housing Authority's Administrative Plan for the Tenant Based Section 8 program.

Management
The owners plan for managing and maintaining the units and operation of the units under the Section 8 program. The HA has developed a format for this submission which is contained in Appendix 2.

Feasibility of the project as a whole and likelihood of financing and marketability

Determination of whether the property is eligible housing under Section 983.7, and meets all the Federal requirements in 983.11 noted below. The HA must determine if the site complies with site and neighborhood standards outlined in 983.6 and noted above.
Financing of the project- if the project is financed or tentatively financed through assistance other than assistance under the U.S. Housing Act of 1937 outlined in Section 983.9. The owner shall submit evidence of financing or lender interest and the proposed terms of financing

If the project is rehabilitation of existing housing, the Housing Authority must determine if the existing tenants are low income. If the existing tenants are not low income the HA may not enter into a contract for the unit. The project owner should submit at the time of application all data regarding the income sources, family size, and other information as defined by the HA to determine if families occupying units are low-income in accordance with Section 8 Program Regulations.

The project must address any required relocation issues. It is strongly advised that all projects avoid relocation, due to the extremely time consuming and costly processed involved. All Relocation Plans shall comply with The Uniform Relocation Act.
The Owner must submit a Relocation Plan if persons, families, individuals, businesses and nonprofit organizations that are currently occupying the property on the date of the submission of the application.

The Plan shall estimate of the number of persons that must be displaced, temporarily relocated or moved permanently within the building or complex. The estimated costs of relocation payments, and services, and the sources of funding for the relocation plan. The Relocation Plan must identify the entity that will conduct the relocation process and experience in conducting such a process.

The ranking scale for the above Mandatory Factors is contained in Appendix 3.

Other HA factors which further local objectives: thelocal objective criteria will allow additional points to be awarded to projects which exemplify objectives which further the goals of the local Consolidated Plans and Housing Authority Annual Planoutlined below and are contained in Appendix 3 with specific point ratings:

Developments that integrate welfare to work or other self-sufficiency components into the rental housing, services shall be delivered through community learning centers or services coordinators.

Housing which contains supportive services for residents designed to assist residents to become self-sufficient.

This includes the provision of case management or referral to services to maximize self-sufficiency to the greatest extent possible

Developments which contain three or more bedroom units, designed for large families. These developments should be near community amenities such as parks, playgrounds, or schools.

<u>For Rehabilitation Projects</u>:

After selection of the applications for Project Based Section 8 and prior to initiation of an Agreement and HAP contract, the Housing Authority must:

The HA shall determine the projects which potentially will be project based and prior to execution of an agreement with the owner, the HA must determine that the proposed initial gross rents are within the fair market rent limitations published in the Federal Register

The HA must conduct an inspection to determine that rehabilitation has not begun and that the property meets the $1,000 per assisted unit rehabilitation requirement under the regulations at 982.8.

The owner must prepare work write-ups and, where determined necessary by the HA, specifications and plans. The HA has the flexibility to determine the appropriate documentation to be submitted by the owner based on the nature of the identified rehabilitation. Work write-ups must address the specific work items identified by the HA under Section 983.52, and other local standards for Housing Rehabilitation pursuant to the Uniform Building Code.

If the property to be rehabilitated meets the $1,000 limit requirement the HA must review the work write up and determine that the specific work items are needed to bring each unit to be assisted up to the HQS, or standards established under the Uniform Building Code if required by the local building inspector.

The HA must determine if any other repairs are necessary to meet the $1,000 per assisted unit rehabilitation requirement, and in the case of projects with five or more units to be project based under the rental rehabilitation, any items necessary to meet Section 504 requirements.

Prior to selection of the units, the HA must consider if the housing is eligible housing whether the units meet all other Federal requirements, and that the site and neighborhood standards are met.

The HA must determine the source of funding for the Rehabilitation and that it is not assistance under the U.S. Housing Act of 1937, i.e., public housing funds or Comprehensive Modernization Grant funds.

The PH must determine the number of current tenants that are low-income families:

The HA may not select units for project-based assistance it the unit is occupied by persons who are not eligible for participation in the Section 8 program.

Before the HA selects a specific unit to which assistance is to be attached the HA must determine if the unit is occupied, and if the unit's occupants are eligible for assistance.

If an eligible family occupies the unit including a single person, and the HA selects the unit for a contract with the owner, the family must be allowed the opportunity to lease the unit or another approximately sized, project based unit in the project without requiring the family to be placed on the waiting list.

The HA may not select a unit, or enter into an Agreement for a unit, if persons not eligible for participation in the program occupy the unit.

Under the project-based program single non-disabled persons are eligible under Section 812.3(b)(1), consistent with other requirements to permit occupancy of the project by single persons residing in the project at the time of conversion to project based assistance to prevent displacement.

All existing tenants are eligible for Relocation or Displacement payments under the Relocation Plan, if they are required to move to accommodate rehabilitation.

Prior to execution of an Agreement, the HA must contract with a State certified general appraiser and establish rents in accordance with Section 983.202. If the project is owned or substantially controlled by a HA, then the HA must seek and obtain the HUD determined initial contract rents, obtain subsidy layering contract rent reviews from HUD or a Housing Credit Agency, and obtain environmental clearance in accordance with Section 983.11.

Prior to execution of an Agreement, the HA must submit a certification to the HUD field office stating that the unit or units were selected in accordance with the HA approved unit selection policy and the HA must receive approval from the HUD field office to execute an Agreement pursuant to the reviews required in Section 983.53.

For all New Construction applications to project base Section 8

Prior to selection of units or execution of an Agreement, the application shall be reviewed for consistency with the selection criteria outlined above. The following must be performed:

The HA must determine that the construction work has not begun, and a site visit must occur.

The HA must determine that the proposed initial gross rents are within the rent reasonable criteria for rents.

The rents shall be established as outlined in 9 below.

The HA must consider whether the property is eligible housing within the meaning of Section 983.7.

Subsidy laying contract rent reviews shall be conducted.

All Federal requirements outlined in Section 983.11 are met.

The site and neighborhood standards are met.

<u>The HUD field office must review all owner applications for new construction</u>, which shall be submitted to HUD by the HA to determine compliance with requirements concerning the site and neighborhood standards.

The project will be constructed with other than assistance under the U.S. Housing Act of 1937.

In projects with four or more units, if any work items are required to meet the accessibility requirements of Section 504 of the Rehabilitation Act of 1973, and the Fair Housing Amendments Act of 1988 will be completed.

Other requirements under Regulations to project base new construction

Submission of Working Drawings- before an Agreement is executed for any new construction units, the owner must submit the design architect's certification that the proposed new construction reflected in the working drawings and specifications complies with housing quality standards, local codes and ordinances, and zoning requirements.

Prior to the execution of an Agreement, for new construction

The HA sets the rents for new construction. For HA owned or controlled units the HA must contract with a State certified general appraiser and establish rents in accordance with Section 983.202, or seek and obtain the HUD determined Initial Contract Rents for any HA owned or controlled units or projects financed with a HUD insured or co-insured multifamily mortgage.

For units owned or controlled by a HA, HUD or a Housing Credit Agency conducts the subsidy layering contract review; the HA must seek and obtain environmental clearance in accordance with Section 983.11; and receive approval from the HUD field office to execute an Agreement pursuant to the reviews required in Section 983.56.

If the HA administering the ACC, or an entity substantially controlled by the HA administering the Section 8 ACC, has submitted an application to project base Section 8 under new construction, the HA must submit to the HUD field office, all owner applications in response to the advertisement. The HUD field office will select the owner applications to be funded, from the applications reviewed in response to the HA advertisement.

If there are no HA owned or controlled applications for project based Section 8, the HA shall submit to the HUD field office for completion of the site and neighborhood review on those applications which were determined by the HA to be eligible for further processing pursuant to "a" above. The HA must submit a certification to the HUD field office stating that the unit or units were selected in accordance with the HA's approved unit selection policy.

The HA's submission must not exceed the number of uncommitted units for which the HA is authorized to project base Section 8 assistance in connection with new construction. If the number of units contained in the applications that the HA has determined to be eligible for further processing exceeds the number of units for which the HA is authorized to project base, the HA may submit only the top ranked applications.

The HUD field office may terminate an Agreement or the HAP Contract upon at least 30 days written notice, to the owner by the HUD field office, if the HUD field office determined at any time that the units were not selected in accordance with the HA's approved unit selection policy or that the units did not initially meet the HUD eligibility requirements.

The project owner must be advised of other Federal Requirements for rental rehabilitation or new construction which includes the following:

Equal opportunity and related requirements- the project based program is subject to compliance with the Equal Opportunity requirements specified in 982.53 including Section 504 and the Fair Housing Amendments of 1988 at 24 CFR part 100.

Environmental Requirements- all new construction and rehabilitation for project-based assistance are subject to the HUD environmental regulations outlined at 24 CFR part 58. The HA may not attach any assistance to units unless, prior to the entering into an Agreement, the following must also occur:

The unit of local government within which the project is located which has land use responsibility, or as determined by HUD, the County of State has completed the environmental review required by 24 CFR part 58 and provided to the HA for submission to HUD, the completed request for release of funds and certifications,

HUD has approved the request for release of funding, pursuant to part 58 regulations.

Other Federal Requirements-The following must also be met, if applicable and the HA shall determine if applicable and advise the project owner of requirements.

The Clean Air Act and the Federal Water Pollution Control Act

The Flood Disaster Protection Act of 1973

Section 3 of the Housing and Urban Development Act of 1968

Executive Order 11246, Equal Employment Opportunity for all construction contracts over $10,000.

Executive Order 11625, Prescribing Additional Arrangements for Development and Coordinating a National Program for Minority Business Enterprises

Executive Order 12432, Minority Business Enterprise Development and 12138, creating a National Women's Business Enterprise Policy

Payment of not less than the wages prevailing in the locality as determined by the Secretary of Labor pursuant to the Davis-Bacon Act, to all laborers and mechanics employed in the construction or rehabilitation of the project under an Agreement covering nine or more assisted units, and compliance with the Contract Work Hours, and Safety Standards Act, Department of Labor regulations at 29CFR part 5, and other Federal laws and regulations relating to labor standards applicable to such an Agreement for project based assistance to rehabilitate or construct.

The Provisions of part 24 relating to the employment, engagement of services, awarding contracts, or funding of any contractors or subcontractors, during any period of debarment, suspension, or placement in ineligibility status.

K. AGREEMENT FOR NEW CONSTRUCTION AND REHABILITATION

After all selection criteria and review requirements are met, the HA shall enter into an Agreement with the project owner on a form proscribed by HUD for project based Section 8 assistance.

The Agreement must be executed prior to any new construction or rehabilitation of units.

Under the Agreement the owner agrees to construct the units in accordance with the HA approved working drawings and specifications. In the case of rental rehabilitation, to rehabilitate the units in accordance with the HA approved work write-ups.

The Agreement must list the initial contract rents that will apply to the units after they are constructed or rehabilitated.

The amounts that are the contract rents are listed in the Agreement and must be the initial contract rents upon execution of the HAP contract.

The initial contract rents may only be increased if:

The project is financed by a HUD insured or coinsured multifamily mortgage;

The initial contract rents listed in the Agreement were based on the amount determined by HUD to be necessary to amortize the insured or co-insured mortgage; and

The HUD field office approves a cost increase prior to closing. In such instance, the HUD field office may re-determine the initial contract rents.

L. OWNER RESPONSIBILITIES DURING CONSTRUCTION OR REHABILITATION (not applicable to existing housing not having rehabilitation)

The owner is responsible for selection of a competent contractor to undertake the rehabilitation or new construction.

The owner may not award contracts, or otherwise engage the services of, or fund any contractor, or subcontractor, to perform any work, that fails to provide a certification that neither it or its principals is presently debarred, suspended, or placed in ineligibility status under 24CFR part 24, or is on the list of debarred list of contractors or ineligible, pursuant to 24 CFR part 24. The HA must promote opportunities for minority contractors to participate in the program.

After the Agreement has been executed the owner must promptly proceed with the construction or rehabilitation work as outlined in the Agreement. In the event the work is not timely

commenced, diligently continued, or completed, the HA may terminate the Agreement or take appropriate action.

Prior to any changes the Owner must obtain HA approval if the work deviates from the original Agreement or that would alter the design or the quality of the required new construction or rehabilitation.

The HA may disapprove any changes requested by the owner.

The HA may require the owner to remedy any deficiencies, prior to, and as a condition for, acceptance of the units.

If the owner makes any changes without prior HA approval, the HA may lower the initial contract rents in an amount determined by the HA (or in the case of HA owned or controlled units, HUD may lower the rents), and may require the owner to remedy any deficiencies, prior to, and as a condition of acceptance of the units for project basing.

When a HUD insured or HUD co-insured multifamily mortgage is utilized to finance new construction or rehabilitation, of units which will be project based, the HUD field office may lower the initial contract rents to reflect any reduction in the amount necessary to amortize the insured or co-insured mortgage.

The Initial contract rents must not be increased, due to any change from the work specified in the Agreement as originally executed.

At completion of the work, the owner must notify the HA when the work is completed and submit to the HA the evidence of completion. Evidence of completion is submittal of a certificate of occupancy issued by the building official or other approval as required by the locality.

The owner must certify that the work has been completed in accordance with the requirements of the Agreement and that:

There are not defects or deficiencies in the work with the exception of minor items that are incomplete due to weather conditions and do not preclude or affect occupancy;

The units have been constructed or rehabilitated in accordance with the applicable zoning, building, housing and other codes, ordinances or regulations. The appropriate offices may modify or waive any of the foregoing.

That for any units built prior to 1978, the units are in compliance with the Lead based paint requirements.

That the owner has complied with any applicable labor standards requirements in the Agreement.

<u>On rehabilitation projects for which a HUD field office construction inspection is not required during construction</u>, a certification from the owner which states that the units have been

rehabilitated in accordance with the certified working drawings and specifications, housing quality standards, local codes and ordinances, and zoning requirements.

At least 60 days prior to the scheduled completion of the new construction or rehabilitation, the owner must notify the HA of any units expected to be vacant on the anticipated effective date of the HAP contract.

The HA must refer to the owner, appropriate sized families from the waiting list to the project owner for approval as a tenant.

M. HA RESPONSIBILITIES DURING CONSTRUCTION OR REHABILITATION

The HA must inspect during the construction or rehabilitation to ensure that the work is proceeding on schedule and is being accomplished in accordance with the terms of the Agreement.

The purpose of the inspection is to ensure that the work meets the types of materials specified in the work write-ups or working drawings and specifications, and meets typical levels of workmanship in the area.

After completion of construction the HA must review the evidence of completion to determine if the project is in compliance with the regulations outlined above and in 983.104.

The HA must inspect the units to be assisted and determine that the units have been completed in accordance with the Agreement.

The HA must inspect the units to assure that they are in compliance with Housing Quality Standards (HQS) If the HA final inspection of the units reveals any defects or deficiencies; the inspector must report these in detail to the owner.

If there are any delayed items for completion which are minor in nature, or that are incomplete due to weather conditions, and that do not preclude or affect occupancy, and all other requirements of the Agreement have been met, the HA may accept the units.

The HA must require the owner to deposit into an escrow account with the HA, funds sufficient to ensure completion of the delayed work items.

The HA and the owner must execute a written Agreement specifying the schedule for completion of the delayed items.

If the items are not completed within an agreed upon time period, the HA may terminate the HAP contract or exercise other rights under the HAP Contract.

If other deficiencies exist the HA must determine whether the deficiencies are correctable, and to the extent that they are correctable, and if an extension of time is warranted.

Additionally, HUD must determine if the contract rents should be reduced.

If the HA determines the deficiencies are so extensive, and the units may not be accepted, the owner must be notified with a statement of the reasons for non-acceptance.

If the HA finds from the review of the Agreement and the inspection that the units have been completed in accordance with the Agreement, the HA must accept the units.

The HA must execute the HAP contract if the HA accepts the units.

The effective date of the HAP contract shall not be earlier than the date of the HA inspection and acceptance of the units. After commencement of the HAP contract, the HA must make monthly housing assistance payments for each unit that is under lease by a family.

N. OPERATIONS PLANS

The HA will utilize a merged list for project based Section 8 rental assistance.

The HA will select families based upon time and date of application.

The HA will select families from the waiting list, provide housing information to families selected, and refer them to the project owner.

Other factors in Project Based Section 8- the HA may in selecting a family for a particular unit, match other characteristics of the applicant family with the type of unit available, such as the number of bedrooms.

Admission to the project-based voucher program is subject to the same statutory income-targeting requirement as the tenant-based program (i.e., 75% of all new admission must be extremely low-income families).

The HA may place applicants which are referred by owners on the HA waiting list in accordance with the HA local waiting list policies and selection preferences that are consistent with the selection preferences in the HA Plan.

Except for special admissions and admissions pursuant to G of this section, participants must be selected from the HA waiting list. The HA will select participants from the waiting list in accordance with the admission policies of the HA Administrative Plan.

O. HA DETERMINATION OF ELIGIBILITY OF IN-PLACE FAMILIES

Before the HA selects a specific unit to which assistance is to be attached, the HA will determine if the unit is occupied, and if occupied, whether the unit's occupants are an eligible family (including a singe person) and if eligible the HA selects the unit, the family must be afforded the opportunity to lease that unit or another appropriately sized, project based assisted unit in the project, without requiring the family to be placed on the waiting list. An HA shall not select a unit, enter into an Agreement or HAP contract, if the unit is occupied by persons who are not income eligible for participation in the program.

P. FILLING VACANT UNITS

When the owner notifies the HA of vacancies in the units to which assistance is attached, the HA will refer to the owner one or more families of the appropriate size on its waiting list. A family may refuse to lease a unit assisted by project-based assistance, and still retain its place on the waiting list.

Q. CONTINUED ASSISTANCE FOR VACANT UNITS

The HA may continue providing assistance for a vacant unit, after initial lease-up, for a maximum of 60 days. Such payments may only be made if the vacancy is not the fault of the owner, and the owner takes "every reasonable action" to minimize the extent of the vacancies.

R. RENTS

For units that are not HUD insured or HA owned, the HA approves the initial rent to owners for project based section 8 units, that are not financed with a HUD insured multifamily mortgage, and are not owned by the HA.

For units that are insured or HA owned, or project based units financed with a HUD multifamily mortgage, the initial rents must be approved by HUD.

For rent adjustments for HA owned units, the HA must request HUD approval of the annual adjustment of rents. The HA may not increase the rent at the annual anniversary until and unless HUD has reviewed the HA comparability study, and has approved the rent adjustment.

The initial rent to owner for a unit shall not exceed the reasonable rent as determined by the HA, in accordance with Section 983.256.
Except to correct errors in establishing initial rents, in accordance with HUD requirements, the adjusted rent to the owner must not be less than the initial rent.

The HAP contract will establish initial gross rents that do not exceed the 110% of the established FMR or any HUD approved "exception payment standard".

The HAP contract must provide for adjustment of rent to owner during the contract term, and the adjusted rents must be reasonable in comparison with rents charged for comparable units in the private, unassisted local market.

If a unit is allocated Low Income Tax Credits, and is not in a "qualified census tract" the rent to owner may be established at any level that does not exceed the rent charge for comparable units in the same building that receive the tax credit, but do not have additional rental assistance attached to them. The HA does not need to restrict project based Section 8 rents to the tax credit rents if the tax credit rents are lower than the published FMR.

Owner request for adjustment and compliance with the HAP Contract- At each annual anniversary date of the HAP contract, the HA must adjust the rent to owner in accordance with the following requirements:

The owner must request a rent increase (that includes a comparability study to determine the amount of such increases) by written notice to the HA at least 120 days before the HAP contract anniversary. **The HA format for request for rent increase is attached in Attachment 2.**

The owner must request the increase by the 120-day notice deadline; and during the year before the contract anniversary, the owner must have complied with all of the requirements of the HAP contract, including compliance with HQS for all units under contract.

The adjusted rent to owner must be reasonable in comparison with rents charged for comparable units in the private unassisted local market in accordance with Section 983.256.

Special Adjustments of Rent to Owner-Does not apply to HAP contracts for existing units and HAPs entered into or on or after January 16, 2001.

Rent Reasonableness

The HA may not enter into any agreements to enter into HAP contracts until the HA determines that the initial rent to the owner under the contract is a reasonable rent.

During the term of the HAP contract the HA must continue to re-determine that the rent to owner does not exceed the reasonable rent.

Reasonable rents must be determined by the comparison method, based upon the location, quality, size, unit type, and age of the contract unit, and any amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease.

For tax credit projects which also apply for project based Section 8, and is not in a qualified census tract the rent to owner may be established at any level that does not exceed the rent charge for comparable units in the same building that receive the tax credit but do not have additional rental assistance. The HA does not need to restrict PBA rents to the tax credit rents if the tax credit rents are lower than the published FMR.

For HOME assisted projects which apply for project based Section 8 the low and high home rents may be the FMR.

The HA must also:

Brief the family in accordance with the Section 8 program regulations, and Administrative Plan,

Approve contract rent adjustments, and make rent reasonableness determinations for units that are not HA owned;

Inspect the project before, during and upon completion of new construction or rehabilitation; and
Ensure that the amount of assistance that is attached to units is within the amounts outlined in the ACC, and the payment standard for the area.

The HA must determine Eligibility of the families assisted based upon income and eligibility criteria established by the Section 8 regulations, and One Strike Regulations.

With the exception of special admissions and units which are vacant for more than 30 days, participants must be selected from the HA Project-based *waiting list. Project basing of existing units must have income eligible residents in order to be eligible for project basing.*

When a family is selected to occupy a project-based unit, the HA must provide the family with information concerning the tenant rent and any applicable utility allowances, and a copy of the HUD lead based paint brochure.

The family must also, in either group or individual sessions, be provided with a full explanation of the following:

Family and owner responsibilities under the lease and HAP contract;

Information on Federal, State and local equal opportunity laws;

The fact that the subsidy is tied to the unit and that the family must occupy a unit constructed or rehabilitated under the program, and that a family that moves from the unit does not have any right to continued assistance;

The likelihood of the family receiving a voucher after the HAP contract expires on the unit;

The family's options under the program, if the family is required to move because of a change in family size or composition;

Information on the HA procedures for conducting information hearings for participants, including a description of the circumstances in which the HA is required to provide the opportunity for an informal hearing, and of the procedures for requesting a hearing.

S. CONTINUED ASSISTANCE FOR A FAMILY AFTER TERMINATION OF A LEASE OR WHEN HAP CONTRACT IS TERMINATED

A family may choose to moveout of a PBA unit with continued assistance at any time after 12 month.. The HA must offer the family available tenant based assistance either as a voucher or a form of assistance that is comparable to the voucher program, that is defined in HUD regulations. *If there are no vouchers available, the HA must give priority for next available voucher (except for special purpose vouchers).*

Continued Assistance for a Family when the HAP Contract is terminated:

If the HAP contract with the owner expires, the HA does not renew the HAP contract, or the HA terminates the assistance to the owner the HA must:

The HA must issue the assisted family in occupancy of a unit a voucher under the HA voucher program, unless the HA has determined that it does not have sufficient funding

for continued assistance for the family, or unless the HA denies issuance of a voucher in accordance with 982.552.

If the unit is not occupied by an assisted family, then the available funds under the ACC that were previously committed for the support of the project based assistance for the unit, shall be used for the HA regular voucher program.

T. HA INSPECTION OF UNITS AND HA REEXAMINATION OF FAMILY INCOME AND COMPOSITION

PBA units must meet HQS before the effective date of the HAP contract.

In addition to the inspections that are required prior to the execution of the HAP contract, the HA must only inspect annually a representative sample of units in a project/building and at such other times as may be necessary to assure the owner is meeting the obligations to maintain the unit in decent, safe and sanitary conditions and to provide the agreed upon utilities and other services.

The HA must take into consideration, complaints and any other information coming to its attention when scheduling inspections.

For any units found during annual inspection, to be not decent, safe and sanitary, upon notification to the owner by the HA, that the units under the HAP contract are not being maintained.

If the owner fails to take corrective action within the time prescribed in the notice, the HA may exercise any of the rights or remedies under the HAP contract, including abatement of housing assistance payments, even if the family continues in occupancy; termination of the HAP contract on the affected unit or units, and termination of assistance to the family in accordance with Section 8 program regulations.

Enforcement of HQS- at 24 CFR part 982 and 983 does not create any right of the family or any party other than HUD or the HA to require enforcement of the HQS requirement by HUD or the HA, or to assert any claim against HUD or the HA, for damages, injunction or other relief, for alleged failure to enforce the HQS.

The HA must re-examine the income and family composition of all families at least once every 12 months.

After consulting with the family and verifying the family's information, the HA must make appropriate adjustments to the total tenant payment in accordance with the Section 8 program regulations**.**

The HA must make a determination whether the family's unit size is still appropriate. The HA must adjust tenant rent, and the housing assistance payment to reflect any change in total tenant payment, if necessary.

If the HA determines that a unit is not decent, safe and sanitary due to an increase in the family size that causes the unit to be overcrowded, or that a contract unit is larger than appropriate for the size of the family that occupies the unit under the HA subsidy standards, housing assistance payments with respect to the unit may not be terminated for this reason.

The owner must offer the family a suitable alternative unit if one is available and the family will be required to move.

If the owner does not have available a suitable size unit within the family's ability to pay the rent, the HA, if it has sufficient funding, must offer Section 8 tenant based assistance to the family or otherwise assist the family in locating other standard housing in the HA's jurisdiction, and require the family to move to such a unit as soon as possible.

The family must not be forced to move, nor shall housing assistance payments under the contract be terminated for the above reasons occur, unless the family rejects, without good reason, the offer of a unit which the HA judges to be acceptable.

U. OWNERS RESPONSIBILITIES

The owner is responsible for performing all of the owner responsibilities under the Agreement and the HAP contract.

The owner must rent all vacant units to eligible families referred by the HA from its waiting list. If the HA does not refer a sufficient number of interested applicants on the HA waiting list to the owner within 30 days of the owner's notification to the HA of a vacancy, the owner may advertise or solicit for applications from eligible very low-income families. The owner must refer these families to the HA for eligibility determination under the Section regulations.

The owner must provide all the services, maintenance and utilities as agreed under the HAP contract, subject to abatement of housing assistance payments or other applicable remedies if the owner fails to meet these obligations.

The owner is responsible for screening and selection of tenants. The owner must adopt written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families, and reasonably related to program eligibility and an applicant's ability to perform the lease obligations.

The owner when offering an accessible unit to an applicant not having disabilities requiring the accessibility features of the unit, may require the applicant to agree, and may incorporate this agreement into the Lease, to move to a non-accessible unit when one is available.

The owner must promptly notify in writing any rejected applicant of the grounds for any rejection of the applicant referred by the HA.
If the owner rejects an applicant family who believes that the rejection is the result of unlawful discrimination, the family may request the assistance of the HA in resolution of the issue. The family is also entitled to file a discrimination complaint with the HUD field office or exercise other rights provided by law.

The Lease between the family and the owner must be in accordance with Section 983.206 and any other applicable HUD regulations. The lease must include all requirements of HUD and must not include any provisions prohibited by HUD.

V. LEASE REQUIREMENTS

The lease must be in accordance with Section 983.206.

The amount of rent payable by the Family to the owner is the tenant rent.

The term of the lease including any new lease or lease amendment, executed by the owner and the family must be for at least one year, or the remaining term of the HAP contract if the term of the HAP contract remaining is less than one year.

The lease may contain a provision permitting the family to terminate the lease on not more than 60 days advance written notice to the owner. In the case of a lease term for more than one year, the lease must contain a provision permitting the family to terminate the lease on such notice after the first year of the term.

The owner may offer the family a new lease for execution by the family for a term beginning at any time after the first year of the term of the lease.

The owner must give the family written notice of the offer at least 60 days before the proposed commencement date of the new lease term. The offer may specify a reasonable time for acceptance by the family.

Failure by the family to accept the offer of a new lease in accordance with this paragraph shall be "other good cause" for termination of tenancy.

W. ACCESSIBLE UNITS LEASED TO NON-DISABLED FAMILIES

When offering an accessible unit to an applicant not having disabilities requiring the accessibility features of the unit, the owner may require the applicant to agree to move to a non-accessible unit if one is available so that a tenant who requires an accessible unit may be accommodated.

The owner may incorporate this agreement into the lease, and may require the tenant pursuant to the lease to move to a non-accessible unit, if and when one is available.

In the selection of a family for a unit that has special accessibility features, the responsible entity must give preference to families who include persons with disabilities and can benefit from those features of the unit.

X. TERMINATION OF TENANCY AND THE FILLING OF VACANT UNITS

During the term of the lease agreement, the owner may not terminate the tenancy except on the following grounds:

Serious violation including but not limited to failure to pay rent or other amounts due to the owner under the lease

Repeated violation of the terms and conditions of the lease;

Violation of Federal, State and local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or

Other good cause- includes, but is not limited to the following:

> Failure by the family to accept the offer of a new lease or revision; a family history of disturbance of neighbors or destruction or property, or of living or housekeeping habits resulting in damage to the unit or premises

Filling Vacant Units

The owner will notify the HA of vacancies of units under contract for Section 8 assistance.

The HA will refer to the owner one or more families of the appropriate size *and income limit in order to meet the income targeting requirement of 75% of families admitted to the HA's combined tenant-based and PBA program from* the HA's Countywide Project Based Section 8 waiting list.

A family, who refuses the offer of a unit assisted with Project Based Section 8 assistance, keeps its place on the project-based waiting list.

The project owner shall rent all vacant units under contract to eligible families referred by the HA from its waiting list.

The HA must determine eligibility for participation in accordance with HUD regulations for the Section 8 program.

The unit owner is responsible for screening and selection of tenants, with the exception of one strike screening, which is outlined below.

The owner must adopt written tenant selection procedures, which are consistent with the purpose of improving housing opportunities for extremely low-income and very low-income families.

The selection criteria must be reasonably related to program eligibility and an applicant's ability to perform the lease obligations.

The project owner is required to immediately notify in writing any rejected applicant of the grounds for any rejection to lease a unit.
In the event that the HA does not refer an adequate number of eligible participants on the HA waiting list to the owner within 30 days of the owner's notification of a vacancy, the owner may advertise for or solicit applications from eligible extremely low and very low-income families.

The owner must refer these families to the HA to determine program eligibility.

A family is considered to be a participant family when the family and the owner enter into a lease agreement for a unit assisted with project based Section 8.

In the event an owner rejects an applicant family, who believes that the rejection was the result of unlawful discrimination, the family may request the assistance of the HA in resolving the issue.

The family may file a discrimination complaint with the HUD field office or exercise other rights as provided by law.

Y. OVERVIEW OF APPLICABILITY OF ONE STRIKE PROVISIONS

Part X of 24 CFR Part 5 outlines the requirements of the HA in administering federal assistance and applicability of the One-Strike Screen and Eviction for Drug Abuse and Other Criminal Activity to any projects, which are HUD assisted.

HA's and assisted owners have the tools for adopting and implementing fair, effective, and comprehensive polices for denying admission to applicants who engage in illegal drug use or other criminal activity and for evicting or terminating assistance of persons who engage in such activity.

The 1998 Housing Quality Act broadened the prohibition of drug related criminal activities to include the denial of housing assistance to any sex offender which is subject to a lifetime registration requirement under a State sex offender's registration program.

Also persons are barred who have been convicted of manufacturing or producing met amphetamine. Persons who are fleeing to avoid prosecution or custody or confinement after conviction for a felony are also prohibited from receiving assistance.

The project owner shall request the HA to obtain criminal records and perform determinations for the owner regarding screening applicants, lease enforcement or eviction for developments located in the HA jurisdiction.

The HA shall charge the owner a fee for obtaining the record and performing the screening and evaluation services.

The owner must provide the HA with a consent form signed by the tenant or applicant.

The HA must not give the criminal record, or disclose its content, to the owner.

The HA must use the record to screen the tenant based on the owner's standards for tenant selection.

The records shall be administered pursuant to the HA records management system which ensures that criminal records and records from drug abuse treatment facilities are maintained confidentially, are not misused or improperly disseminated, and are destroyed within the statutorily prescribed time frames.

Z. FAMILY RESPONSIBILITIES

The family is required to supply any information requested by the HA, or HUD concerning changes in income, family composition, additional adult family members or other necessary information as required by regulation.

Eligibility may be terminated in accordance with HUD requirements for such reasons as failure to submit requested verification information.

The HA must verify any change in the family's income or other circumstances that results in an adjustment in the total rental payment, tenant rent, and housing assistance payment.

In the event that the HA receives information concerning a change in the family's circumstances or income between regularly scheduled reexaminations, the HA must consult with the family and may any necessary adjustments that are appropriate in the family's rent or unit size.

The family's eligibility for housing assistance payments continues until the total tenant payment equals the gross rent.

The termination of eligibility at that point shall not affect the family's rights under the lease with the owner, nor will such termination preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances during the term of the HAP contract.

The family must disclose and verify social security numbers and must sign and submit consent forms for obtaining information in accordance with HUD regulations for the Section 8 program. All information supplied by the family must be true and complete.

The family must submit required evidence of citizenship or eligible immigration status. Part 5-General HUD Program Requirements and Subpart E apply regarding Restrictions on Assistance to Non-citizens.

The HA must approve the composition of the family residing in the unit.

The family must promptly notice the HA of the birth, adoption or court awarded custody of a child. The family must request HA approval to add any other family member as an occupant of the unit.

The family must notify the HA if any family member no longer resides in the unit.

If the HA has given approval, a foster child or live in-aide may reside in the unit, pursuant to the HA policies outlined in the Administrative Plan.

All One Strike provisions and criminal background checks must be provided prior to assistance of the family. Pursuant to 982.553, the family members may not engage in drug related criminal activity, or violent criminal activity.

Criminal background checks must be conducted for any adult family member added to the lease agreement after the family becomes assisted by the Section 8 project based program.

The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the program.

The family may not commit any serious or repeated violation of the lease.

The family must notify the HA and the owner before the family moves out of the unit. If the family terminates the lease on notice to the owner, the family must give the HA a copy of the notice of termination at the same time. Failure to do so is a breach of family obligations under the program.

The family must supply any information or certification requested by the HA to verify that the family is living in the unit, or relating to family absence from the unit, including any HA requested information or certification on the purposes of family absences.

The family must cooperate with the HA for this purpose.

The family must promptly notify the HA of the absence from the unit.

The family must use the assisted unit for resident by the family. The unit must be the only residence of the family.

The family must not own or have any interest in the unit.

The family must not sublease the unit; the family must not assign the lease or transfer the unit.

The family must promptly give the HA a copy of any owner eviction notice.

The family is responsible for any HQS breach caused by the family as described in 24 CFR part 982.404.

The family must allow the HA to inspect the unit at reasonable times and after reasonable notice.