

# PHA Plans

## Streamlined Annual Version

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

OMB No. 2577-0226  
(exp. 05/31/2006)

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This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937 that introduced 5-year and annual PHA Plans. The full PHA plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form allows eligible PHAs to make a streamlined annual Plan submission to HUD consistent with HUD's efforts to provide regulatory relief for certain types of PHAs. Public reporting burden for this information collection is estimated to average 11.7 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

**Privacy Act Notice.** The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Information in PHA plans is publicly available.

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# Streamlined Annual PHA Plan

## for Fiscal Year: 2006

# PHA Name: Menard County Housing Authority IL28

**NOTE: This PHA Plan template (HUD-50075-SA) is to be completed in accordance with instructions contained in previous Notices PIH 99-33 (HA), 99-51 (HA), 2000-22 (HA), 2000-36 (HA), 2000-43 (HA), 2001-4 (HA), 2001-26 (HA), 2003-7 (HA), and any related notices HUD may subsequently issue.**



## EXECUTIVE SUMMARY

The Authority is on schedule with its FY2005 annual plan and its FY2005-2009 five-year plan.

Following its procurement policy, in FY2003 the Authority selected Professional Development Group Midwest (PDGM) as the developer for the replacement housing for Phase II demolition of IL28-01, for the demolition and replacement of IL28-07 dwelling units and for developing other affordable rental and homeownership housing. During FY2003 PDGM prepared a Master Development Plan for the Authority and the plan was made part of the Authority's FY2004 Housing Agency Plan. During FY2005 the Authority began implementing the first phase of the Plan including the development and implementation of a homeownership program. Implementation of the first phase of the Master Development Plan will be completed in FY2007. During FY2006 the Authority will follow its procurement policy and select the developer for implementing the second phase of the Authority's Plan. Phase two includes the demolition/disposition of 10 units in development Oakford IL028-05 (demolish 6 family units and dispose of 4 elderly units); the demolition/disposition of 8 units in development Tallula IL028-06 (demolish 4 family units and dispose of 4 elderly units); and the demolition of 3 units in development Athens IL028-02. The Authority plans one-for-one replacement of the demolished units. The Authority's phase two construction funding strategies include, but are not limited to, using 30% of its CFP funds to secure 20-year bond financing, reprogramming all Replacement Housing Factor funds for replacement public housing and using mixed financing. The Authority will also assess the viability of using project-based vouchers and if viable, may pursue. The Master Development Plan is available for review at the Menard County Housing Authority's central office.

Within the next five years the Authority plans to dispose of the Mentor Graham building, a special use community building that is currently occupied by the Menard County Health Department.

Public Housing flat rents were reviewed and FY2006 flat rents for 3BR and 4BR units will be increased 5% over the FY2005 level; there will be no change in the 1BR and 2BR flat rents. FY2006 flat rents are as follows:

Project	1BR	2BR	3BR	4BR
IL28-02	\$235	\$330	\$428	\$446
IL28-03	\$323	\$442	\$0	\$0
IL28-04	\$229	\$323	\$424	\$0
IL28-05	\$315	\$345	\$466	\$0
IL28-06	\$314	\$322	\$421	\$0
IL28-08	\$230	\$325	\$0	\$0
IL28-09	\$230	\$325	\$422	\$440

Public housing ceiling rents for FY2006 are established to be the same as FY2006 flat rents.

During FY2006 the Authority will continue managing tax credit properties and other programs initiated by the not for profits established by the Authority. During FY2006 the Authority, in coordination with other entities, will continue to aggressively pursue affordable rental and homeownership housing programs for low and moderate-income families.

The Authority is and has been in full compliance with the Resident Community Service requirement of the Quality Housing and Work Responsibility Act of 1998. The Authority established and implemented Community Service Requirement policies and procedures in its FY2000 Agency Plan. During 2003 HUD

suspended the requirement but re-instituted it in 2004. The Authority will ensure it continues to comply in 2006. The Authority has reviewed and updated its ACOP, Chapter 15 of the Section 8 Admin Plan, public housing lease and Resident Handbook. Copies of the updated documents are attached and are available for review at the Authority's central office.

Due to recent significant funding cuts in the Section 8 Housing Choice Voucher program the Authority may not be able to renew all expiring vouchers in FY2006. Since the Authority is currently over leased considering its current Section 8 Housing Choice Vouchers budget, the Authority may not renew vouchers as they expire until the program is within budget. During the budget adjustment process the Authority shall ensure that current elderly and disabled voucher families are protected against significant impacts resulting from the adjustments. The Authority will renew disabled or elderly voucher families should not doing so create an undue hardship. Should the Authority's Section 8 budget continue to be cut the Authority may be required to take additional cost reduction action such as reducing Payment Standards, not approving rent increases to Landlords, not funding ports to a higher rent area unless the receiving jurisdiction agrees to absorb the voucher, and the like.

During FY2006 the Authority will develop and implement strategies for complying with project-based accounting.

The Authority will implement community-based public housing waiting lists during FY2006. The public housing waiting lists will include:

- Petersburg High Rise IL028-03
- All other Petersburg properties except the High Rise: IL028-08 and IL028-09
- All Athens properties: IL028-02 and IL028-04
- Oakford: IL028-05
- Tallula: IL028-06

Due to the failure rate of the high efficiency Maytag refrigerators purchased under a special statewide energy efficiency grant, the Authority may be required to use increasing more CFP funds to replace the units.

During FY2006 to FY2010 the Authority plans to upgrade the parking at the Petersburg High Rise IL028-03 using CFP funds or incorporating into the implementation of the second phase of the Authority's Master Development Plan.

## Streamlined Annual PHA Plan

**Fiscal Year 2004**

[24 CFR Part 903.12(c)]

### Table of Contents

[24 CFR 903.7(r)]

Provide a table of contents for the Plan, including applicable additional requirements, and a list of supporting documents available for public inspection.

A.

**1. PHA PLAN COMPONENTS**

Site-Based Waiting List Policies

**903.7(b)(2) Policies on Eligibility, Selection, and Admissions**

2. Capital Improvement Needs

**903.7(g) Statement of Capital Improvements Needed**

3. Section 8(y) Homeownership

**903.7(k)(1)(i) Statement of Homeownership Programs**

4. Project-Based Voucher Programs (We may request as part of our financing plan)

5. PHA Statement of Consistency with Consolidated Plan. Complete only if PHA has changed any policies, programs, or plan components from its last Annual Plan.

6. Supporting Documents Available for Review

7. Capital Fund Program and Capital Fund Program Replacement Housing Factor, Annual Statement/Performance and Evaluation Report

8. Capital Fund Program 5-Year Action Plan

ATTACHMENT A: Voluntary conversion of public housing il028a01

ATTACHMENT B: Deconcentration and income mixing il028b01

ATTACHMENT C: Updated ACOPIl028c01

ATTACHMENT D: Updated Section 8 Admin Plan chapters including PBV il028d01

ATTACHMENT E: Updated Public Housing Lease il028e01

ATTACHMENT F: FY2004 CFP P&E Report il028f01

ATTACHMENT G: FY2005 CFP P&E Report il028g01

ATTACHMENT H: Demolition/Disposition

### **B. SEPARATE HARD COPY SUBMISSIONS TO LOCAL HUD FIELD OFFICE**

**Form HUD-50076**, *PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Streamlined Annual Plan* identifying policies or programs the PHA has revised since submission of its last Annual Plan, and including Civil Rights certifications and assurances the changed policies were presented to the Resident Advisory Board for review and comment, approved by the PHA governing board, and made available for review and inspection at the PHA's principal office;

For PHAs Applying for Formula Capital Fund Program (CFP) Grants:

**Form HUD-50070**, *Certification for a Drug-Free Workplace*;

**Form HUD-50071**, *Certification of Payments to Influence Federal Transactions*; and

**Form SF-LLL & SF-LLLa, *Disclosure of Lobbying Activities.***

**1. Site-Based Waiting Lists (Eligibility, Selection, Admissions Policies)**

[24 CFR Part 903.12(c), 903.7(b)(2)]

Exemptions: Section 8 only PHAs are not required to complete this component.

**A. Site-Based Waiting Lists-Previous Year**

1. Has the PHA operated one or more site-based waiting lists in the previous year? If yes, complete the following table; if not skip to B.

<b>Site-Based Waiting Lists</b>				
<b>Development Information:</b> (Name, number, location)	<b>Date Initiated</b>	<b>Initial mix of Racial, Ethnic or Disability Demographics</b>	<b>Current mix of Racial, Ethnic or Disability Demographics since Initiation of SBWL</b>	<b>Percent change between initial and current mix of Racial, Ethnic, or Disability demographics</b>

2. What is the number of site based waiting list developments to which families may apply at one time?
3. How many unit offers may an applicant turn down before being removed from the site-based waiting list?
4.  Yes  No: Is the PHA the subject of any pending fair housing complaint by HUD or any court order or settlement agreement? If yes, describe the order, agreement or complaint and describe how use of a site-based waiting list will not violate or be inconsistent with the order, agreement or complaint below:

**B. Site-Based Waiting Lists – Coming Year**

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 next component.

1. How many site-based waiting lists will the PHA operate in the coming year? 5

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? 5
3.  Yes  No: May families be on more than one list simultaneously?  
If yes, how many lists? All five
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)

## **2. Capital Improvement Needs**

[24 CFR Part 903.12 (c), 903.7 (g)]

Exemptions: Section 8 only PHAs are not required to complete this component.

### **A. Capital Fund Program**

1.  Yes  No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete items 7 and 8 of this template (Capital Fund Program tables). If no, skip to B.
2.  Yes  No: Does the PHA propose to use any portion of its CFP funds to repay debt incurred to finance capital improvements? If so, the PHA must identify in its annual and 5-year capital plans the development(s) where such improvements will be made and show both how the proceeds of the financing will be used and the amount of the annual payments required to service the debt. (Note that separate HUD approval is required for such financing activities.).  
We may request as part of the financing plan for redeveloping IL028-07

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

Applicability: 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.

1.  Yes  No: Has the PHA received a HOPE VI revitalization grant? (if no, skip to #3; if yes, provide responses to the items on the chart located on the next page, copying and completing as many times as necessary).

2. Status of HOPE VI revitalization grant(s):

HOPE VI Revitalization Grant Status	
a. Development Name:	
b. Development Number:	
c. Status of Grant:	
	<input type="checkbox"/> Revitalization Plan under development
	<input type="checkbox"/> Revitalization Plan submitted, pending approval
	<input type="checkbox"/> Revitalization Plan approved
	<input type="checkbox"/> Activities pursuant to an approved Revitalization Plan underway

3.  Yes  No: Does the PHA expect to apply for a HOPE VI Revitalization grant in the Plan year?  
If yes, list development name(s) below:

The Authority plans to submit Section 18 Plans for the demolition of six units in IL028-05; four units in IL028-06; and three units in IL028-02. Once HUD approves the Section 18 Demolition Plans, the Authority will apply for a HOPE VI Demolition Grant, if available.

4.  Yes  No: 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:

During FY2006 the Authority plans to begin implementing the second phase of its Master Development Plan, which could take two or more years. The Authority's phase two construction funding strategies include, but are not limited to, using 30% of its CFP funds to secure 20-year bond financing, reprogramming all Replacement Housing Factor funds for replacement public housing and using mixed financing. Developments that might be affected include ILO028-02 (3 units); ILO028-05 (8 units); and IL028-06 (8 units).

5.  Yes  No: 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:

During FY2006 the Authority will follow its procurement policy and select the developer for implementing the second phase of the Authority's Master Development Plan. Phase two includes the demolition/disposition of 10 units in development Oakford IL028-05 (demolish 6 family units and dispose of 4 elderly units); the demolition/disposition of 8 units in development Tallula IL028-06 (demolish 4 family units and dispose of 4 elderly units); and the demolition of 3 units in development Athens IL028-02. The Authority plans one-for-one replacement of the demolished units. The Authority's phase two construction funding strategies include, but are not limited to, using 30% of its CFP funds to secure 20-year bond financing, reprogramming all Replacement Housing Factor funds for replacement public housing and using mixed financing. The Authority will also assess the viability of using project-based vouchers and if viable, may pursue. The Master Development Plan is available for review at the Menard County Housing Authority's central office.

### **3. Section 8 Tenant Based Assistance--Section 8(y) Homeownership Program** (if applicable) [24 CFR Part 903.12(c), 903.7(k)(1)(i)]

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 the next component; if "yes", complete each program description below (copy and complete questions for each program identified.)

2. Program Description:

a. Size of Program

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

If the answer to the question above was yes, what is the maximum number of participants this fiscal year?

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:

c. What actions will the PHA undertake to implement the program this year (list)?

3. Capacity of the PHA to Administer a Section 8 Homeownership Program:

The PHA has demonstrated its capacity to administer the program by (select all that apply):

- Establishing a minimum homeowner down payment requirement of at least 3 percent of purchase price and requiring that at least 1 percent of the purchase price comes from the family's resources.
- Requiring that financing for purchase of a home under its Section 8 homeownership will be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.
- Partnering with a qualified agency or agencies to administer the program (list name(s) and years of experience below):
- Demonstrating that it has other relevant experience (list experience below):

## **4. Use of the Project-Based Voucher Program**

### **Intent to Use Project-Based Assistance**

Yes  No: Does the PHA plan to “project-base” any tenant-based Section 8 vouchers in the coming year? If the answer is “no,” go to the next component. If yes, answer the following questions.

1.  Yes  No: Are there circumstances indicating that the project basing of the units, rather than tenant-basing of the same amount of assistance is an appropriate option? If yes, check which circumstances apply:
  - low utilization rate for vouchers due to lack of suitable rental units
  - access to neighborhoods outside of high poverty areas
  - other (describe below:) There is an acute shortage of any type of rental units in Menard County, especially those affordable to low-income families.
2. Indicate the number of units and general location of units (e.g. eligible census tracts or smaller areas within eligible census tracts):

The authority will project base 14 units in census tracts 0101p (Greenview, IL) and 0102p (Petersburg, IL). The Authority has updated its Section 8 Administrative Plan (Attachment D, il028d01) to include procedures for selecting project based voucher proposals.

## **5. PHA Statement of Consistency with the Consolidated Plan**

[24 CFR Part 903.15]

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary) only if the PHA has provided a certification listing program or policy changes from its last Annual Plan submission.

1. Consolidated Plan jurisdiction: (provide name here) Illinois State
2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)
  - The PHA has based its statement of needs of families on its waiting lists 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)
  - Other: (list below)

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

The State provides technical assistance as requested by the Authority. In addition, the State provides funding opportunities on a competitive application basis.

## **6. Supporting Documents Available for Review for Streamlined Annual PHA Plans**

PHAs are to 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.

<b>List of Supporting Documents Available for Review</b>		
<b>Applicable &amp; On Display</b>	<b>Supporting Document</b>	<b>Related Plan Component</b>
X	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans;</i>	5 Year and Annual Plans
X	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Streamlined Annual Plan</i>	Streamlined Annual Plans
X	<i>Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.</i>	5 Year and standard Annual Plans
	Fair Housing Documentation Supporting Fair Housing Certifications: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions’ initiatives to affirmatively further fair housing that require the PHA’s involvement.	5 Year and Annual Plans
X	Housing Needs Statement of the Consolidated Plan for the jurisdiction(s) in which the PHA is located and any additional backup data to support statement of housing needs for families on the PHA’s public housing and Section 8 tenant-based waiting lists.	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/ACOP), which includes the Tenant Selection and Assignment Plan [TSAP] and the Site-Based Waiting List Procedure.	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Deconcentration Income Analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Any policy governing occupancy of Police Officers and Over-Income Tenants in Public Housing. <input checked="" type="checkbox"/> Check here if included in the public housing A&O Policy.	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public housing rent determination policies, including the method for setting public housing flat rents. <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
X	Schedule of flat rents offered at each public housing development. <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies (if included in plan, not necessary as a supporting document) and written analysis of Section 8 payment	Annual Plan: Rent Determination

<b>List of Supporting Documents Available for Review</b>		
<b>Applicable &amp; On Display</b>	<b>Supporting Document</b>	<b>Related Plan Component</b>
	standard policies. <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan.	
<b>X</b>	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
<b>X</b>	Results of latest Public Housing Assessment System (PHAS) Assessment (or other applicable assessment).	Annual Plan: Management and Operations
	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary)	Annual Plan: Operations and Maintenance and Community Service & Self-Sufficiency
<b>X</b>	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
<b>X</b>	Any policies governing any Section 8 special housing types <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance
<b>X</b>	Public housing grievance procedures <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
<b>X</b>	Section 8 informal review and hearing procedures. <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan.	Annual Plan: Grievance Procedures
<b>X</b>	The Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report for any active grant year.	Annual Plan: Capital Needs
	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants.	Annual Plan: Capital Needs
<b>X</b>	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
<b>X</b>	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (HA).	Annual Plan: Capital Needs
<b>X</b>	Approved or submitted applications for demolition and/or disposition of public housing.	Annual Plan: Demolition and Disposition
	Approved or submitted applications for designation of public housing (Designated Housing Plans).	Annual Plan: Designation of Public Housing
	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937.	Annual Plan: Conversion of Public Housing
	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing
	Approved or submitted public housing homeownership programs/plans.	Annual Plan: Homeownership
	Policies governing any Section 8 Homeownership program (Section _____ of the Section 8 Administrative Plan)	Annual Plan: Homeownership
<b>X</b>	Public Housing Community Service Policy/Programs <input checked="" type="checkbox"/> Check here if included in Public Housing A & O Policy	Annual Plan: Community Service & Self-Sufficiency
<b>X</b>	Cooperative agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies.	Annual Plan: Community Service & Self-Sufficiency
<b>X</b>	FSS Action Plan(s) for public housing and/or Section 8.	Annual Plan: Community Service & Self-Sufficiency
<b>X</b>	Section 3 documentation required by 24 CFR Part 135, Subpart E for public housing.	Annual Plan: Community Service & Self-Sufficiency
	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports for public housing.	Annual Plan: Community Service & Self-Sufficiency
<b>X</b>	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G). <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Pet Policy

<b>List of Supporting Documents Available for Review</b>		
<b>Applicable &amp; On Display</b>	<b>Supporting Document</b>	<b>Related Plan Component</b>
<b>X</b>	The results of the most recent fiscal year audit of the PHA conducted under the Single Audit Act as implemented by OMB Circular A-133, the results of that audit and the PHA's response to any findings.	Annual Plan: Annual Audit
	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)
	Consortium agreement(s) and for Consortium Joint PHA Plans <u>Only</u> : Certification that consortium agreement is in compliance with 24 CFR Part 943 pursuant to an opinion of counsel on file and available for inspection.	Joint Annual PHA Plan for Consortia: Agency Identification and Annual Management and Operations

**7. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report**

<b>Annual Statement/Performance and Evaluation Report</b>					
<b>Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary</b>					
<b>PHA Name:</b> Menard County Housing Authority		<b>Grant Type and Number</b> Capital Fund Program Grant No: IL06-P028-50106 Replacement Housing Factor Grant No:		<b>Federal FY of Grant:</b> 2006	
<input checked="" type="checkbox"/> <b>Original Annual Statement</b> <input type="checkbox"/> <b>Reserve for Disasters/ Emergencies</b> <input type="checkbox"/> <b>Revised Annual Statement (revision no: )</b> <input type="checkbox"/> <b>Performance and Evaluation Report for Period Ending:</b> <input type="checkbox"/> <b>Final Performance and Evaluation Report</b>					
Lin e	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	26,932			
3	1408 Management Improvements	26,932			
4	1410 Administration	26,932			
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	50,000			
8	1440 Site Acquisition				
9	1450 Site Improvement	5,000			
10	1460 Dwelling Structures	120,500			
11	1465.1 Dwelling Equipment— Nonexpendable				
12	1470 Nondwelling Structures	5,000			
13	1475 Nondwelling Equipment	8,028			
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collaterization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 –	269,324			

**7. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report**

<b>Annual Statement/Performance and Evaluation Report</b>					
<b>Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary</b>					
<b>PHA Name:</b> Menard County Housing Authority		<b>Grant Type and Number</b> Capital Fund Program Grant No: IL06-P028-50106 Replacement Housing Factor Grant No:			<b>Federal FY of Grant:</b> 2006
<input checked="" type="checkbox"/> <b>Original Annual Statement</b> <input type="checkbox"/> <b>Reserve for Disasters/ Emergencies</b> <input type="checkbox"/> <b>Revised Annual Statement (revision no: )</b> <input type="checkbox"/> <b>Performance and Evaluation Report for Period Ending:</b> <input type="checkbox"/> <b>Final Performance and Evaluation Report</b>					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
	20)				
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				

**7. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report**

Annual Statement/Performance and Evaluation Report								
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name: Menard County Housing Authority			Grant Type and Number Capital Fund Program Grant No: IL06-P028-50106 Replacement Housing Factor Grant No:			Federal FY of Grant: 2006		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
HA-Wide	Operations	1406		26,932				
HA-Wide	Computer system upgrade and training	1408		8,000				
HA-Wide	Technical Assist: Agency Plan/Operations	1408		9,932				
HA-Wide	Commissioner and staff training	1408		9,000				
HA-Wide	Administration	1410		26,932				
HA-Wide	A/E and development fees	1430		50,000				
HA-Wide	Parking and sidewalk repair	1450		5,000				
HA-Wide	Modernization work items	1460		5,000				
IL28-02	Replace roofs	1460	13 DU	45,500				
IL28-04	Replace roofs	1460	20 DU	70,000				
HA-Wide	Mentor Graham modernization	1470		5,000				
HA-Wide	Vehicle, tools and equipment	1475		8,028				

**7. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report**

<b>Annual Statement/Performance and Evaluation Report                      Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)                      Part III: Implementation Schedule</b>							
PHA Name: Menard County Housing Authority		<b>Grant Type and Number</b> Capital Fund Program No: IL06-P028-50106 Replacement Housing Factor No:				Federal FY of Grant: 2006	
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	
HA-Wide	6/31/2008			6/31/2009			
IL028-04	6/31/2008			6/31/2009			
IL028-08	6/31/2008			6/31/2009			
IL028-09	6/31/2008			6/31/2009			

**7. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report**

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary					
PHA Name: Menard County Housing Authority			Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: IL06-R028-50106		Federal FY of Grant: 2006
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:    )					
<input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> 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				
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities	57,501			
19	1501 Collaterization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	57,501			

**7. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report**

<b>Annual Statement/Performance and Evaluation Report</b>					
<b>Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary</b>					
<b>PHA Name: Menard County Housing Authority</b>			<b>Grant Type and Number</b> Capital Fund Program Grant No: Replacement Housing Factor Grant No: IL06-R028-50106		<b>Federal FY of Grant:</b> 2006
<input checked="" type="checkbox"/> <b>Original Annual Statement</b> <input type="checkbox"/> <b>Reserve for Disasters/ Emergencies</b> <input type="checkbox"/> <b>Revised Annual Statement (revision no:    )</b> <input type="checkbox"/> <b>Performance and Evaluation Report for Period Ending:</b> <input type="checkbox"/> <b>Final Performance and Evaluation Report</b>					
<b>Line No.</b>	<b>Summary by Development Account</b>	<b>Total Estimated Cost</b>		<b>Total Actual Cost</b>	
		<b>Original</b>	<b>Revised</b>	<b>Obligated</b>	<b>Expended</b>
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				



**7. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report**

<b>Annual Statement/Performance and Evaluation Report                      Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)                      Part III: Implementation Schedule</b>							
PHA Name: Menard County Housing Authority			Grant Type and Number Capital Fund Program No: Replacement Housing Factor No: IL06-R028-50106				Federal FY of Grant: 2006
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	
New project	6/31/2008			6/31/2009			

## 8. Capital Fund Program Five-Year Action Plan

Capital Fund Program Five-Year Action Plan					
Part I: Summary					
PHA Name Menard County Housing Authority		<input checked="" type="checkbox"/> <b>Original 5-Year Plan</b> <input type="checkbox"/> <b>Revision No:</b>			
Development Number/Name/ HA-Wide	Year 1	Work Statement for Year 2  FFY Grant: 2007 PHA FY: 2007	Work Statement for Year 3  FFY Grant: 2008 PHA FY: 2008	Work Statement for Year 4  FFY Grant: 2009 PHA FY: 2009	Work Statement for Year 5  FFY Grant: 2010 PHA FY: 2010
HA-Wide	Annual Statement				
1406		26,932	26,932	26,932	26,932
1408		26,932	26,932	26,932	26,932
1410		26,932	26,932	26,932	26,932
1430		41,500	40,500	47,500	47,500
1460		9,661	4,661	10,500	10,500
1465.1		2,500	2,500	2,500	2,500
1475		5,000	5,000	5,000	5,000
1499		5,000	5,000	5,000	5,000
1501		88,867	88,867	88,867	88,867
IL028-02			24,000		
IL028-03					
IL028-04				29,161	
IL028-05		36,000			
IL028-06			18,000		
IL028-08 IL028-09					29,161
CFP Funds Listed for 5-year plan		269,324	269,324	269,324	269,324
Replacement Housing Factor Funds		57,501	57,501	57,501	57,501

## 8. Capital Fund Program Five-Year Action Plan

<b>Capital Fund Program Five-Year Action Plan</b>						
<b>Part II: Supporting Pages—Work Activities</b>						
Activities for Year 1	Activities for Year : <u>2</u> FFY Grant: 2007 PHA FY: 2007			Activities for Year: <u>3</u> FFY Grant: 2008 PHA FY: 2008		
	<b>Development Name/Number</b>	<b>Major Work Categories</b>	<b>Estimated Cost</b>	<b>Development Name/Number</b>	<b>Major Work Categories</b>	<b>Estimated Cost</b>
<b>See</b>						
<b>Annual Statement</b>	HA-Wide	1406 Operations	26,932	HA-Wide	1406 Operations	26,932
	HA-Wide	1408 Computer software/training	8,000	HA-Wide	1408 Computer software/training	8,000
	HA-Wide	1408 Commissioner/staff training	9,932	HA-Wide	1408 Commissioner/staff training	9,932
	HA-Wide	1408 Technical Assistance	9,000	HA-Wide	1408 Technical Assistance	9,000
	HA-Wide	1410 Modernization Coordinator	26,932	HA-Wide	1410 Modernization Coordinator	26,932
	HA-Wide	1430 A/E and development fees	41,500	HA-Wide	1430 A/E fees	40,500
	HA-Wide	1460 Modernization work items	9,661	HA-Wide	1460 Modernization work items	4,661
	HA-Wide	1465.1 Replace appliances	2,500	HA-Wide	1465.1 Replace appliances	2,500
	HA-Wide	1475 Vehicles, tools & equipment	5,000	HA-Wide	1475 Vehicles, tools & equipment	5,000
	IL028-05	1485 Demolish six units	30,000	IL028-02	1485 Demolish four units	20,000
	IL028-05	1495.1 Relocation Cost	6,000	IL028-06	1485 Demolish three units	15,000
	IL028-2/5/6	1499 Development activities	5,000	IL028-02	1495.1 Relocation Cost	4,000
	IL028-2/5/6	1501 Development Bond service	88,867	IL028-06	1495.1 Relocation Cost	3,000
				IL028-2/5/6	1499 Development activities	5,000
				IL028-2/5/6	1501 Development Bond service	88,867
<b>Total CFP Estimated Cost</b>			<b>\$269,324</b>			<b>\$269,324</b>

Note: Replacement Housing Factor Funds of \$57,501 per year will be used to replace public housing dwelling units

## 8. Capital Fund Program Five-Year Action Plan

<b>Capital Fund Program Five-Year Action Plan</b>						
<b>Part II: Supporting Pages—Work Activities</b>						
Activities for Year 1	Activities for Year : <u>4</u> FFY Grant: 2009 PHA FY: 2009			Activities for Year: <u>5</u> FFY Grant: 2010 PHA FY: 2010		
	<b>Development Name/Number</b>	<b>Major Work Categories</b>	<b>Estimated Cost</b>	<b>Development Name/Number</b>	<b>Major Work Categories</b>	<b>Estimated Cost</b>
<b>See</b>	HA-Wide	1406 Operations	26,932	HA-Wide	1406 Operations	26,932
<b>Annual</b>	HA-Wide	1408 Computer software/training	8,000	HA-Wide	1408 Computer software/training	8,000
<b>Statement</b>	HA-Wide	1408 Commissioner/staff training	9,932	HA-Wide	1408 Commissioner/staff training	9,932
	HA-Wide	1408 Technical Assistance	9,000	HA-Wide	1408 Technical Assistance	9,000
	HA-Wide	1410 Modernization Coordinator	26,932	HA-Wide	1410 Modernization Coordinator	26,932
	HA-Wide	1430 A/E fees	47,500	HA-Wide	1430 A/E fees	47,500
	HA-Wide	1460 Modernization work items	10,500	HA-Wide	1460 Modernization work items	10,500
	IL028-04	1460 Comprehensive Modernization	29,161	IL028-08	1460 Comprehensive Modernization	29,161
	HA-Wide	1465.1 Replace appliances	2,500	HA-Wide	1465.1 Replace appliances	2,500
	HA-Wide	1475 Vehicles, tools & equipment	5,000	HA-Wide	1475 Vehicles, tools & equipment	5,000
	IL028-2/5/6	1499 Development activities	5,000	IL028-2/5/6	1499 Development activities	10,000
	IL028-2/5/6	1501 Development Bond service	88,867	IL028-2/5/6	1501 Development Bond service	88,867
	Total CFP Estimated Cost		\$269,324			\$269,324

Note: Replacement Housing Factor Funds of \$57,501 per year will be used to replace public housing dwelling units

# Attachment A: Voluntary Conversion Of Public Housing Developments

**Menard County Housing Authority  
101 West Sheridan Road  
P. O. Box 168  
Petersburg, IL 62675  
217 -632-7723 Fax 217-632-7255**

## **CERTIFICATION OF VOLUNTARY CONVERSION OF PUBLIC HOUSING DEVELOPMENTS**

**October 26, 2005**

The Menard County Housing Authority hereby certifies that it has:

- Reviewed the following development's operation as public housing:

IL28-02  
IL28-03  
IL28-04  
IL28-05  
IL28-06  
IL28-08  
IL28-09

- Considered the implications of converting the above public housing developments to tenant based assistance; and
- Concluded that conversion of the development will be inappropriate because removal of the developments will not meet the necessary conditions for voluntary conversions since:
  - 1) Converting to tenant based assistance will be more expensive than continuing to operate the developments as public housing; and
  - 2) Converting to tenant based assistance will adversely affect the availability of affordable housing in Menard County.

---

Anne R. Smith, Executive Director

---

Date

# Attachment A: Voluntary Conversion Of Public Housing Developments

## Component 10 (B) Voluntary Conversion Initial Assessments

- a. How many of the PHA's developments are subject to the Required Initial Assessments? **All seven developments**
- 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)? **None**
- c. How many Assessments were conducted for the PHA's covered developments? **All seven developments**
- d. Identify PHA developments that may be appropriate for conversion based on the Required Initial Assessments: **None**

Development Name	Number of Units

- d. If the PHA has not completed the Required Initial Assessments, describe the status of these assessments: **Complete**

## **Attachment B: Deconcentration and Income Mixing**

**Menard County Housing Authority  
101 West Sheridan Road  
P. O. Box 168  
Petersburg, IL 62675  
217 -632-7723 Fax 217-632-7255**

### **CERTIFICATION OF DECONCENTRATION AND INCOME MIXING**

**October 26, 2005**

The Menard County Housing Authority hereby certifies:

- That the following developments are general occupancy developments covered by the deconcentration rule:

IL28-02

IL28-03

IL28-04

IL28-05

IL28-06

IL28-08

IL28-09

- That one of the seven covered developments has average incomes below 85% of the average incomes of all such developments.

---

Anne R. Smith, Executive Director

---

Date

## Attachment B: Deconcentration and Income Mixing

### **(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:

<b>Deconcentration Policy for Covered Developments</b>			
<b>Development Name:</b>	<b>Number of Units</b>	<b>Explanation (if any) [see step 4 at §903.2(c)(1)(iv)]</b>	<b>Deconcentration policy (if no explanation) [see step 5 at §903.2(c)(1)(v)]</b>
IL028-06	10	Below 85% income	Waiting list skipping

IL28-2	\$13,370
IL28-3	\$12,027
IL28-4	\$12,802
IL28-5	\$10,980
IL28-6	\$ 9,444
IL28-8	\$11,662
IL28-9	\$11,260
AVG	\$11,649
85%	\$ 9,901
115%	\$13,396

## **Attachment B: Deconcentration and Income Mixing**

### **MENARD COUNTY HOUSING AUTHORITY**

#### **DECONCENTRATION POLICY**

##### **PUBLIC HOUSING:**

In an ongoing effort for the Housing Authority to meet or exceed the laws and regulations regarding its public housing programs, the following Deconcentration Policy has been developed in order to comply with the Quality Housing and Work Responsibility Act of 1998, Section 513.

**INCOME MIX TARGETING:** To meet the requirements of the Act and subsequent HUD regulations, at least 40 percent of families admitted to public housing by the Housing Authority must have incomes that do not exceed 30% of the area median. If families whose incomes do not exceed 30% of the area median income occupy 40% or more of the Housing Authority units, this requirement shall be considered as being met.

Additionally, to meet this goal, the housing authority may use the provisions of fungibility to the extent that the housing authority has provided more than seventy-five percent of newly available vouchers and certificates in its Section 8 program, including those resulting from turnover, to very poor families. The number of fungible housing credits used to drop the annual requirement for housing very poor families below 40 percent of the newly available units in public housing is limited to the lowest of the following:

1. The number of units equivalent to ten (10) percent of the number of newly available vouchers and certificates in that fiscal year; or,
2. The number of public housing units that (i) are in public housing projects located in census tracts having a poverty rate of 30% or more, and (ii) are made available for occupancy by, and actually occupied in that year by families other than very poor families, or
3. The number of units that cause the housing authority's overall requirement for housing very poor families to drop to 30% of its' newly available units.

**PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES:** The Housing Authority will not, in meeting this income mix targeting, concentrate very low-income families, or other families with relatively low incomes, in public housing units in certain projects or certain buildings within projects.

## **Attachment B: Deconcentration and Income Mixing**

The Housing Authority must review the income and occupancy characteristics of the housing projects and the buildings of each project to ensure that a low-income concentration does not occur.

**DECONCENTRATION:** The Housing Authority will make every effort to deconcentrate families of certain income characteristics within the Public Housing Agency complexes. To achieve this, the Housing Authority may offer incentives for eligible families having higher incomes to occupy dwelling units in projects predominantly occupied by eligible families having lower incomes, and provide for occupancy of eligible families having lower incomes in project predominantly occupied by eligible families having higher incomes. Incentives by the Housing Authority allow for the eligible family to have the sole discretion in determining whether to accept the incentive and the Housing Authority may not take any adverse action toward any eligible family for choosing not to accept these incentives. The skipping of a family on the waiting list to reach another family to implement this Deconcentration Policy shall not be considered an adverse action. As such, the Housing Authority will continue to accept applications and place the individuals on a waiting list. Selection will be made based on a combination of the local preferences and an income target mix. Any eligible family who qualifies as a higher income family may accept a dwelling unit assignment and be placed randomly into a vacant housing unit.

The Housing Authority will track the income mix within each project and building, i.e. high-rise, as an effort to avoid a concentration of higher or lower income families in any one building, i.e. high-rise, or development.

### **SECTION 8 TENANT-BASED ASSISTANCE:**

**INCOME MIX TARGETING:** In each fiscal year, not less than 75% of the new admissions must have incomes at or below 30% of the area median income.

**ATTACHMENT C**

**MENARD COUNTY HOUSING AUTHORITY**

**ADMISSIONS  
AND  
CONTINUED OCCUPANCY  
POLICY**

**A.C.O.P.**

Adopted

---

**Note:**

**This plan (ACOP) also serves as our "Tenant Selection and Assignment Plan (TSAP)" because it meets the requirements for a TSAP and provides the details as to how this Agency processes the selection and assignment of applicants for Public Housing.**

**The ACOP also includes the regulatory "One-Strike" provisions for admission to Public Housing and applicable sections of Title V of H.R. 4194, the Quality Housing and Work Responsibility Act.**

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## SECTION 1.0

## INTRODUCTION

### 1.1 Mission Statement

Our goal is to provide drug free, decent, safe, and sanitary housing for eligible families and to provide opportunities and promote self-sufficiency and economic independence for residents.

In order to achieve this mission, we will:

- Recognize residents as our ultimate customer;
- Improve Public Housing Authority (HA) management and service delivery efforts through effective and efficient management of HA staff;
- Seek problem-solving partnerships with residents, community, and government leadership;
- Apply HA resources, to the effective and efficient management and operation of public housing programs, taking into account changes in Federal funding.

### 1.2 Purpose of Policy

The purpose of this policy (**Admissions and Continued Occupancy Policy**) is to establish guidelines for the Macoupin County Housing Authority (MCHA) staff to follow in determining eligibility for admission to and continued occupancy of Public Housing. The basic guidelines for this policy are governed by requirements of The Department of Housing and Urban Development (HUD), with latitude for local policies and procedures. The Policies and Procedures governing Admissions and Continued Occupancy are outlined in this policy and these requirements are binding upon applicants, residents and this MCHA alike. Notwithstanding the above, changes in applicable federal law or regulations shall supersede provisions in conflict with this policy.

Federal Regulations shall mean those found in 24 Code of Federal Regulations (CFR) Parts 900.

### 1.3 Primary Responsibilities of the MCHA:

- A. Informing eligible families of the availability of public housing assistance;
- B. Determining and posting annually the utility allowances;
- C. Receiving applications from families and determining their eligibility for assistance;
- D. Inspecting Public Housing units to determine that they meet or exceed Housing Quality Standards;

- E. Approving leases;
- F. Collecting rent on a monthly basis from tenants;
- G. Annual re-examinations of income, family composition and redetermination of rent;
- H. Authorizing and processing evictions; and,
- I. Ongoing maintenance and modernization of the public housing inventory.

#### 1.4 Objectives

The objectives of this policy are to:

- A. Promote the overall goal of drug free, decent, safe and sanitary housing by:
  - (1) Insuring a social and economic mix of residents within each public housing neighborhood in order to foster social stability and upward mobility.
  - (2) Insuring the fiscal stability of the MCHA.
  - (3) Lawfully denying admission or continued occupancy to applicants or tenants whose presence in a public housing neighborhood are likely to adversely affect the health, safety, comfort or welfare of other residents or the physical environment of the neighborhood or create a danger to MCHA employees.
  - (4) Insuring that Elderly families can live in public housing as long as they are able to live independently and/or have someone to help them live independently as in the case of a live-in aid.
- B. Facilitate the efficient management of the MCHA and compliance with Federal Regulations by establishing policies for the efficient and effective management of the HA inventory and staff.
- C. Comply in letter and spirit with Title VI of the Civil Rights Act of 1964, and all other applicable Federal laws and regulations to insure that admission to and continued occupancy in public housing are conducted without regard to race, color, religion, creed, sex, national origin, handicap, or familial status.

#### 1.5 Outreach

As much information as possible about Public Housing may be disseminated through local media (newspaper, radio, etc.). For those who call the MCHA Office, the staff may be available to convey essential information.

- The MCHA may hold meetings with local social community agencies.
- The MCHA may sponsor "Open House" programs within the public housing community to attract potential tenants to view a public housing unit.
- The MCHA may make known to the public, through publications in a newspaper of general circulation and other suitable means, the availability and nature of housing assistance for low-income families. The notice shall inform such families where they may apply for Public Housing. The MCHA shall take affirmative actions to provide opportunities to participate in the program to persons who, because of such factors as

race, ethnicity, sex of household head, age, or source of income, are less likely to apply for Public Housing. When there is a Local Housing Plan pursuant to Section 24 CFR, Part 91 (Comprehensive Housing Affordability Strategy (CHAS), the MCHA planned programs will be incorporated in the CHAS.

## **SECTION 2.0 FAIR HOUSING POLICY**

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

Specifically, the MCHA shall not on account of race, color, sex, religion, creed, national or ethnic origin, familial status, disability or handicap, deny any family or individual the opportunity to apply for or receive assistance under HUD's Public Housing Programs, within the requirements and regulations of HUD and other regulatory authorities.

To further its commitment to full compliance with applicable Civil Rights laws, the MCHA will provide access to information to public housing residents regarding "discrimination". Also, this subject will be discussed during the briefing session and any complaints will be documented and made part of the applicant's/tenants file.

## **SECTION 3.0 REASONABLE ACCOMMODATION**

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

### **3.1 Communication**

Any request for Reasonable Accommodation must be in writing and must specify the accommodation desired.

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

### **3.2 Questions to Ask in Granting the Accommodation**

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

definition used for this purpose is:

A person with a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such impairment. (The disability may not be apparent to others, e.g., heart condition.)

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

- B. Is the requested accommodation related to the disability? If it is apparent that the request is related to the apparent or documented disability, the answer to this question is yes. If it is not apparent, the requestor must provide the Housing Authority with written documentation that the requested accommodation is needed due to the disability.
- C. Is the requested accommodation reasonable? In order to be determined reasonable, the accommodation must meet two criteria:
  - 1. Would the accommodation constitute a fundamental alteration? The Housing Authority's business is housing.
  - 2. If the request would alter the fundamental business that the Housing Authority conducts, that would not be reasonable. For instance, the Housing Authority would deny a request to have the Housing Authority do grocery shopping for a person with disabilities.
  - 3. Would the requested accommodation create an undue financial hardship or administrative burden? Frequently the requested accommodation costs little or nothing. If the cost would be an undue burden, the Housing Authority may request a meeting with the individual to investigate and consider equally effective alternatives.
- D. Generally the individual knows best what it is he/she needs; however, the Housing Authority retains the right to be shown how the requested accommodation enables the individual to access or use the Housing Authority's programs or services.

If more than one accommodation is equally effective in providing access to the Housing Authority's programs and services, the Housing Authority retains the right to select the most efficient or economic choice.

The cost necessary to carry out approved requests, including requests for physical modifications, will be borne by the Housing Authority if there is no one else willing

to pay for the modifications. If another party pays for the modification, the Housing Authority will seek to have the same entity pay for any restoration costs.

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

### 3.3 Handicap Accessible Units

The Housing Authority has upgraded selected dwelling units and all public areas to full UFAS (Uniform Federal Accessibility Standards) standards in compliance with Section 504, ADA and FHEO. Applicants and resident families requiring handicapped accessible units have priority for these units. The Authority may from time to time have an excess of handicapped accessible units. In an effort to get the best use of all units the Authority may from time to time rent a handicapped designated unit to a family that has no handicapped members. The Authority will advise the non-handicapped family of the requirements to transfer if and when a handicapped designated family is determined eligible. The non-handicapped family may be required to sign a form acknowledging they are moving into a handicapped unit and may be required to move if and when an eligible handicapped designated family needs the unit. If the non-handicapped family selected for the unit decides not to accept the unit because of the requirement to move at some date in the future, the refusal shall not count against the family. See Section 21.0 Transfers.

### 3.4 Requested Accommodations vs. Handicapped Accessible Units

The Authority may offer a family a handicapped accessible unit rather than make requested accommodation if a suitable handicapped accessible unit is available anywhere in the Authority's housing inventory. Should the family refuse the handicapped accessible unit offer, the Authority will not be obligated to make the requested accommodations unless the family pays for the installation (and removal) of the accommodations.

## **SECTION 4.0**

## **PRIVACY RIGHTS**

Applicants will be required to sign the Federal Privacy Act Statement which states under what conditions HUD will release tenant information.

Requests for information by other parties must be accompanied by a signed release request in order for the MCHA to release any information involving an applicant or participant, unless disclosure is authorized under Federal or State law or regulations.

(Reference HUD Form 9886)

## **SECTION 5.0            DEFINITION OF TERMS**

Definitions are amended from time to time and are contained in Section 24 CFR, which are incorporated by reference as if fully set out herein. Copies of this regulation are available in the MCHA Office.

### **5.1    ADJUSTED FAMILY INCOME**

Adjusted Family Income is the income on which total tenant payment is to be based and means the Total Annual Income less the following allowances:

- A.    A deduction of \$480.00 for each member of the family (other than head of household or spouse) who is (1) under eighteen (18) years of age or younger or (2) who is eighteen (18) years of age or older and a verified full-time student and/or is disabled or handicapped according to this Section.
  
- B.    A deduction of dollar amounts anticipated to be paid for the care of children, including foster children, under thirteen (13) years of age where care, including after school programs, is necessary to enable a family member to be gainfully employed or to further his/her education. The dollar amount must be verified and reflect reasonable charges and cannot exceed the amount of income from employment (if employed).
  
- C.    A deduction of \$400.00 for Elderly Family whose head, spouse or sole member is sixty-two (62) years of age or older and/or is handicapped or disabled according to this Section.
  
- D.    A deduction for any elderly family:
  - (1)    That has no Handicapped Assistance Expense, an allowance for unreimbursed medical expenses equal to the amount by which the medical expense shall exceed three (3%) percent of Total Annual Family Income.
  
  - (2)    That has Handicapped Assistance Expenses greater than or equal to three (3%) percent of Total Annual Family Income, an Allowance for Handicapped Assistance computed in accordance with paragraph E of this Section, plus an allowance for medical expenses that is equal to the Family's medical expenses.
  
  - (3)    That has Handicapped Assistance Expenses that are less than three (3%) percent of Total Annual Family Income, an allowance for combined Handicapped Assistance expense and medical expense that is equal to the amount by which the sum of these expenses exceeds three (3%) percent of Total Annual Family Income. Expenses used to compute the deduction cannot be compensated for nor covered by insurance.

- E. The amount by which the aggregate of the following expenses of the family exceeds three (3%) percent of the annual family income:
- (1) Unreimbursed Medical expenses as detailed in IRS Publication 502 including prescription and non-prescription medicines prescribed by a medical professional.
  - (2) Reasonable attendant care and auxiliary apparatus expenses for each handicapped member of any family, to the extent necessary to enable any member of such family (including such handicapped member) to be employed. This allowance may not exceed the employment received by family members who are eighteen (18) years of age or older as a result of the Assistance to the Handicapped or Disabled person.
- F. Child Care Expenses: Amounts anticipated to be paid by the Family for the care of children under 13 years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a Family member to **actively seek employment**, be gainfully employed or to further his or her education and only to the extent such amounts are not reimbursed.
- Childcare deductions will only be considered when no other adult family members on the lease are available for childcare.
  - Childcare must not be paid by TANF or someone else
  - The amount deducted shall reflect reasonable charges for childcare, and, in the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment (when more than one family member is employed the income of the lowest-paid member will be considered).
  - The reasonable amount of charges for “home care” and “day care” is determined by MCHA, by conducting surveys of local childcare providers. Separate results for “home care” and “day care” are posted in the MCHA central office.
- G. 10 percent of the income of the family.

**Note: If the Total Annual Income less the above allowances result in a rent that is less than the established minimum rent, the resident rent will be established at the MCHA established minimum rent.**

## 5.2 ADULT

An adult is a person who has reached his/her 18th birthday or married (not common law), or who has been relieved of the disability of non-age by the juvenile court. Only persons who are adults shall be eligible to enter into a lease agreement for occupancy.

## 5.3 BREAK-INS

Break-ins mean bona fide attempts at burglary that are reported to the police department and are subject to verification by written police reports furnished by the Tenant(s).

#### 5.4 CEILING RENTS

Maximum rents residents pay when they elect to pay income-based rent. Ceiling rents are set by development and bedroom size and are the same as Flat Rent.

#### 5.5 CHILD

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

#### 5.6 CHILD CARE EXPENSES

Child Care Expenses are amounts anticipated to be paid by the family for the care of children under thirteen (13) years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed or to further his/her education and only to the extent such amounts are not reimbursed. The amount deducted must be verified and reflect reasonable charges and shall not exceed the amount of income received from such employment. MCHA will not normally determine childcare expenses as necessary when the household contains an additional unemployed adult who is physically capable of caring for the children. An example of an exception may be an unemployed adult that is not capable of caring for a child because of some type of disability and/or handicap. The head of household must document the disability/handicap that prevents the adult from providing childcare.

Actively seeking employment means the person (s) is actively and routinely identifying and pursuing available jobs, preparing and submitting resumes and applications for employment, interviewing, and following up with interviews. Childcare expenses apply when the person(s) is not able to be at home such as when interviewing, meeting with other persons or agencies to prepare resumes or job applications and the like. MCHA may require a family to provide evidence of the need for and the amount of eligible childcare expenses.

#### 5.7 CHILD CUSTODY

An applicant/occupant family who does not have full custody of a child/children may only claim a child as a dependent by the following:

- A. The applicant/occupant must have primary custody of the child.
- B. The applicant/occupant must provide sufficient evidence that if the applicant were admitted to public housing the child would reside with the applicant. The same child cannot be claimed by more than one applicant (i.e., counted more than once in order to make two (2) singles eligible).

5.8 CITIZEN

A citizen or national of the United States.

5.9 DEPENDENT

A member of the family (except foster children and foster adults), other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. An unborn child shall not be considered a dependent.

5.10 DISABLED FAMILY

A family whose head, spouse or sole member is a person with disabilities. It may include two or more persons who are persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides. (See Handicapped Person)

5.11 DISPLACED FAMILY

A person, or family, displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

5.12 ELDERLY FAMILY

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

5.13 ELDERLY PERSON

A person who is at least sixty-two (62) years of age.

5.14 EVIDENCE OF CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS

The documents that must be submitted to evidence citizenship or eligible immigration status.

5.15 FAMILIAL STATUS

A single pregnant woman and individuals in the process of obtaining custody of any individual who has not attained the age of 18 years are processed for occupancy the same as

single persons. Once the child is born and/or the custody is obtained, the family may qualify for a two-bedroom unit and authorization to transfer as outlined in the Transfer Section.

#### 5.16 FAMILY

The term "family" as used in this policy includes all of the federally defined families, including elderly family, near-elderly family, disabled family, displaced family, remaining member of a tenant family, and a single person (who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family) and two or more persons related by blood, marriage, adoption or other operation of law, or two or more persons who are not so related but who will live together in a stable relationship and share resources. The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size.

#### 5.17 FLAT RENT

The method of establishing the reasonable market rental value of units, calculated in accordance with HUD regulations.

#### 5.18 FOSTER CHILDREN

With the prior written consent of the Landlord, a foster child may reside on the premises. The factors considered by the Landlord in determining whether or not consent is granted may include:

- A. Whether the addition of a new occupant may require a transfer of the family to another unit, and whether such units are available.
- B. The Landlord's obligation to make reasonable accommodation for handicapped persons.

#### 5.19 FULL-TIME STUDENT

A member of a family (other than the head of household or spouse) who is carrying a subject load which is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with diploma or certificate program, as well as an institution offering a college degree. The attended educational institution will supply verification. When a full-time student receives financial assistance but does not go to school then the financial assistance must be counted as income and cannot be excluded for rent calculation purposes.

## 5.20 HANDICAPPED ASSISTANCE EXPENSE

Reasonable expenses that are anticipated, during the period for which Total Annual Family Income is computed, for attendant care and auxiliary apparatus for a Handicapped or Disabled family member and that are necessary to enable a family member (including the Handicapped or Disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

## 5.21 HANDICAPPED PERSON AND/OR DISABLED PERSON

Is a person who is disabled as defined in 42 U.S.C.423 (the Social Security definition); is determined to have a physical, mental or emotional impairment that is expected to be of long-continued and indefinite duration; is substantially impeded in his/her ability to live independently; is of such a nature that to live independently could be improved by more suitable housing conditions; or has a developmental disability as defined in 42 U.S.C.6001. Persons who have the disease of acquired immunity syndrome (AIDS) or any conditions arising from the etiologic agency for acquired immunity syndrome are not excluded. For purposes of qualifying for public housing programs, where eligibility is linked to disability status, a person whose disability is based solely on drug or alcohol dependence is excluded.

## 5.22 HAZARDOUS DUTY PAY

Pay to a family member in the Armed Forces away from home and exposed to hostile fire.

## 5.23 HEAD OF HOUSEHOLD

The adult member of the family who is the head of the household for purposes of determining income eligibility and rent. Also, the head of household is primarily responsible and accountable for the family, particularly in regard to lease obligations. The co-head of household (such as a spouse or other adult(s)) can be one or more adults who share responsibilities and accountabilities with the head of household.

## 5.24 HOMELESS FAMILY

Any individual or family who:

- A. Lacks a fixed, regular, and adequate nighttime residence (such as temporarily living with another family);
- B. Has a primary nighttime residence that is:
  - (1) A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing or housing for the mentally ill);

- (2) An institution that provides a temporary residence for individuals intended to be institutionalized; or
  - (3) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.
- C. A homeless family does not include:
- (1) Any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State Law; or
  - (2) Any individual who is a Single Room Occupant that is not considered substandard housing.

## 5.25 INCOME EXCLUSIONS

Annual Income does not include such temporary, non-recurring or sporadic income as the following:

- A. Casual, sporadic, temporary, nonrecurring income, including gifts. Applicants and residents must report all income and the MCHA will determine if the income is casual, sporadic, temporary or nonrecurring.
- B. Amounts that are specifically received from, or are a reimbursement of, the cost of illness or medical care
- C. Lump-sum additions to family assets, such as, but not necessarily limited to, inheritances, insurance payments, including payments under health and accident insurance and workmen's compensation, capital gains, and settlements for personal or property losses.
- D. The full amount of student financial assistance paid directly to the student or to the educational institution.
- E. Relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4636).
- F. The value of the coupon allotments for the purchase of food in excess of the amount actually charged an eligible household pursuant to the Food Stamp Act of 1973 [7 USC 2017(b)].
- G. Payments received by participants or volunteers in programs pursuant to the Domestic Volunteers Service Act of 1973 [42 USC 5044(g), 5058].
- H. Income of a live-in aide (as defined in this policy).

- I. Payments received from the Job Training Partnership Act [29 USC 1552(b)].
- J. Hazardous Duty Pay for a family member in the Armed Forces away from home and exposed to hostile fire.
- K. Income from employment of children (including foster children) under the age of eighteen (18).
- L. Payment received for the care of foster children.
- M. Payments received under the Alaska Native Claims Settlement Act [43 U.S.C. 1626(a)], or reparation payments made by foreign governments in connection with the Holocaust.
- N. Income derived from certain sub marginal land of the United States that is held in trust for certain Indian tribes [25 U.S.C. 459(e)].
- O. Payments or allowances made under the Department of Health and Human Services Low-Income Home Energy Assistance Program [42 U.S.C. 8624(f)].
- P. Income derived from the disposition of funds of the Grand River band of Ottawa Indians (Pub. Law 94-540, 90 Stat. 2503-2504).
- Q. The first \$2,000.00 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (25 U.S.C. 1407-1408), or from funds held in trust for an Indian tribe by the Secretary of Interior [25 U.S.C. 117(b), 1407].
- R. Payments from Programs under Title V of The Older Americans Act of 1965 [42 U.S.C. 3056(f)].
- S. Amounts received under training programs funded by HUD.
- T. Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
- U. Amounts received by participants in other publicly assisted programs which are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program.
- V. For taxable years after December 31, 1990, the earned income tax credit refund. Effective Date: July 25, 1994.

- W. The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, section 22 of the U.S. Housing Act of 1937, or any comparable Federal, State, or local law during the exclusion period. For purposes of this paragraph, the following definitions apply:

Comparable Federal, State or Local Law means a program providing employment training and supportive services that:

- (1) Are authorized by a federal, state or local law;
- (2) Are funded by federal, state or local government;
- (3) Are operated or administered by a public agency; and
- (4) Has as its objective to assist participants in acquiring job skills.

Exclusion period means the period during which the resident participates in a program described in this section, plus 12 months from the date the resident begins the first job acquired by the resident after completion of such program that is not funded by public housing assistance under the U.S. Housing Act of 1937. If the resident is terminated from employment without good cause, the exclusion period shall end.

Earnings and benefits means the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.

This provision does not apply to residents participating in the Family Self-Sufficiency Program who are utilizing the escrow account. Also, residents are required to pay the appropriate minimum rent.

- X. A resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a public housing resident for performing a service for the HA, on a part-time basis, that enhances the quality of life in public housing. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No Resident may receive more than one such stipend during the same period of time.
- Y. Compensation from State or local employment training programs and training of a family member as resident Management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance by the HA.
- Z. For all initial determinations and reexaminations of income carried out on or after April 23, 1993, reparation payments paid by a foreign government pursuant to claims

filed under the laws of that government by persons who were persecuted during the Nazi era.

- AA. Earning in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse).
- BB. Adoption assistance payments in excess of \$480 per adopted child.
- CC. Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment received on or after October 28, 1992.
- DD. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
- EE. Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.

#### 5.26 INCOME LIMITS

The maximum income a family may have and still qualify for public housing. HUD provides the income limits annually for families consisting of one to eight persons. Current income limits are posted on MCHA's Central Office bulletin board and are included as an Appendix to this plan.

#### 5.27 INFANT

A child under the age of two years.

#### 5.28 INTERIM REDETERMINATION OF RENT

Changes of rent between admissions and reexaminations and the next succeeding reexamination.

#### 5.29 INS

The U. S. Immigration and Naturalization Service.

#### 5.30 INVOLUNTARY DISPLACEMENT

Families that meet the definition of involuntary displacement as defined by HUD.

### 5.31 LIVE-IN AIDE

A person who resides with an Elderly, Disabled, or Handicapped person or persons and who:

- A. Is determined by the MCHA to be essential to the care and well being of the person(s)
- B. Is not obligated for support of the person(s)
- C. Would not be living in the unit except to provide supportive services. The income of a Live-in-aide that meets these requirements is not included as income to the tenant family. A Live-in Aide must be approved, in advance, by the MCHA and meet eligibility requirements for public housing occupancy.
- D. A Live-in aide has no rights to the dwelling unit when the person(s) to whom they provide care leaves the unit.

### 5.32 LOW- INCOME FAMILY

A family whose Annual Income does not exceed eighty percent (80%) of the median income for the area, as determined by HUD.

### 5.33 MEDICAL EXPENSE

Those necessary medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance or reimbursed. Unreimbursed medical expenses, in excess of three percent (3%) of Annual Income, are deductible from income by elderly families.

### 5.34 MILITARY SERVICE

Military Service means the active military service of the United States, which includes the Army, Navy, Air Force, Marine Corps, Coast Guard, and, since July 29, 1945, the commissioned corps of the United States Public Health Service.

### 5.35 MINIMUM RENT

Families assisted under the Public Housing program pay a monthly “minimum rent” of not more than \$50.00 per month. The HA has the discretion to establish the “minimum rent” from \$0 up to \$50.00. The minimum rent established by MCHA is \$0.

### 5.36 MINOR

A "minor" is a person under eighteen years of age. Provided, that a married person shall be considered to be of the age of majority. An unborn child may not be counted as a minor.

5.37 MIXED FAMILY

A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

5.38 MONTHLY ADJUSTED INCOME

One-twelfth of Adjusted Annual Income.

5.39 MONTHLY INCOME

One twelfth of Annual Income. For purpose of determining priorities based on an applicant's rent as a percentage of family income, family income is the same as monthly income.

5.40 NATIONAL

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

5.41 NEAR ELDERLY FAMILY

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

5.42 NET FAMILY ASSETS

Net Family Assets means the net cash value after deducting reasonable costs that would be incurred in disposing of real property, checking and savings accounts, stocks, bonds, cash on hand, cash value of life insurance policies and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD home ownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded. (In cases where a trust fund has been established and the trust is not revocable by, or under control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust.

Any income distributed from the trust fund shall be counted when determining Annual Income.) In determining Net Family Assets, MCHA shall include the value of any business or family assets disposed of by an applicant or Tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two (2) years preceding the date of application for the program or reexamination, as applicable, in

excess of the consideration received thereof. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or Tenant receives important consideration not measurable in dollar terms.

To determine the cash value of savings accounts, the current amount in the accounts will be used as well as current interest rates. To determine the cash value of checking accounts, the average balance for the last six months will be used as well as current interest rates for interest bearing checking accounts.

When determining the value of net family assets the cost of disposing of the assets will be deducted. If an asset is an Individual Retirement Account (IRA), for example, there will be income tax and interest penalties due in the case of early withdrawal. Likewise if a family sells stocks or bonds they will typically have a broker's commission to pay. Certificates of deposits have penalties for early withdrawal.

Joint accounts that are set-up as "either/or" accounts will be considered as 100% owned by either account holder. Joint accounts that are set-up as "and" accounts will be considered as 50% owned by either account holder.

#### 5.43 NONCITIZEN

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

#### 5.44 PUBLIC HOUSING AGENCY (HA)

Any State, County, Municipality or other government entity or public body (or agency or instrumentality thereof) that is authorized to engage in or assist in the development of operation of housing for low income families.

#### 5.45 PUBLIC HOUSING COMMUNITY SERVICE REQUIREMENTS

Each adult resident of a public housing development shall contribute 8 hours per month of community service (not including political activities) within the community in which that adult resides; or participate in an economic self-sufficiency program for 8 hours per month. Exempted from this requirement is anyone who:

- A. Is 62 year of age or older;
- B. Is a blind or disabled individual, as defined under Section 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. 416(i)(1); 1382c), and who is unable to comply with this section, or is a primary caretaker of such individual;
- C. Is engaged in a work activity (as defined in Section 407(d) of the Social Security Act

(42 U.S.C. 607(d)), as in effect on and after July 1, 1997;

- D. Meets the requirements for being exempted from having to engage in a work activity under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) Or under any other welfare program of the State in which the public housing agency is located, including a State-administered welfare-to-work program; or
- E. Is a family receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or any other welfare program of the State in which the HA is located, including a State-administered welfare-to-work program, and has not been found by the State or other administering entity to be in noncompliance with such program.

#### 5.46 RECERTIFICATION

Recertification is sometimes called reexamination. The process of securing documentation that indicates that tenants meet the eligibility requirements for continued occupancy.

#### 5.47 RE-EXAMINATION DATE

The date on which any rent change is effective or would be effective if required as a result of the annual re-examination of eligibility and rent for residents who pay income based rent and every three years for residents who elect to pay flat rent.

#### 5.48 REMAINING MEMBER OF THE RESIDENT FAMILY

The person(s) of legal age remaining in the public housing unit after the person(s) who signed the lease has (have) left the premises, other than by eviction, who may or may not normally qualify for assistance on their own circumstances. An individual must occupy the public housing unit to which he claims head of household status for one year before becoming eligible for subsidized housing as a remaining family member. This person must complete forms necessary for housing within ten days from the departure of the leaseholder and may remain in the unit for a reasonable time pending the verification and grievance process. This person must, upon satisfactory completion of the verification process, then execute a new lease and cure any monetary obligations in order to remain in the unit.

Any person who claims him or herself, as a remaining member shall, in the event that the MCHA declares him or her ineligible for remaining member status, be entitled to the grievance process upon notice to him or her that he or she is not considered to be a remaining member of the household. The person requesting remaining member status must request this grievance process in writing within ten days from the date of the departure of the head of household. In the interim time between the time of the request for the grievance process and the decision by the hearing officer, all rent which was due pursuant to the lease, shall be

deposited into an escrow account with the HA under the same provisions as those relating to tenants requesting a grievance hearing relating to rent under the grievance process. The HA does not recognize the person as a tenant by giving him or her the opportunity for a grievance hearing. A remaining member shall not be considered to be a tenant until such time as a new lease is executed by the HA and the person granted tenant status after the verification status.

MCHA cannot and will not sign a lease when there are no residents of legal age (or “emancipated youth”) remaining and all remaining members of the resident family are below legal age.

#### 5.49 SINGLE PERSON

A person who lives alone, or intends to live alone, and who does not qualify as an elderly, near elderly, displaced, disabled, or the remaining member of a tenant family.

#### 5.50 SPOUSE

A spouse is the legal husband or wife of the head of the household.

#### 5.51 TEMPORARILY ABSENT FAMILY MEMBERS

Any person(s) on the lease that is not living in the household for a period of more than thirty (30) days is considered temporarily absent. Examples of temporarily absent family members include members in the National Guard called-up for active service, members in legitimate alcohol or drug rehabilitation programs, extended hospital stays, working members on temporary assignment in another place where returning home on a routine basis is not feasible, and the like.

#### 5.52 TENANT RENT

The amount payable monthly by the Family as rent to the MCHA. Where all utilities (gas, water and electricity) are supplied by the HA, Tenant Rent equals Total Tenant Payment or minimum rent. Where some or all utilities (gas, water and electricity) are not supplied by the MCHA and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment or minimum rent less the utility allowance. Telephone and cable television service is not a utility.

#### 5.53 TOTAL ANNUAL FAMILY INCOME

Total Annual Family Income is the anticipated total income from all sources received by the family head and spouse (even if temporarily absent) and by each additional member of the family, including all net income derived from assets, for the 12-month period following the effective date of initial determination or re-examination of income, exclusive of certain other types of income specified in this policy.

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

- A. The full amount, before any payroll deduction, of wages and salaries, and overtime pay, including compensation for personal services (such as commissions, fees, tips and bonuses). This includes all types of employment including full-time, part-time, seasonal and self-employment.
- B. Net income from the operation of a business or profession. (Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining Net Income.) An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or other assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
- C. Interest, dividends and other net income of any kind from real or personal property. (For this purpose, expenditures for amortization of capital indebtedness and an allowance for depreciation of capital assets shall not be deducted to determine the net income from real or personal property). All allowance for depreciation is permitted only as authorized in Paragraph B of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has Net Family Assets in excess of \$5,000.00, Annual Income shall include the greater of the actual income derived from all Net Family Assets or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD.
- D. The full amount of periodic payments received from social security, SSI, annuities, insurance policies, retirement funds, pensions, disability or death benefit and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment; (*Excluding Lump Sum Supplemental Security Income (SSI) and Lump Sum Social Security Benefits (SS)*) .
- E. Payments in lieu of earnings, such as unemployment and disability compensation, social security benefits, workmen's compensation and severance pay.
- F. Welfare assistance.
- G. Periodic and determinable allowances, such as alimony, child support payments including court ordered back child support, and regular contributions or gifts, including amounts received from any persons not residing in the dwelling. Regular contributions or gifts include but are not limited to someone paying for or donating: groceries and food, drinking alcohol and tobacco products, telephone or cell phone

service, cable or satellite TV service, vehicle and vehicle maintenance, insurances including vehicle and renter's coverage, gas or diesel, utilities, clothes, membership dues, and the like.

- H. All regular pay, special payments and allowances (such as longevity, overseas duty, rental allowances for dependents, etc.) received by a member of the Armed Forces (whether or not living in the dwelling) who is head of the family, spouse, or other family member whose dependents are residing in the unit (but see "hazardous duty pay").
- I. Payments to the head of the household for support of a minor or payments nominally to a minor for his support but controlled for his benefit by the head of the household or a resident family member other than the head, who is responsible for his support.
- J. Veterans Administration compensation (Service Connected Disability or Death Benefits).

Note:

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

#### 5.54 TOTAL TENANT PAYMENT (TTP)

The TTP for families participating in the Public Housing program must be at least \$0, which is the minimum rent established by the MCHA.

- A. For the Public Housing Program, the TTP must be the greater of:
  - (1) 30 percent of family monthly-adjusted income;
  - (2) 10 percent of family monthly income;
  - (3) \$0, which is the minimum rent set by the MCHA.
- B. Flat rent. The resident may elect the Flat Rent in lieu of the rent calculated in paragraph "A." above.

Tenants will be given a choice between paying 30 percent of their monthly adjusted income or a Flat Rent at the time of recertification. Tenants choosing Flat Rents will not be required to be reexamined more often than once every three years.

Tenants choosing to pay a Flat Rent can switch to rent based on 30 percent of Monthly Adjusted Income in the following financial hardship situations:

- 1. Income of the family has decreased because of changed circumstances, loss or reduction in employment, death in the family, and reduction in or loss of

income or other assistance, or

2. An increase, because of changed circumstances, in the family's expenses for medical costs, child care, transportation, education, or similar items.

Total Tenant Payment does not include charges for excess utility consumption or other miscellaneous charges.

#### 5.55 UTILITIES

Utilities may include water, electricity, gas, garbage, and sewage services.

#### 5.56 UTILITY ALLOWANCE

If the cost of utilities (except telephone, cable television or satellite dish) and other housing services for an assisted unit is not included in the Tenant rent, but is the responsibility of the family occupying the unit, then the utility allowance is an amount equal to the estimate made or approved by the MCHA of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary and healthful living environment. If the family pays directly for one or more utilities or services, the amount of the allowance is deducted from the gross rent in determining the contract rent and is included in the gross family contribution.

#### 5.57 UTILITY REIMBURSEMENT PAYMENT

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

#### 5.58 VERY LOW-INCOME FAMILY

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

#### 5.59 WAGE EARNER

A person in a gainful activity who receives any wages. Said wages or pay covers all types of employee compensation including salaries, vacation allowances, tips, bonuses, commissions and unemployment compensation. The terms "Wage Earner" and "Worker" are used

interchangeably.

## 5.60 WELFARE ASSISTANCE

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

## SECTION 6.0 APPLYING FOR ADMISSION/WAITING LIST

### 6.1 How to Apply

Families wishing to apply for Public Housing shall complete an application for public housing assistance. **The application process may include a pre-application that requests limited and basic program eligibility information and a full application that requests detailed information. The pre-application may request such information as:**

- Family income
- Family composition
- Do you owe MCHA any money?
- Do you owe any federally assisted program money?
- Criminal background check with the Menard County Sheriff's Department
- Signed/notarized release of information forms

**Pre-applications and full applications** will be accepted at the Authority's central office located at 101 West Sheridan Road, Petersburg, IL 62675. Pre-applications may be mailed in, faxed or hand delivered to any MCHA employee. Complete full applications may be handled via mail under special circumstances.

Completed applications will be accepted for all applicants and the information will be verified by the MCHA.

Applications may be made in person at the MCHA during specified dates and business hours posted at the MCHA's Office.

**The initial application, whether it is a pre-application or full application,** must be dated, time-stamped, and referred to the MCHA's office where tenant selection and assignment is processed.

Individuals who have a physical impairment that would prevent them from completing an application in person may call the MCHA to make special arrangements to complete their application. A Telecommunication Device for the Deaf (TDD) is available for the deaf. If the applicant is visually impaired, all notices must be in a format understandable by applicant.

## 6.2 Community Based Waiting Lists

Applications are taken to compile a waiting list. MCHA has established five community based waiting lists as follows:

1. Petersburg High Rise  
IL 028-3
2. Petersburg Family, Mixed  
IL 028-8  
IL028-9
3. Athens  
IL 028-2  
IL028-4
4. Oakford  
IL 028-5
5. Tallula  
IL 028-6

Families may elect to be placed on one or more (or all) of the community based waiting lists. MCHA shall provide full disclosure to each applicant of any option available to the applicant in the selection of the development in which to reside

## 6.3 Opening and Closing the Waiting List(s)

Opening of one or more of the waiting lists will be announced with a public notice stating that applications for public housing will gain be accepted. The public notice will state where, when and how to apply. The notice will be published in a local newspaper of general circulation and also by any available minority media. The public notice will state any limitations to who may apply.

The notice will state that applicants already on waiting lists for other housing programs must apply separately for this program and such applicants will not lose their place on other waiting lists when they apply for public housing. The notice will include the Fair Housing logo and slogan and will be in compliance with Fair Housing requirements.

Closing of the waiting list will also be announced with a public notice. The public notice will state the date the waiting list will be closed and for what bedroom sizes. The public notice will be published in a local newspaper of general circulation and also by any available minority media.

#### 6.4 Organization of the Waiting List(s)

Each community-based waiting list will be maintained in accordance with the following guidelines:

- A. The application will be a permanent file;
- B. All applications will be maintained in order of bedroom size and then in order of date and time of application; and
- C. Any contacts between MCHA and the applicant will be documented in applicant file.

#### 6.5 Families Nearing the Top of the Waiting List(s)

When a family appears to be within one (1) month of being offered a unit, the family will be invited to an interview and the verification process will begin. It is at this point in time that the family's eligibility will be verified. If the family no longer qualifies to be near the top of the list, the family's name will be returned to the appropriate spot on the waiting list. MCHA will notify the family in writing of this determination and give the family the opportunity for an informal review.

#### 6.6 Purging the Waiting List(s)

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

#### 6.7 Removal of Applicants from the Waiting List(s)

MCHA will not remove an applicant's name from the waiting list(s) unless:

- A. The applicant requests in writing that the name be removed;
- B. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program; or
- C. The applicant does not meet either the eligibility or suitability criteria for the program.

## SECTION 7.0

## MISSED APPOINTMENTS

An applicant or tenant who fails to keep an appointment without notifying the MCHA and without re-scheduling the appointment shall be sent a notice of termination of the process for failure to supply such certification, release of information or documentation as the MCHA or HUD determines to be necessary (or failure to allow the MCHA to inspect the dwelling unit at reasonable times and after reasonable notice, if applicable) in the following situations:

1. Complete Application
2. Bringing in Verification Information
3. Briefing prior to Occupancy
4. Leasing Signature
5. Inspections
6. Recertification
7. Interim Adjustment
8. Other Appointments or Requirements to Bring in Documentation as Listed in this Plan
9. Scheduled Counseling Sessions
10. Move-In appointments

Process When Appointment(s) Are Missed: - For most of the functions above, the family may be given two appointments.

If the family does not appear or call to reschedule the appointment(s) required, the MCHA may begin termination procedures. The applicant or tenant will be given an opportunity for an informal meeting or hearing, as appropriate pursuant to the grievance process.

Letters Mailed to Applicants by the MCHA: - If an applicant claims they did not receive a letter mailed by the MCHA, that requested the applicant to provide information or to attend an interview, the MCHA will determine whether the letter was returned to the MCHA. If the letter was not returned to the MCHA, the applicant will be presumed to have received the letter.

If the letter was returned to the MCHA and the applicant can provide evidence that they were living at the address to which the letter was sent, the applicant will be reinstated with the date and time of the application in effect at the time the letter was sent.

Applicants must notify the MCHA, in writing, if their address changes during the application process.

## **SECTION 8.0 MISREPRESENTATION BY THE APPLICANT OR TENANT**

If an applicant or tenant is found to have made willful misrepresentations at any time which resulted in the applicant or tenant being classified as eligible, when, in fact, they were ineligible, applicant will be declared ineligible and the lease and/or application will be terminated because of the misrepresentation by the applicant/tenant. If such misrepresentation resulted in tenant paying a lower rent than was appropriate, tenant shall be required to pay the difference between the actual payments and the amount which should have been paid. In justifiable instances, the MCHA may take such other actions as it deems appropriate, including referring the tenant to the proper authorities for possible criminal prosecution.

## **SECTION 9.0           ADMISSION ELIGIBILITY AND CRITERIA:**

### **9.1     Eligibility**

All families who are admitted to MCHA's Public Housing Program must be individually determined eligible under the terms of this plan. In order to be determined eligible, an applicant family must meet **all** of the following requirements:

- A.     The applicant family must qualify as a family as defined in the Definitions Section.
- B.     The applicant family's Total Annual Family Income as defined in the Definitions Section, must not exceed income limits established by HUD for Public Housing.
- C.     Head of Household must be 18 years of age or older or married (not common law) or a person that has been relieved of the disability of non-age by court action.

### **9.2     Documentation**

Sources of information for eligibility determination may include, but are not limited to, the applicant (by means of interviews or home visits), landlords, employers, family social workers, parole officers, court records, drug treatment centers, clinics, physicians or police departments where warranted by the particular circumstances. Information relative to the acceptance or rejection of an applicant shall be documented and placed in the applicant's file.

Such documentation may include reports of interviews, letters, or telephone conversations with reliable sources. As a minimum, such reports shall indicate the date, the source of the information, including the name and title of the individual contacted, and a resume of the information received.

Applicants are not automatically determined eligible to receive federal assistance. An applicant will not be placed on a waiting list if the applicant's annual family income exceeds the Low and Very Low Income Limits established by HUD and published in the Federal Register, the applicant will be declared ineligible.

### **9.3     Notification of Ineligibility**

If the applicant has failed to meet any outstanding requirements for eligibility and is determined ineligible, he/she will be so informed and the reasons stated in writing. The applicant will be granted ten days from the date stated on the ineligible letter to request an informal meeting. The applicant may bring any person he/she wishes to represent them at the informal meeting. The request for an informal meeting must be submitted in writing and the request must be received by the MCHA within the time frame established by the MCHA for the meeting.

### **9.4     Single Persons**

In addition, the MCHA is permitted to determine as eligible, single persons living alone or intending to live alone who do not meet any of the definitions of a family, if the MCHA makes certain that all three of the following requirements are met:

- A. Elderly families (including Disabled Persons and Handicapped Persons) and Displaced Persons are given preference over single persons, and
- B. Near Elderly (at least fifty years of age, but below the age of 62) are given preference over single applicants in developments designated for the elderly, and
- C. Single persons are only eligible for one bedroom and/or efficiency units.

#### 9.5 Declaration of Citizenship

The MCHA may not provide assistance to nor make financial assistance available to a person other than United States citizens, nationals, or certain categories of eligible noncitizen in HUD's assisted housing programs.

#### 9.6 Adding a Person to the Lease

Once an applicant becomes a tenant in the MCHA's public housing program, the head of household must request permission to add another person to the dwelling lease. The person being added must meet all eligibility requirements before the MCHA will approve any addition to the dwelling lease.

## SECTION 10.0

## VERIFICATION AND DOCUMENTATION

### 10.1 Levels of Verification

The following hierarchy levels of verification will be followed:

- A. Highest Up-front income verification (UIV) – mandatory
  - HUD website (UIV)
  - TASS
  - Other federal, state and private sector UIV websites
- B. High Third-party written – mandatory
  - Two weeks allowed for response
  - Two attempts made before phone calls
  - Includes email and FAX
- C. Medium Third Party oral - mandatory if third party written is not available
- D. Medium-low Document review – use only if UIV and third party verification is not available
- E. Low Tenant declaration – use only as last resort when no other verification method is available

**Note: Verified information must be no older than ninety (90) calendar days.**

### 10.2 Social Security Numbers

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

- A. Submit SSN documentation; or
- B. Sign a certification if they have not been assigned a SSN. If the individual is under 18, his or her parent or guardian must execute the certification. If the participant who has signed a certification form obtains a SSN, it must be disclosed at the next regularly scheduled reexamination, or next rent change.

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

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

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

These documents include:

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

If the MCHA verifies Social Security benefits with the Social Security Administration, the acceptance of the SSN by the Social Security Administration may be considered documentation of its validity.

### 10.3 Employer Identification Number (EIN)

Applicants who own part or all of a business must provide the EIN of the business.

### 10.4 Documents must be complete

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

## 10.5 Additional documents may be required

Additional documentation that may be required in determining eligibility:

1. Temporary Assistance To Needy Families (TANF)
2. Birth Certificate, or Drivers License that displays the date of Birth and/or form (s) that are issued by a Federal, State, City or County Agency that displays the date of Birth.
3. Child Care Verification
4. Credit References (History)
5. Credit Bureau Reports
6. Employer's Verification
7. Landlord Verification
8. Social Security Benefits
9. Assets Verification
10. Bank Accounts
11. Medical expenses including doctor prescribed prescription and non prescription medicines as verified in writing by the doctor
12. Income verification
13. Copies of past federal and state tax submissions
14. Supplemental Social Security Income (SSI) Benefits
15. Unemployment Compensation
16. VA Benefits
17. Any other reasonable information needed to determine eligibility as may be requested by the MCHA, which may include police reports.

## 10.6 Personal References

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

## 10.7 Separation with children

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

- A. A FINAL divorce decree. \*(Applies to individuals who are divorced and are not separated and is the only documentation accepted for individuals that are divorced)
- B. Receiving court-ordered child support from former spouse.
- C. Verification that applicant is pursuing child support through Department of Human Resources, Child Support Unit or Circuit Clerks Office.

- D. If applicant is receiving personal child support, then applicant can make arrangements to have the child support paid through the state's court system.
- E. Receiving TANF (Temporary Assistance to Needy Families) through the Department of Human Resources for former spouse's children.
- F. A notarized statement from current landlord (not family) verifying that the current landlord knows that the applicant and spouse have not lived together for the last six (6) months or more.
- G. Income tax statements from both husband and wife indicating both filed income taxes separately the last year and that they filed from different addresses.
- H. (1) Written statement from Lawyer that applicant has filed suit for divorce because of physical abuse. agencies, social services agencies.  
(2) A written statement from an abuse shelter, law enforcement agency, social service agencies that applicant needs housing due to physical abuse.

**Note:**

**Pertaining to 10 H(1) & (2): Applicant will also be required to sign a statement to the effect that the separated person will not be permitted in the resident's apartment or on the resident's property because of the physical abuse situation.**

Also, the person involved with physical abuse will be banned from all MCHA property as long as the applicant lives in assisted housing within the MCHA property.

- I. Food stamp verification - If no other documentation is available.

#### 10.8 Separation with no children

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

- A. A final divorce decree. \*(Applies to individuals who are divorced and are not separated and is the only documentation accepted for individuals that are divorced)
- B. A notarized statement from current landlord (not family) verifying that the current landlord knows that the applicant and spouse have not lived together for the last six (6) months or more.
- C. Income tax statements from both husband and wife indicating both filed income taxes separately the last year and that they filed from different addresses.

- D. (1) Written statement from Lawyer that applicant has filed suit for divorce because of physical abuse.
- (2) A written statement from an abuse shelter, law enforcement agencies, social services agencies that applicant needs housing due to physical abuse.

**Note:**

**Pertaining to 11 D(1) & (2): Applicant will also be required to sign a statement to the effect that the separated person will not be permitted in the resident's apartment or on the resident's property because of the physical abuse situation.**

Also, the person involved with physical abuse will be banned from all MCHA property as long as the applicant lives in assisted housing within the MCHA property.

- E. Food Stamp Verification - If no other documentation is available.

## **SECTION 11.0      ENTERPRISE INCOME VERIFICATION (EIV) POLICY**

### **11.1    EIV System**

The Enterprise Income Verification system (EIV) is intended to provide the Housing Authority with a single source of income-related data for use in verifying the income reported by residents. HUD is responsible for administering and maintaining the computerized internet based EIV system. The Authority will only use the EIV resident data to verify a resident's eligibility for continued participation in the public housing program and to determine the level of assistance the resident is entitled to receive.

### **11.2    Significant Deviation**

The Authority will compare resident provided income data to EIV resident data. Differences greater than \$200 per month will be considered significant and the resident notified by the Authority in writing of the discrepancy. Residents may protest the EIV data; however, the Authority will use the EIV data until the resident provides written third party verification in support of their protest. **The Authority must use HUD provided EIV resident data unless there is overwhelming evidence the data is in error.**

### **11.3    Privacy Considerations**

The data provided by the EIV system will be protected by the Authority to ensure that it is only used for official purposes and not disclosed in any way that would violate the privacy of the individuals represented in the system data. The Authority will restrict access to EIV data only to persons whose duties or responsibilities require access and EIV data will be handled in such a manner that it does not become misplaced or available to unauthorized personnel. Files containing EIV data will be color-coded and kept in a locked metal file cabinet within a locked secure fireproof vault with access restricted to only authorized Authority personnel. Evidence of any unauthorized access or known security breaches must be immediately reported to the Authority's Executive Director who will immediately notify the HUD Field Office. All security violations regardless of whether intentional or unintentional must be reported and documented in writing.

### **11.4    Procedure**

Within no more than ninety days of an annual or interim recertification authorized Authority personnel will obtain signed Authorization for the Release of Information/Privacy Act Notice, Form HUD-9886 forms from each member of the household 18 years old or older and who is in the household file. Authorized Authority personnel will then access EIV resident data via the internet and print to a secure printer. EIV data will not be saved to the computer, computer disks, CDs or any other memory

device.

EIV resident data will be placed in a color-coded file then filed by name in a locked metal file cabinet within a locked secure fireproof vault with access restricted to only authorized Authority personnel. The Authority will maintain a registry of all persons authorized access to EIV resident data and system and a registry of all persons with access and keys to the secured vault and metal file cabinets.

Files will only be pulled as needed, used then immediately returned and secured by authorized Authority personnel.

Authorized Authority personnel will sign-out and sign-in each EIV resident data file on a register noting date and time.

Authorized Authority personnel will compare resident provided income data to EIV resident data. Differences greater than \$200 per month will be considered significant and the resident notified by the Authority in writing of the discrepancy.

Residents may protest the EIV data within ten days of notification; however, the Authority will use the EIV data until the resident provides written third party verification in support of their protest. The Authority must use the HUD provided EIV resident data unless the resident provides overwhelming evidence the data is in error.

After the EIV data is used to verify a resident's eligibility for continued participation in the public housing program and to determine the level of assistance the resident is entitled to receive, the EIV resident file will be kept for fifteen days afterwards in case a resident protests. Should a resident protest, the EIV file will be kept for an additional fifteen days after the protest and/or grievance is resolved.

After fifteen days authorized Authority personnel will shred the EIV resident data. Authorized Authority personnel will log in a register the date and time each EIV resident data is destroyed.

For safeguards, the Authority's Executive Director will quarterly review the EIV policy, procedures and list of Authority personnel authorized to access the EIV resident data and system.

The Authority's Executive Director will conduct initial then annual on-going EIV training for all Authority personnel.

## SECTION 12.0

## GROUNDS FOR DENIAL OF ADMISSION

### 12.1 Families MCHA is not Obligated to Serve

The MCHA is not required nor obligated to assist families who:

- A. Owes rent, other amounts, or judgments to any HA or any other federally subsidized housing program, the applicant will be declared ineligible. At the MCHA's discretion, the applicant may be declared eligible upon payment of debt, with the date and time of application being the time of payment and meeting other criteria.

**Note:**

**Applicants that owe a HA or any other federally subsidized program funds will not be processed for occupancy. The applicant must pay the funds owed prior to the application being processed. After the application is processed the applicant must meet all other conditions for occupancy. Re-paying funds that are due does not necessarily qualify an applicant for occupancy. Such payments will be considered along with other factors in the application process.**

- B. Have previously been evicted from public housing.
- C. Committed acts that would constitute fraud in connection with any federally assisted housing program.
- D. Did not provide information required within the time frame specified during the application process.
- E. Convicted of drug-related criminal activity or violent criminal activity. The PHA shall prohibit admission to any household that includes any individual who is subject to a lifetime registration requirement under a state sex offender registration program.
- F. Has a history of not meeting financial obligations, especially rent.
- G. Has a record of disturbance of neighbors, destruction of property, or living or housekeeping habits that may adversely affect the health, safety or welfare of the other tenants.
- H. Has a history of criminal activity involving crimes of physical violence to persons or property and other criminal activity that may adversely affect the health, safety or welfare of other tenants.
- I. During the interview process the applicant demonstrates hostile behavior that indicates that the prospective applicant may be a threat to our public housing residents.

- J. The applicant family must have properly completed all application requirements, including verifications. Intentional misrepresentation of income, family composition or any other information affecting eligibility, will result in the family being declared ineligible. In the event the misrepresentation is discovered after admission, the lease will be terminated for such misrepresentation.
- K. The applicant and all adults must sign a release allowing the MCHA to request a copy of a police report from the National Crime Information Center, Police Department or other Law Enforcement Agencies. If the MCHA uses the information to deny or terminate assistance the MCHA must provide a copy of the information used.
- L. If the applicant is a former Public Housing or Section 8 participant who vacated the unit in violation of his lease, the applicant may be declared ineligible.
- M. If the MCHA determines that a person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The MCHA may waive this requirement if:
  - (1) The person demonstrates to the MCHA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
  - (2) has successfully completed a supervised drug or alcohol rehabilitation program;
  - (3) has otherwise been rehabilitated successfully; or
  - (4) is participating in a supervised drug or alcohol rehabilitation program.

**Note:**

**The above list is not intended to be all inclusive. Applicants may be denied admission if the MCHA has reason to believe that the conduct of the applicant has been such as would be likely to interfere with other tenants in such a manner as to diminish their enjoyment of the premises by adversely affecting their health, safety, or welfare or to affect adversely the physical environment or the financial stability of the project if the applicant were admitted to the project.**

12.2 Notification if Applicant is Denied Admission

If an applicant is denied admission, the MCHA will notify the applicant, in writing, of its determination and inform the applicant that they have an opportunity for an informal meeting on such determination. The denial letter will allow the applicant ten (10) calendar days to request in writing an informal meeting with the MCHA. A MCHA representative will hear the appeal and issue a decision within ten (10) calendar days of the meeting.

### 12.3 Applicants May Be Denied Admission To Public Housing For Specific Time Frames

As a general rule applicants may be denied admission to Public Housing for the following time frames, which shall begin on the date of application, unless otherwise provided for herein below:

- A. Denied admission for one (1) year for the following:
  - 1. Past rental record
  - 2. Bad rent paying habits
  - 3. Bad housekeeping habits, in and outside the unit
  - 4. Damages
  - 5. Disturbances
  - 6. Live-ins
  - 7. Demonstrates hostile behavior during the interview process that indicates that the applicant may be a threat to our residents.
  
- B. Denied admission for three (3) years for the following:
  - 1. Persons evicted from public housing, Indian Housing, Section 8, or Section 23 programs because of drug-related criminal activity are ineligible for admission to public housing for a three-year period beginning on the date of such eviction.
  - 2. The MCHA can waive this requirement if: the person demonstrates to the MCHA s satisfaction successful completion of a rehabilitation program approved by the MCHA, or the circumstances leading to the eviction no longer exist.
  
- C. Denied admission for five (5) years for the following:
  - 1. Fraud (giving false information on the application is considered fraud).
  - 2. An arrest or conviction record that indicates that the applicant may be a threat and/or negative influence on other residents. The five years shall begin on the date of the last reported act, completion of sentence and/or probation period.
  - 3. Drug use without evidence of rehabilitation.
  
- D. Denied admission for ten (10) years for Conviction for Drug Trafficking or for state sex offender under a ten (10) year registration requirement.
  
- E. Denied admission for life to any household that includes any individual who is subject to a lifetime registration requirement under a state sex offender registration program.

- F. Denied admission for life to any applicant who has been convicted of manufacturing, producing or possession of materials with the intent to manufacture methamphetamine (commonly referred to as “speed”).

**Note:**

**As noted above these time frames are only guidelines and the HA may deny admission to any individual whose behavior may adversely affect the health, safety or welfare of other tenants or may admit persons who exhibit evidence of rehabilitation.**

## **SECTION 13.0**

## **TENANT SELECTION AND ASSIGNMENT PLAN**

### **13.1 Equal Opportunity:**

The Fair Housing Act makes it illegal to discriminate on the basis of race, color, religion, sex, handicap, familial status and national origin. The MCHA shall not deny to any family the opportunity of applying for admission nor shall it deny to any eligible applicant the opportunity of leasing or renting a dwelling suitable to its need in any low-rent project operated by the MCHA.

### **13.2 Selection Process**

Tenants shall be selected from among eligible applicant families whose family composition is appropriate to available dwelling units. The MCHA will take into consideration the needs of individual families for low rent housing and the statutory purpose in developing and operating a socially and financially sound low-income housing project, which provides a decent home and a suitable living environment and fosters economic and social diversity in the tenant body as a whole. Selection will be made in such a manner as:

1. For every fiscal year, the MCHA shall reserve a percentage of its new admissions for families whose incomes do not exceed thirty percent of the area median income. The goal for public housing shall be forty percent of new admissions. In reaching the new admissions goals, the MCHA is required to avoid concentrating very low income families in any one project.
- B. To maintain a tenant body in each project composed of families with a broad range of income and rent paying ability which is generally representative of the range of incomes of low income families in the HA's area of operation as defined by state law.

### **13.3 Order of Selection**

Applications will be filed in the following hierarchical order:

- A. Unit size/type needed by applicants
- B. Date and time of application
- C. Provided, however, the provisions of the deconcentration rule, contained within this policy, shall supercede the selection of applicants based on date and time and local preference points, if applicable, and allow the MCHA to skip families on the waiting list to accomplish this goal.

**Note:**

**An applicant can reject an offer only one time before losing their place on the waiting list. If an applicant rejects the one offer, the applicant will be notified at that time that due to the fact they refused the offer of assistance, the date and time of their application is being changed to the date and time that they refused the offer. This will be explained verbally and followed-up in writing to the applicant. The HA will notify (verbally and in writing) the applicant that their actions may affect their place on the waiting list, and the next offer of assistance will be made when their name reaches the top of the waiting list.**

## **SECTION 14.0            GROUNDS FOR DENIAL AND OPPORTUNITY FOR HEARING**

If the MCHA determines that an applicant does not meet the criteria for receiving housing, the MCHA shall promptly provide the applicant with written notice of the determination. The notice shall contain a brief statement of the reasons for the determination and state that the applicant has the right to meet with the MCHA's designee to review it. If requested in writing within ten (10) days, the meeting shall be conducted by a person or persons designated by the MCHA. The person designated by the MCHA to conduct the informal hearing shall be an impartial person appointed by the MCHA other than a person who made the approval of the MCHA's action under review or a subordinate of such person. The procedures specified in this section shall be carried out in accordance with HUD's requirements. The applicant may exercise other rights if the applicant believes that he or she has been discriminated against on the basis of race, color, religion, sex, handicap, familial status and national origin.

**Note:**

The HA grievance procedure applies only to residents. It does NOT apply to applicants.

## SECTION 15.0 INCOME VERIFICATION AND DOCUMENTATION

15.1 The MCHA use the following for verification purposes:

- A. "Verification of Employment" for wage earners;
- B. Verification of public assistance for those persons who receive public assistance;
- C. Documentation of exceptional medical and/or other expenses (elderly family status);
- D. Verifications of assets (savings, stocks, bonds, etc.);
- E. Birth Certificates; and
- F. Other means or sources of income verification including past federal and state income submissions..

15.2 Documentation

Once all of the information is verified the MCHA shall calculate the monthly rent. The family will be notified of this amount and the amount of the flat rent and the family shall elect, in writing, their choice.

As soon as a determination can be made, applicants will be informed, in writing, by an authorized MCHA representative that they have been declared eligible or ineligible. Applicants that are determined ineligible will be informed, in writing, of their right to an informal meeting if they believe that such determination is unjust.

The final estimate of Gross Family Income will be made by the MCHA on the basis of verified information regarding income. Once the MCHA has determined that an applicant is eligible, then the process of housing the family begins.

There is no minimum income requirement, but the staff should use good interviewing skills to determine whether there is income which is not being reported.

Families may not be required to apply for public assistance, but it may be suggested to them. If the family reports zero income, the MCHA will have the family sign verification forms to verify that no income is being provided.

Families will be required to report any changes in their income status within ten (10) calendar days of the occurrence of employment and/or any other type of income is received. Families with zero income **may** be requested to recertify more frequently. Families with zero income will be requested to recertify every 30 days.

## **SECTION 16.0      ORIENTATION OF FAMILIES**

### **16.1    Briefing**

Purpose of the Briefing: - The purpose of the briefing is to cover the occupancy requirements for the tenant and the landlord. The briefing is conducted as follows:

- A.     Once the MCHA determines that an applicant is eligible and the applicant's name reaches the top of the waiting list, the MCHA shall offer an apartment to the applicant. The applicant shall be given an opportunity to view the apartment prior to the signing of the lease and other documents required before occupancy. After the offer is made and after this viewing, and when the offer is accepted, a MCHA representative will schedule an appointment with the prospective tenant, for orientation.

An Applicant can reject an offer 3 times before losing their place on the waiting list. If an applicant rejects the third offer, the applicant will be notified at that time that due to the fact that they refused the offer of assistance, the date and time of their application is being changed to the date and time that they refused the offer. This will be explained verbally and followed-up in writing to the applicant. The MCHA will notify (verbally and in writing) the applicant that their actions may affect their place on the waiting list and the next offer of assistance will be made when their name reaches the top of the waiting list.

- B.     The deposit, rent and other charges, (if applicable), will be collected, as soon as possible after the briefing is scheduled, and before the briefing is held.
- C.     At the briefing, the Lease and Grievance Procedures are explained in detail to the applicant and/or applicants (there can be more than one family at the briefing.)
- D.     The signing of all required occupancy forms is to be privately handled at the end of each briefing.
  - (1)     The required occupancy forms are explained at that time and the dwelling lease is signed by the prospective tenant and a MCHA representative.
  - (2)     Appointment for move-in is scheduled at the end of the lease signing.

### **16.2    Briefing Attendance Requirement**

All families (head of household) are required to attend the briefing when they are initially accepted for occupancy. No family can be housed if they have not attended a briefing.

Failure to attend a scheduled briefing (without notice to the MCHA) will result in the family's application being placed in the inactive file and the family may be required to reapply for assistance. Applicants who provide prior notice of an inability to attend a briefing will be scheduled for the next briefing.

Failure of a applicant to keep a scheduled appointment, without good cause, may result in the cancellation of the occupancy process and the applicant required to reapply for assistance.

### 16.3 Format of the Briefing

The applicant is provided a copy of the Dwelling Lease and Grievance Procedure and the provisions of the Lease and Grievance Procedure are explained to the Tenant, and the lease specifies the unit to be occupied, family composition, date of admission, the rent to be charged, and utility allowances. If for any reason the family becomes over or under housed they must be informed that once a unit of the appropriate size is available they must move to the appropriate size unit as outlined in Transfers. Also, if there is a change in family composition that caused the family to be over or under housed the family will be required to move to the appropriate size unit when a unit becomes available. The moving date should be within thirty (30) days of the date of the MCHA's written notification to the affected family. If the MCHA has more vacancies than families on the waiting list for the unit size of the family that is over housed, the family may remain in the unit until the next scheduled re-exam. However, families that are under housed should be housed in the appropriate size unit as soon as a unit is made available, but not more than thirty days after notice from the MCHA.

### 16.4 Dwelling Lease completion:

- A. The responsible member (head of household and co-head) of the family notified for admission to the housing communities shall be required to execute a Dwelling Lease prior to admission. One executed copy is to be furnished the tenant and the original executed copy is to be retained in the Tenant file established for the family by the MCHA.
- B. When a Tenant family transfers to another dwelling, the existing Lease shall be canceled and a new Dwelling Lease executed for the present dwelling.
- C. A duplicate form of acknowledgment and understanding which lists all items of which the tenant has been informed shall be signed by the tenant and the MCHA representative. A copy of this form shall be attached to the Tenant's copy of the lease along with copies of items as referred to and a copy maintained in the tenant's file.

## **SECTION 17.0 ANNUAL INSPECTIONS OF PUBLIC HOUSING UNITS**

The MCHA has a system in place that documents the inspection of all public housing units. If the inspection results in a work order the repairs are made in accordance to the urgency of need as documented by the inspection sheet. The MCHA has a system that tracks each inspection. The inspection sheet used by the MCHA meets or exceeds the requirements of the Section 8 Housing Quality Standards (HQS).

## **SECTION 18.0 INSPECTION AND ENTRY OF UNIT PROCEDURES**

The tenant will be given notice as outlined in the Dwelling Lease, **except for emergencies/search warrants**, that the unit will be inspected. The notification will indicate the date of the inspection. If the inspection indicates that the tenant has poor housekeeping habits that need to be improved upon, the inspector will file a report and the MCHA will counsel the tenant on their poor housekeeping habits. A follow-up inspection will be conducted by the MCHA within 30-days and if the problem continues to exist the MCHA may take whatever action that is necessary to correct the situation. If the tenant fails to improve, the provisions of the dwelling lease can be enforced and the tenant evicted. However, the MCHA should take steps to help the tenant improve before starting the eviction process.

If the inspection indicates that the tenant has created damage that is beyond normal wear and tear, the damaged items will be replaced and the tenant billed for the damages, as posted. If the damage is severe, the MCHA will take appropriate action with the tenant.

MCHA staff and/or agents of the MCHA have authority to enter any unit if it is suspected that an "Emergency" situation exists. Without prior notification, MCHA Maintenance employees (or MCHA service contractors) may enter units where the tenants are not at home to perform tenant requested maintenance or service work. If for any reason a unit is entered by authorized MCHA personnel, the tenant will be provided with the reason for the entry by leaving a written notice of the time, date and reason for the entry.

MCHA staff and/or agents of the MCHA, at the direction of the Police will open the door to a unit when law-enforcement officials present a lawfully executed search warrant (plus, provide a copy of the search warrant to MCHA staff) for a dwelling unit managed by the MCHA. MCHA staff and/or its agents will write down the name(s) of the Police Officers and keep the copy of the search warrant. These documents will be filed in the residents file folder. MCHA staff will not enter the unit. This action will prevent the law enforcement officers from having to breakdown the door and causing damages to the unit.

## SECTION 19.0      TYPES OF INSPECTIONS:

An authorized representative of this MCHA, tenant and/or adult family member, shall be obligated to inspect the premises prior to commencement of occupancy. A written statement of condition of the premises and all equipment will be provided, and same shall be signed by both parties with a copy retained in tenant's file. The MCHA representative shall inspect the premises at the time the tenant vacates and furnish a statement of any charges to be made provided the tenant turns in the proper notice under state law and requests the proper inspection. The tenant shall be provided an opportunity to participate in a move out inspection, unless tenant vacates without notice. The tenant's security deposit can be used to offset against any tenant damages to the unit.

1.     Move-in Inspections: - Performed with the resident at move-in and inspection documented by MCHA on inspection form and signed by the tenant. This inspection documents the condition of the unit at move-in.
  
2.     Move-out Inspections: - Performed with tenant, if possible, and documented by MCHA on inspection form and signed by the tenant, if present. This inspection determines if the tenant is responsible for any damages and owes the MCHA funds. Any deposit will be used to offset the funds due the MCHA.
  
3.     Annual Inspections: - The MCHA inspects 100% of its units annually using standards that meet or exceed Uniform Property Inspection System (UPIS) standards.
  
4.     Preventive Maintenance (PM) Inspections: - PM inspections are performed by MCHA staff on a regular basis and the residents are given at least two days notice prior to the inspection.
  
5.     Management Inspections: - The MCHA representative may perform random home visits to see if the resident is keeping the unit in a decent, safe and sanitary condition. This visit can also be used as an opportunity to get to know the tenant and see if they have any specific needs that we can help them with and/or refer them to a service agency. The tenant will be given at least two days notice, prior to the inspection.
  
6.     Special Inspections: - Representatives from the U. S. Department of Housing and Urban Development and/or other Government Officials visit the MCHA to monitor operations and as part of the monitoring they will inspect a sampling of the public housing inventory. The affected tenants will be given two days notice.
  
7.     Emergency Inspections: - If any employee and/or agent of the MCHA has reason to believe that an emergency exists within the public housing unit, the unit can be entered **without** notice. The person(s) that enters the unit must leave a written notice to the tenant that indicates the date and time the unit was entered and the reason why it was necessary to enter the unit.

**SECTION 20.0 DETERMINATION OF RENT, RE-EXAMINATION OF INCOME AND FAMILY CIRCUMSTANCES**

20.1 Family Choice

At admission and each year in preparation for their annual recertification, each family is given the choice of having their rent determined under the income-based method or having their rent set at the flat rent amount.

- A. Families who opt for the flat rent will be required to go through the income reexamination process every three years rather than the annual review they would otherwise undergo.
- B. Families who opt for the flat rent may request to have a reexamination and return to the income based method at any time for any of the following reasons:
  - 1. The family's income has decreased.
  - 2. The family's circumstances have changed increasing their expenses for childcare, medical care, etc.
  - 3. Other circumstances creating a hardship on the family such that the formula method would be more financially feasible for the family.

20.2 The Formula Method

The total tenant payment is equal to the highest of:

- A. 10% of monthly income;
- B. 30% of adjusted monthly income; or
- C. The welfare rent.

The family will pay the greater of the total tenant payment or the minimum rent of \$0.

In the case of a family who has qualified for the employment income exclusion at section 18.15, upon the expiration of the 12-month period described in that section, an additional rent benefit accrues to the family. If the family member's employment continues, then for the 12-month period following the 12-month period of disallowance, the resulting rent increase will be capped at 50 percent of the rent increase the family would have otherwise received.

### 20.3 Minimum Rent

The MCHA has set the minimum rent at \$50.

### 20.4 Flat Rent and Ceiling Rent

MCHA has set a flat rent for each public housing unit. In doing so, it considered the size and type of the unit, as well as its condition, amenities, services and neighborhood. The MCHA determined the market value of the unit and set the rent at the market value. The amount of the flat rent will be reevaluated annually and adjustments applied. Affected families will be given a 30-day notice of any rent change. Ceiling rents are the maximum rents residents pay when they elect to pay income-based rent. Ceiling rents are set by development and bedroom size and are the same as Flat Rent.

### 20.5 Rent for Families Under the Non-citizen Rule

A mixed family will receive full continuation of assistance if all of the following conditions are met:

- A. The family was receiving assistance on June 19, 1995:
- B. The family was granted continuation of assistance before November 29, 1996;
- C. The family's head of household has eligible immigration status; or
- D. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

If a mixed family qualifies for prorated assistance but decides not to accept it, or if the family has no eligible members, the family may be eligible for temporary deferral of termination of assistance to permit the family additional time for the orderly transition of some or all of its members to locate other affordable housing. Under this provision, the family receives full assistance. If assistance is granted under this provision prior to November 29, 1996, it may last no longer than three (3) years. If granted after that date, the maximum period of time for assistance under the provision is eighteen (18) months. MCHA will grant each family a period of six (6) months to find suitable affordable housing. If the family cannot find suitable affordable housing, the MCHA will provide additional search periods up to the maximum time allowable.

Suitable housing means housing that is not substandard and is of appropriate size for the family. Affordable housing means that it can be rented for an amount not exceeding the amount the family pays for rent, plus utilities, plus 25%.

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

- A. Determine the 95th percentile of gross rents (tenant rent plus utility allowance) for the MCHA. The 95th percentile is called the maximum rent.
- B. Subtract the family's total tenant payment from the maximum rent. The resulting number is called the maximum subsidy.
- C. Divide the maximum subsidy by the number of family members and multiply the result times the number of eligible family members. This yields the prorated subsidy.
- D. Subtract the prorated subsidy from the maximum rent to find the prorated total tenant payment. From this amount, subtract the full utility allowance to obtain the prorated tenant rent.

#### 20.6 Determination of Rent

Rent as fixed at admission or annual re-examination will remain in effect for the period between regular rent determinations unless the following changes in family circumstances occur. Also, tenant agrees to report, in writing, and provide certification following any change in annual income within ten (10) calendar days of the occurrence.

- A. Loss or addition of family composition of any family member through birth, death, divorce, removal of other continuing circumstances and the amount, if any, of family member's income;
- B. Employment, unemployment, or changes in employment of a permanent nature of the family head, spouse, or other wage earner that is 18 years of age; or
- C. To correct errors made at admission or reexamination which shall be retroactive to the date of error.
- D. Temporary employment/unemployment or increases and decreases in wages **“for any reason”** of less than 30 days will not constitute a rent adjustment.
- E. The MCHA must lower the rent for a family whose income is reduced because of the expiration of a welfare-initiated time limit. This must be reported by the Tenant within ten days from the time of the change of income in accordance with the Dwelling Lease. Provided, however, that if the family's welfare benefits are reduced of a fraudulent act on the part of a family member, the MCHA is prohibited from reducing the family's rent contribution to reflect the lower benefits income.

#### 20.7 Re-examination:

- A. Once each year, or as required by this MCHA, each family, unless they have chosen to pay a Flat Rent, will be required to furnish information regarding family composition, employment, income, benefits, payments and related information. Verifications acceptable to the MCHA shall be obtained and determinations made. In the event of failure or refusal of Tenant to report the necessary information, the MCHA may terminate the Lease.

Families who have chosen to pay Flat Rents will not be required to be reexamined more often than once every three years. Families with zero rent will be required to be reexamined every 30 days.

- B. Records shall be maintained to insure every Tenant being reexamined within a twelve month period.
- C. Upon completion of reexamination and verification, Tenant shall be notified, in writing, no later than thirty (30) days prior to the effective date of the following: (A copy of such notification is to be retained in the Tenant's file.)
  - (1) Any change in rent and the date on which it becomes effective.
  - (2) Any change required in the size of dwelling unit occupied.
  - (3) Any instance of misrepresentation or noncompliance with the terms of the Dwelling Lease and the corrective action(s) to be taken.
  - (4) The family will be notified of this amount and the amount of the flat rent. The family shall elect, in writing, their choice.
- D. In the event of change in tenant circumstances tenant will be sent a notice to report to the management office at a specified date and time to execute a new Lease.
- E. If this MCHA determines that the size of the premises is no longer appropriate for Tenant's needs the tenant may be required to transfer to another units as outlined in Transfers

## 20.8 Interim Redetermination of Rent

Rent as set at admission or Annual Re-examination will remain in effect for the period between regular rent determinations unless changes in family income, net family assets or family circumstances occur. Tenant is required and agrees to report, the following specified changes in family income and composition within ten (10) calendar days of occurrence.

- A. Loss or addition to family composition of any kind through birth, death, marriage, divorce, removal or other continuing circumstance and the amount, if any, of such family member's income. Any such additions, other than birth, must be approved by the MCHA in advance, and must qualify, the same as an applicant or any prospective new tenant.

- B. Employment, unemployment or changes in income for employment of a permanent nature of the family head, spouse, or other wage earner eighteen (18) years of age or older.
- C. The starting of or stopping of, or an increase or decrease of any benefits or payments received by any member of the family or household from Old Age Pension, Temporary Assistance for Needy Families, Black Lung, Railroad Retirement, Private Pension Fund, Disability Compensation, Veterans Administration, Child Support, Alimony, Regular Contributions or Gifts. Lump sum payments or retroactive payments of benefits from any of the above sources which constitute the sum of monthly payments for a preceding period paid in a lump sum must be reported and rent adjusted retroactively on such income to date of eligibility for any family member residing in the household for that period of time.
- D. Cost of living increases in Social Security or public assistance grants need not be reported until next re-examination and redetermination of rent.
- E. Changes in net family assets over \$1,000
- F. Errors of omission made at admission or re-examination shall be corrected by the MCHA. Retroactive payments will be made to the tenant if the error is in the tenant's favor.
- G. A tenant who has had an income reduction\increase after initial occupancy or after re-examination must report all changes in income within ten (10) calendar days regardless of the amount or source.

#### 20.9 Notice of Temporary Rent

On occasions, the MCHA is required to compute rent based on information that is supplied by the tenant and third party information that has not or will not be provided by the employer.

When this situation occurs the MCHA will compute a temporary rent based on the information available. Once the information is verified the tenant will be notified in writing.

If an underpayment was made based on the information provided the tenant will have fourteen (14) days from the date of the MCHA notification to pay the amount specified. If the tenant has made an overpayment, that amount will be credited to the tenant account. The Head of Household and Spouse (if applicable) and a MCHA representative signs this Notice of Temporary Rent and it is filed with the dwelling lease and a copy provided to the tenant.

#### 20.10 The effective dates of Interim Redetermination of rent

- A. Any decrease in rent resulting from any decreases in family income will be made effective the first of the month following the date the decrease in family income was

reported and verified in writing.

- B. The tenant agrees to pay any increase in rent resulting from an increase in family income the first of the second month following the date in which such increase in family income occurred, and to pay any back rent due because of failure on the part of the tenant to report such increase in family income.
- C. Any interim change in rent will require reverification of all family income that has not been verified within ninety (90) calendar days of the previous rent determination.
- D. Tenant agrees to pay any increase in rent resulting from the implementation of changes in rent computation or increases due to changes in regulations, policies or procedures requiring implementation by the United States Department of Housing and Urban Development (HUD).
- E. If it is found that a tenant has misrepresented or failed to report facts upon which rent is based so that the tenant is paying less than the tenant should be paying, the increase in rent shall be made retroactive to the date the increase would have taken effect. The tenant will be required to pay the difference between the rent paid and the amount that should have been paid. In addition, the tenant may be subject to civil and criminal penalties. Misrepresentation is a serious lease violation which may result in eviction.

#### 20.11 Special Re-examinations

Special reexaminations are pre-scheduled extensions of admission or continued occupancy determinations, and will be considered for the following reasons:

- A. If it is impossible to determine annual family income accurately due to instability of family income and/or family composition or if a family has zero income, a temporary determination of income and rent is to be made and a special re-examination shall be scheduled for thirty (30), sixty (60) or ninety (90) days, depending on circumstances. The tenant shall be notified, in writing, of the date of the special re-examination.
- B. If the family income can be anticipated at the scheduled time, or if a zero income family has identified or generated income, the reexamination shall be completed and appropriate actions taken. If a reasonable anticipation of income cannot be made, another special re-examination shall be prescribed and the same procedure followed as stipulated in the preceding paragraph until a reasonable estimate can be made.
- C. Rents determined at special re-examinations shall be made effective as noted in this section.

#### 20.12 Minimum Rent Hardship Exemptions

The MCHA shall immediately grant an exemption from application of the minimum monthly rent to any family making a proper request in writing who is unable to pay because of financial hardship, which shall include:

- (1) The family has lost eligibility for, or is awaiting an eligibility determination from a federal, state, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the immigration and nationalization act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
- (2) The family would be evicted as a result of the implementation of the minimum rent (this exemption is only applicable for the initial implementation of a minimum rent or increase to the existing minimum rent).
- (3) The income of the family has decreased because of changed circumstance, including loss of employment.
- (4) A death in the family has occurred which affects the family circumstances.
- (5) Other circumstances which may be decided by the MCHA on a case by case basis.

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

- B. If a resident requests a hardship exemption (**prior to the rent being delinquent**) under this section, and the MCHA reasonably determines the hardship to be of a temporary nature, exemption shall not be granted during a ninety-day period beginning upon the making of the request for the exemption. A resident may not be evicted during the ninety day period for non-payment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long term basis, the MCHA shall retroactively exempt the resident from the applicability of the minimum rent requirement for such ninety day period. This Paragraph does not prohibit the MCHA from taking eviction action for other violations of the lease.

#### 20.13 Reduction of Welfare Benefits

If the resident requests an income re-examination and the rent reduction is predicated on a reduction in tenant income from welfare, the request will be denied, but only after obtaining written verification from the welfare agency that the families benefits have been reduced because of:

- A. Noncompliance with economic self-sufficiency program or;
- B. Work activities requirements or;

C. Because of fraud.

#### 20.14 Exception to rent reductions

Families whose welfare assistance is reduced specifically because of fraud or failure to participate in an economic self-sufficiency program or comply with a work activities requirement will not have their rent reduced.

#### 20.15 Disallowance of earned income from rent determination

Rent may not be increased from re-examinations and interim redeterminations as a result of the increased income due to employment during the 12-month period beginning on the date on which the employment is commenced.

Phase-in of rent increases: Upon the expiration of the 12-month period, the rent payable by a family may be increased due to the continued employment of the family member except that during the 12-month period beginning upon such expiration, the amount of the increase may not be greater than 50 percent of the amount of the total rent increase that would be applicable.

Maximum Four Year Disallowance - The disallowance of increased income of an individual family member is limited to a lifetime 48 month period. It only applies for a maximum of 12 months for 100% disallowance of rent increases and a maximum of 12 months for 50% disallowance of rent increases during the 48 month period starting from the date of initial exclusion.

Eligible families: Families described in this section are:

Families:

- (1) Whose income increases as a result of employment of a member who was previously unemployed for one or more years. A person is considered to have been unemployed if he or she has earned less money in the previous twelve months than would have been earned working 10 hours per week for 50 weeks at the established minimum wage;
- (2) Whose earned income increases during the participation of a family member in any family self-sufficiency or other job training, or
- (3) Who is, or was, within 6 months, assisted under any State program for temporary assistance for needy families funded under part A of title IV of the Social Security Act and whose earned income increases.

Applicability: This section shall apply beginning October 1, 1999, only to the extent provided in advance in appropriation Acts.

Individual Savings Account: In lieu of a disallowance of earned income under this section, upon request of a family that qualifies under this section, the MCHA may establish an individual savings account in accordance with the disallowance of earned income from rent determination. The MCHA may deposit in any savings account established under this subsection an amount equal to the total amount that otherwise would be applied to the family's rent payment under subsection 10 as a result of employment. Amounts deposited in the savings account may only be withdrawn by the family for the purpose of:

- (1) Purchasing a home;
- (2) Paying education costs of family members;
- (3) Moving out of public or assisted housing; or
- (4) Paying any other expense authorized by the MCHA for the purpose of promoting the economic self-sufficiency of residents of public and assisted housing.

#### 20.16 Repayment Agreements

MCHA at its sole option may allow residents to repay maintenance and other charges on a set repayment schedule. Written and signed repayment agreements are usually for three months but may not exceed six months, accrue at 0% interest and if a resident misses a repayment, MCHA will take immediate action to evict the resident.

## **SECTION 21.0      TRANSFERS**

### 21.1 Objectives of the Transfer Policy:

- A. To fully utilize available housing resources while avoiding overcrowding by insuring that each family occupies the appropriate size unit.
- B. To facilitate a relocation when required for modernization or other management purposes.
- C. To facilitate relocation of families with inadequate housing accommodations.
- D. To eliminate vacancy loss and other expense due to unnecessary transfers.

### 21.2 Types of Transfers

- A. **MCHA initiated:** The MCHA may at its discretion transfer residents because of an uninhabitable unit, major repairs, or other actions initiated by management. For these types of transfers the MCHA will cover the cost of the transfer pursuant to cost allowed by HUD.
- B. **Transfers for Reasons of Health:** Tenant may be transferred when the MCHA determines that there is a medical need for such transfers, such as inability to negotiate stairs or steps. The tenant will be required to provide a statement from a medical doctor which indicates the condition of the tenant and the MCHA reserves the right to make its own evaluation of the situation and documentation. If the MCHA determines that there is not a substantial and necessary medical need for such transfer, the request for transfer shall be treated as a convenience transfer.
- C. **Convenience Transfers:** The Executive Director or his/her designee may at his/her discretion permit a transfer to another housing community or public housing facility for the convenience of the tenant for good cause. However, the cost of the transfer shall be borne by the tenant. A "Transfer Charge" list is posted in the MCHA offices and is based on our contract price for maintenance and an administrative charge of \$25 for processing the transfer. The transfer charge list is updated annually by the MCHA. The MCHA will charge the actual cost of the transfer, which includes the administrative cost, the cost of preparing the unit for re-rental and, if applicable, a penalty for not turning in the keys to the old unit within 7 days of the transfer. The tenant is allowed a period of 7 days to move and turn in the keys to the old unit without being charged a penalty. If the move takes more than 7 days and the keys are not turned in the tenant will be charged a penalty of \$10 per day for each day the

keys are not turned in to the MCHA. **The tenant must pay a new security deposit for the new unit they will move into.** Prior to the transfer the MCHA will perform an inspection of the current unit to determine the amount of charges the tenant will be required to pay as a result of tenant caused damages, if any. **The original security deposit on the current unit will be used to help offset the charges, if any. If there are no charges then the original security deposit on the current unit will be refunded.** All transfer charges must be paid at the time the tenant signs his/her lease and receives the keys for the new unit. The MCHA will perform a final inspection, with the tenant, on the unit that the tenant transferred from, after the keys are turned in, and a final determination will be made by the MCHA staff as to additional charges that may be due the MCHA. For example, the tenant may not have cleaned the unit properly and/or damaged the unit during the moving process. If there are any charges that are due the MCHA, as a result of this inspection, the tenant must pay for these damages within fourteen (14) days of written notice from the MCHA. The tenant must sign a transfer agreement after the MCHA has authorized the transfer and prior to the transfer.

Request for transfers for convenience must be made, in writing, to the MCHA stating the reason for the requested transfer. The MCHA will issue a decision within thirty (30) calendar days of receipt of the request, and if approved, provide the tenant with a list of the charges that will be the tenants responsibility to pay prior to the transfer.

- D. Transfers for Over/Under-housed Families to the Appropriate Unit - The MCHA may transfer residents to the appropriate sized unit and that tenants are obligated to accept such transfers. Transfers will be made in accordance with the following principles:
  - (1) Determination of the correct sized apartment shall be in accordance with the MCHA's occupancy guidelines, as outlined in Occupancy Guidelines.
  - (2) Transfers into the appropriate sized unit will be made within the same neighborhood unless that size does not exist on the site.
  - (3) The tenant must pay for their moving expenses.
  
- E. Transfers for Non-handicapped families living in handicapped designated units.

If the unit leased is a handicapped designated unit and the resident family occupying the unit is not a family with handicapped individuals, the resident agrees to transfer to a non-handicapped unit if and when the unit is needed for a handicapped family.

The Authority may from time to time have an excess of handicapped accessible units. In an effort to get the best use of all units, the Authority may from time to time rent a handicapped designated unit to a family that has no handicapped members. The Authority will advise the non-handicapped family of the requirements to transfer if and when a handicapped designated family is determined eligible. The non-handicapped family may be required to sign a form acknowledging they are moving into a

handicapped unit and may be required to move if and when an eligible handicapped designated family needs the unit. If the non-handicapped family selected for the unit decides not to accept the unit because of the requirement to move at some date in the future, the refusal shall not count against the family.

The Authority has an obligation to transfer non-handicapped residents residing in handicapped designated units to non-handicapped designated units and that the non-handicapped families are obligated to accept such transfers. These will be made in accordance with the following principles:

- (1) Transfers into a non-handicapped designated unit will be made within the same neighborhood unless that size unit does not exist on the site.
- (2) Transfers to a non-handicapped designated unit may be made outside of the same neighborhood with resident consent or unless no vacancies are expected within the same neighborhood within the next 30 days.
- (3) The non-handicapped family may be provided with relocation assistance such as cartage of household goods, and relocation expenses, the costs and methods of which are to be determined by the Authority.
- (4) For the purposes of determining the priorities for transfers, this type of transfer shall be considered an Authority initiated transfer.

F. Priorities for transfers - All transfers must be either for health reasons, for relocation to an appropriate sized unit, approved convenience transfers, or initiated by the MCHA due to modernization work and/or other good cause as determined by the MCHA. Priority transfers are listed below:

- (1) MCHA initiated transfers,
- (2) Transfers for health reasons,
- (3) Tenants who are under-housed by two or more bedrooms,
- (4) Tenants who are over-housed by two or more bedrooms,
- (5) Tenants who are under-housed by one bedroom,
- (6) Tenants who are over-housed by one bedroom; and,
- (7) Convenience transfers.

Within each priority type, transfers will be ranked by date. In processing transfers requested by tenants for approved health reasons or to move to a larger apartment, the date shall be that on which the changed family circumstances are verified by the Manager. The MCHA reserves the right to immediately transfer any family who has misrepresented family circumstances or composition and the family charged the posted rate for convenience transfers. Failure to pay for these charges will result in

termination of the dwelling lease.

### 21.3 Transfer Procedures

The MCHA shall:

- A. Prepare a prioritized transfer list, as needed, at re-examination.
- B. Notify residents by letter of their pending transfer.
- C. Participate in evaluation of request for transfer based on approved medical reasons.
- D. Issue final offer of vacant apartment as soon as vacant apartment is identified.
- E. Issue notice to transfer as soon as vacant apartment is available for occupancy.
- F. Participate in planning and implementation of special transfer systems for modernization and other similar programs.
- G. Inspect both apartments involved in the transfer, charging for any resident damages that is not considered normal wear and tear.
- H. When the tenant is transferred for modernization, the cost of the transfer shall be paid by the MCHA, pursuant to cost that is allowed by HUD.

Only one offer of a unit will be made to each tenant being transferred within his/her own neighborhood. A resident being transferred outside his own neighborhood will be allowed to refuse two offers. In the case of a family being transferred from a unit which is uninhabitable, incorrectly sized or scheduled for major repairs, failure to accept the unit offered, or the second unit offered in the case of a transfer outside the neighborhood, will be grounds for eviction. When a tenant declines an offer of a transfer to a single level apartment and the tenant requested the transfer the MCHA will notify the tenant, at that time, that the MCHA is not obligated to make any subsequent offers. The MCHA will notify the tenant that the MCHA has discharged its obligations to the tenant and he/she will remain in the unit at his/her own risk, and that the MCHA assumes no liability for the tenants condition.

- I. Right of MCHA in transfer policy - The provisions listed above are to be used as a guide to insure fair and impartial means of assigning units for transfers. It is not intended that this policy shall create a property right or any other type of right for a tenant to transfer or refuse transfer.

## **SECTION 22.0 LEASE TERMINATION AND EVICTIONS**

All Lease terminations and evictions will be processed in accordance with the MCHA's current dwelling lease and Grievance Procedure. The MCHA's Dwelling Lease and the Grievance Procedure is incorporated into this document by reference and is the guideline to be used for Lease terminations and evictions.

The dwelling lease may not cover every specific situation that warrants a lease termination; therefore, for good cause the MCHA may terminate a lease for reasons that are not specifically listed in the dwelling lease.

## **SECTION 23.0 COMPLAINTS AND GRIEVANCE PROCEDURES**

Complaints and Grievance Procedures shall be accomplished in accordance with the MCHA approved Grievance Procedure. The grievance procedure is incorporated into this document by reference and is the guideline to be used for grievances and appeals.

## **SECTION 24.0 SECURITY DEPOSITS**

A non-interest bearing security deposit shall be made pursuant to a schedule posted in the MCHA office. Security deposits may be refunded as provided in the Lease and in this procedure. The Tenant agrees to pay a security deposit which MCHA will use for payment of any rent or other charges which the Tenant owes, or for repair of any damage to the Dwelling Unit upon termination of this Lease. The security deposit may not be used to pay rent or other charges while the Tenant occupies the Dwelling Unit. No refund of the security deposit will be made until after the Tenant has vacated the Dwelling Unit, the Dwelling Unit has been inspected by MCHA, all remaining charges on the Tenant's account have been deducted, and the Tenant provides notice of new address within 30 days after vacating the premises. All interest on the Security Deposit accrues to the Authority.

## **SECTION 25.0 OCCUPANCY GUIDELINES**

The following guidelines shall determine the number of bedrooms required to accommodate each family without overcrowding or over-housing. These guidelines may be waived only when necessary to achieve or maintain full occupancy and after every effort has been made to stimulate applications from families appropriate to the existing vacancies. Families may be assigned improper sized units **WITH THE WRITTEN UNDERSTANDING** that they must transfer to the appropriate size unit when instructed to do so by the MCHA. Otherwise, the following occupancy guidelines shall apply:

Suggested Guidelines

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
1	1	2
2	1	4
3	3	6
4	4	8

Assignments shall be made so that, except for husband and wife and infants, persons of different sex will not occupy bedrooms over the age of five (5) years.

At the option of the MCHA, a child, up to the age of five years, may share a bedroom with its parent(s), but the tenant shall not be required to do so.

In the case of chronic illness, or other physical infirmity, a deviation from the occupancy guidelines, as presented above, is permissible when justified with evidence and documentation from a licensed physician.

**SECTION 26.0 COMPLIANCE WITH EQUAL OPPORTUNITY REQUIREMENTS FOR POSTING REQUIRED INFORMATION**

There shall be maintained in the MCHA's office waiting room a bulletin board, which will accommodate the following posted materials:

1. Statement of Policies and Procedures Governing Admission and Continued Occupancy Policy (ACOP) this policy also outlines the MCHA's tenant selection and assignment plan.
2. Open Occupancy Notice (Applications being Accepted and/or Not Accepted)
3. Directory of Housing Communities including names, address of project offices, number of units by bedroom size, number of units specifically designed for the elderly, handicapped, and office hours of all MCHA facilities.
4. Income Limits for Admission.
5. Utility Allowances.

6. Current Schedule of Routine Maintenance Charges.
7. Dwelling Lease.
8. Grievance Procedure.
9. Fair Housing Poster.
10. "Equal Opportunity in Employment" Poster.
11. Any current "Tenant Notices".
12. Security Deposit Charges.

## **SECTION 27.0 PET RULE**

Per the requirements of the Quality Housing And Work Responsibility Act of 1998, the MCHA has established a Pet Policy. A copy of the Pet Policy is attached and hereby made a part of this document.

**Note:**  
**Nothing in this policy limits or impairs the rights of persons with disabilities.**

## **SECTION 28.0 DECONCENTRATION RULE**

### **28.1 Objective**

The objective of the Deconcentration Rule for public housing units is to ensure that families are housed in a manner that will prevent a concentration of poverty families and/or a concentration of higher income families in any one development. The specific objective of the housing authority is to house no less than 40 percent of its public housing inventory with families that have income at or below 30% of the area median income by public housing development. Also the housing authority will take actions to insure that no individual development has a concentration of higher income families in one or more of the developments. To insure that the housing authority does not concentrate families with higher income levels, it is the goal of the housing authority not to house more than 60% of its units in any one development with families whose income exceeds 30% of the area median income. The housing authority will track the status of family income, by development, on a monthly basis by utilizing income reports generated by the housing authority's computer system.

### **28.2 Actions**

To accomplish the deconcentration goals, the housing authority will take the following actions:

- A. At the beginning of each housing authority fiscal year, the housing authority will establish a goal for housing 40% of its new admissions with families whose incomes are at or below the area median income. The annual goal will be calculated by taking 40% of the total number of move-ins from the previous housing authority fiscal year.
- B. To accomplish the goals of:
  - (1) Housing not less than 40% of its public housing inventory on an annual basis with families that have incomes at or below 30% of area median income, and
  - (2) Not housing families with incomes that exceed 30% of the area median income in developments that have 60% or more of the total household living in the development with incomes that exceed 30% of the area median income, the housing authority's Tenant Selection and Assignment Plan, which is a part of this policy, provides for skipping families on the waiting list to accomplish these goals.

## **SECTION 29.0 PUBLIC HOUSING COMMUNITY SERVICE REQUIREMENT**

Each adult resident of a public housing development shall:

- A. Contribute 8 hours per month of community service (not including political activities) within the community in which that adult resides; or
- B. Participate in an economic self-sufficiency program for 8 hours per month.

Exempted from this requirement is anyone who:

- A. Is 62 year of age or older;
- B. Is a blind or disabled individual, as defined under Section 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. 416(i)(1); 1382c), and who is unable to comply with this section, or is a primary caretaker of such individual;
- C. Is engaged in a work activity (as defined in Section 407(d) of the Social Security Act (42 U.S.C. 607(d)), as in effect on and after July 1, 1997;
- D. Meets the requirements for being exempted from having to engage in a work activity

under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) Or under any other welfare program of the State in which the public housing agency is located, including a State-administered welfare-to-work program; or

- E. Is a family receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or any other welfare program of the State in which the HA is located, including a State-administered welfare-to-work program, and has not been found by the State or other administering entity to be in noncompliance with such program.

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

If the MCHA determines that a resident subject to this requirement has not complied with the requirement, the MCHA:

- A. Shall notify the resident:
  - (1) Of such noncompliance;
  - (2) That the determination of noncompliance is subject to the administrative grievance procedure; and
  - (3) That, unless the resident enters into an agreement under paragraph B below, the residents lease will not be renewed; and
- B. May not renew or extend the resident's lease upon expiration of the lease term and shall take such action as is necessary to terminate the tenancy of the household, unless the MCHA enters into an agreement, before the expiration of the lease term, with the resident providing for the resident to cure any noncompliance with this requirement, by participating in an economic self-sufficiency program for or contributing to community service as many additional hours as the resident needs to comply in the aggregate with such requirement over the 12-month term of the lease.

The MCHA may not renew or extend any lease, or provide any new lease, for a dwelling unit in public housing for any household that includes an adult member who was subject to the community service requirement and failed to comply with this requirement.

If the welfare or public assistance benefits of a covered family are reduced under a Federal, State, or local law regarding such an assistance program because of any failure of any member of the family to comply with the conditions under the assistance program requiring

participation in an economic self-sufficiency program or imposing a work activities requirement, the amount required to be paid by the family as a monthly contribution toward rent may not be decreased, during the period of the reduction, as a result of any decrease in the income of the family (to the extent that the decrease in income is a result of the benefits reduction).

A reduction in benefits as a result of the expiration of a lifetime time limit for a family receiving welfare or public assistance benefits shall not be considered to be a failure to comply with the conditions under the assistance program requiring participation in an economic self-sufficiency program or imposing a work activities requirement.

Notwithstanding any other provisions of this section, in determining the income of a family who resides in public housing, the MCHA shall consider any decrease in the income of a family that results from the reduction of any welfare or public assistance benefits received by the family under any Federal, State, or local law regarding a program for such assistance if the family (or a member thereof, as applicable) has complied with the conditions for receiving such assistance and is unable to obtain employment notwithstanding such compliance.

For purposes of this requirement, the term “economic self-sufficiency program” means any program designed to encourage, assist, train, or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, education, workfare, financial or household management, apprenticeship, or other activities.

## **SECTION 30.0 CLOSING OF FILES AND PURGING INACTIVE FILES**

The MCHA will purge inactive files, after they have been closed for a period of three years, with the exception of troubled cases, or cases involving a household containing a minor with a reported elevated blood-lead level.

During the term of tenancy and for three years thereafter the MCHA will keep the resident file. In addition, the MCHA must keep for at least three years the following records:

- Records with racial, ethnic, gender and disability status data for applicants and residents.
- The application from each ineligible family and the notice that the applicant is ineligible.
- HUD required reports and other HUD required files.
- Lead based paint inspection reports as required.
- Unit inspection reports.
- Accounts and other records supporting the MCHA and financial statements.
- Other records which HUD may specify.

The MCHA shall retain all data for current residents for audit purposes. No information shall be removed which may effect an accurate audit.

**SECTION 31.0      PROGRAM MANAGEMENT PLAN - Organization Plan**

Reference the MCHA's adopted personnel policy for the organization plan of the MCHA.

**SECTION 32.0      ADDITIONAL MCHA POLICIES & CHARGES**

Additional policies and charges are attached to the end of this document and are incorporated as if fully set out herein. These policies and charges may be changed from time to time, or amended, and such changes or amendments shall be substituted in this document so as to keep this policy current. All items substituted within this document shall be kept by the MCHA in a separate file for historical and research purposes.

**ATTACHMENT E**

**DWELLING LEASE**

This Dwelling Lease is entered into on «Date» by and between THE MENARD COUNTY HOUSING AUTHORITY ("MCHA"), and «Name» (the "Tenant").

**BACKGROUND**

Based on the representations made to it by the Tenant, including but not limited to representations regarding income, assets and family composition made in the Application for Admission and/or Application for Continued Occupancy which are incorporated by reference in this Lease, MCHA leases to the Tenant, and the Tenant leases from MCHA, the dwelling unit described below, under the terms and conditions outlined in this Lease, the rules and regulations of MCHA and applicable laws and regulations. By signing this Lease, the Tenant acknowledges that he or she understands and agrees to abide by all the terms and conditions of this Lease, the rules and regulations of MCHA as they are amended from time to time.

**TERMS**

NOW THEREFORE, in consideration of the promises, the mutual terms, covenants and conditions contained herein, the parties hereto, intending to be legally bound, hereby covenant and agree as follows:

**1. DWELLING UNIT**

MCHA hereby leases to the Tenant the dwelling unit located at «Street Address», Petersburg, Illinois (the "Dwelling Unit"), and the Tenant leases such dwelling unit from MCHA under the terms and conditions outlined in this Lease, the rules and regulations of MCHA and applicable laws and regulations.

**2. PERSONS RESIDING IN THE DWELLING UNIT**

The Tenant agrees to continuously occupy the Dwelling Unit as a residence for himself or herself and the members of his or her household. The Tenant agrees that the household members listed below are the only persons who are permitted to reside in the Dwelling Unit:

<i>HOUSEHOLD MEMBER</i>	<i>SEX</i>	<i>D.O.B.</i>	<i>SS#</i>	<i>RELATIONSHIP</i>
«Name»	«M/F»	«DOB»	«SSN»	Head
«Name»	«M/F»	«DOB»	«SSN»	«RELATIONSHIP»
«Name»	«M/F»	«DOB»	«SSN»	«RELATIONSHIP»
«Name»	«M/F»	«DOB»	«SSN»	«RELATIONSHIP»

«Name»	«M/F»	«DOB»	«SSN»	«RELATIONSHIP»
«Name»	«M/F»	«DOB»	«SSN»	«RELATIONSHIP»
«Name»	«M/F»	«DOB»	«SSN»	«RELATIONSHIP»
«Name»	«M/F»	«DOB»	«SSN»	«RELATIONSHIP»

The Tenant agrees that the only persons permitted to reside in the Dwelling Unit are those household members listed above. The Tenant agrees that the persons listed above shall be considered members of the household and residents in the Dwelling Unit until such time as the Tenant provides MCHA with written notice that such persons are no longer members of the household and are therefore no longer residents in the Dwelling Unit. The Tenant agrees to obtain the prior written consent of MCHA before permitting any persons to reside in the Dwelling Unit. Any change (addition or reduction) must be reported to MCHA in writing within ten (10) days of the change. Failure of the Tenant to notify MCHA of any change shall be construed as a breach of this lease. **THE TENANT AGREES THAT HE OR SHE SHALL BE RESPONSIBLE FOR THE ACTIONS OF ALL HOUSEHOLD MEMBERS AND ALL GUESTS OF HOUSEHOLD MEMBERS, AND THAT ANY VIOLATIONS OF THIS LEASE BY SUCH PERSONS SHALL BE GROUNDS FOR TERMINATION OF THIS LEASE AND EVICTION OF ALL HOUSEHOLD MEMBERS FROM THE DWELLING UNIT.**

**3. TERM OF THE LEASE**

The term of the lease shall be for twelve months. This Lease shall begin at 12:00 A.M. on the Effective Date and shall end at 11:59 p.m. on the last day of the twelfth month. This Lease shall be automatically renewed for an additional consecutive term of one (1) year, without further action by the Tenant or MCHA, at such rent as may be established by MCHA, unless earlier terminated by the Tenant or MCHA pursuant to the provisions of this Lease or for noncompliance of the tenant with the Community Service and Family Self-Sufficiency requirements of the Quality Housing and Work responsibility Act of 1998.

**4. PAYMENTS AND CHARGES DUE UNDER THE LEASE**

**A. Rent.** The initial rent due to MCHA under this Lease is \$«Pro-Rated Rent», payable in advance on the first day of occupancy. The monthly rent thereafter is \$«Amount of Rent» payable in advance on the first day of each month without demand. The amount of rent for the Dwelling Unit due to MCHA under this Lease is subject to change during the term of this Lease as determined by MCHA in accordance with applicable federal laws and regulations. **If the Tenant is delinquent three (3) times in any twelve (12) month period, Tenant may be determined to be in repeated violation of the terms of this Lease. In such an event, MCHA will consider the repeated violation to be a breach of a condition of this Lease and the Tenant may be given fourteen (14) days to vacate the Dwelling Unit.**

- B. Late Fee.** Rent payments not received by MCHA by the close of business on the fifth day of the month in which such payments are due will incur a late processing fee of Ten Dollars (\$10.00). MCHA will charge the Tenant a handling charge for any unpaid checks returned to MCHA because of a closed checking account, stop payment order, non-sufficient funds or other reason. The handling charge is posted in MCHA's central office. If a check is not honored by the close of business on the fifth calendar day of the month, the rent will be considered unpaid and subject to the \$10.00 late processing charge. MCHA will provide written notice to the Tenant of the amount of the late fee, processing and/or handling charge owed and such charge shall be due and collectible on the fifteenth day after the date of written notice.
- C. Court Costs and Attorney's Fees.** MCHA will charge the Tenant a fee to cover court costs and/or reasonable attorney's fees whenever MCHA incurs such costs and/or fees in a legal proceeding in which the Tenant does not prevail. If the Tenant is evicted, MCHA will remove the Tenant's personal property from the Dwelling Unit and dispose of such property in a manner prescribed by local law. The Tenant shall be responsible for the actual costs of removing the personal property from the Dwelling Unit.
- D. Security Deposit.** The Tenant agrees to pay a security deposit in an amount equal to One Hundred Dollars (\$100.00), which MCHA will use for payment of any rent or other charges which the Tenant owes, or for repair of any damage to the Dwelling Unit upon Termination of this Lease. The security deposit may not be used to pay rent or other charges while the Tenant occupies the Dwelling Unit. No refund of the security deposit will be made until after the Tenant has vacated the Dwelling Unit, the Dwelling Unit has been inspected by MCHA, all remaining charges on the Tenant's account have been deducted, and the Tenant provides notice of new address within 30 days after vacating the premises. All interest on the Security Deposit accrues to the Authority.
- E. Pet Deposit.** The tenant agrees to pay a \$200 refundable pet deposit for each MCHA approved dog or cat. The \$200 refundable pet deposit does not limit MCHA from billing the tenant for damage in excess of \$200 caused by one dog or cat. All interest on the Pet Deposit accrues to the Authority.
- F. Maintenance Charges.** The Tenant shall notify MCHA promptly of required repairs to the Dwelling Unit, and of unsafe conditions in the areas surrounding the Dwelling Unit. Except for normal wear and tear, the Tenant agrees to pay reasonable charges for repair for intentional or negligent damage to the Dwelling Unit and the areas surrounding the Dwelling Unit, MCHA equipment, or for extra maintenance expense caused by the Tenant, the household members, guests and for damage caused by the failure of the Tenant to report the need for repairs. In the absence of a satisfactory explanation,

damage beyond normal wear and tear to the Dwelling Unit and the areas surrounding the dwelling unit shall be deemed to be caused by the Tenant, the household members or guests intentionally or negligently. MCHA will provide written notice to the Tenant of the amount of the maintenance charges owed and such charges shall be due and collectible on the fifteenth (15th) day after the date of written notice. MCHA reserves the right to refuse a tender of rent if made without a payment of such charges after such charges are due. In no event shall a tender of rent without a payment of charges be accepted if the Tenant has been served with a notice to vacate. The Tenant shall be charged for the cost of maintenance services in accordance with the Schedule of Maintenance Charges posted in the MCHA central management office when MCHA determines that needed maintenance is not caused by normal wear and tear. The Tenant shall be charged the actual cost to MCHA for the labor and materials needed to complete the work for repairs not listed on the Schedule of Maintenance Charges.

**G. Utilities.**

1. MCHA shall furnish the Tenant with the following utilities: NONE. MCHA shall not be responsible for failure to furnish utilities by reason of any cause beyond MCHA's control (allowances for these utilities are posted in the MCHA central management office). The utility allowance on this unit is \$«Utility Allowance». Management shall have the right to install utility check meters on any of its properties to monitor and determine the amount of allowable consumption for that unit. Tenant shall pay MCHA for utility costs in excess of the allowance.
  
2. Tenant shall supply the following utilities using the utility company designated by the MCHA:

Utility	Designated Utility Company
Gas	AmerenCIPS
Electric	AmerenCIPS
Water	Petersburg Water-Sewer Department

The Tenant must supply proof to MCHA that the utilities the Tenant is responsible for are all in the Tenant's name with the MCHA designated utility company. The MCHA, and not the tenant, selects the utility company. The Tenant agrees to pay the utility company when due without interruption.

Tenants shall select their own telephone provider, but must notify MCHA the name of the provider.

**H. Place of Payment of Rent and Other Charges.** Rent and all other charges due to the MCHA shall be paid at one or more banks designated by MCHA and/or the central management office located at

101 W. Sheridan, Petersburg, Illinois.

**5. REDETERMINATION OF RENT, DWELLING SIZE, AND ELIGIBILITY FOR CONTINUED OCCUPANCY**

**A. Redetermination of Rent.** On an annual basis, MCHA shall determine whether the Tenant is eligible for MCHA housing, whether the rental amount paid by the Tenant under this Lease should be increased, decreased or remain the same, and whether the size of the Dwelling Unit occupied by the Tenant is appropriate to the Tenant's needs. These determinations will be made in accordance with MCHA's Admissions and Continued Occupancy Policies which are posted in the MCHA central management office. The initial rental amount and subsequent rental amount determinations shall remain in effect for the period between annual redeterminations of rent unless, during such period:

- (i) Persons not permitted to reside in the Dwelling Unit are determined by MCHA to be residing in the unit;
- (ii) The Tenant requests a redetermination of rent due to a decrease in family income or a change in other circumstances and MCHA grants such request;
- (iii) Income was received by any member of the household which was not reported to MCHA;
- (iv) The current rental amount was calculated for a temporary time period; or
- (v) There is a change in HUD regulations requiring such a redetermination.

**B. Annual Recertification.** The Tenant agrees to attend an annual recertification meeting and to furnish such information and certifications regarding income, assets and family composition as MCHA may request to make determinations with respect to rent, eligibility, and the appropriateness of the size of the dwelling unit and to execute such further documentation as MCHA may request to facilitate the verification of such information. The Tenant's failure to attend the annual recertification meeting or furnish the requested information and certifications in a timely manner is grounds for termination of this Lease by MCHA. If, as a result of misrepresentation made by Tenant at the time of admission, annual re-examination, or rent review, Tenant pays rent in an amount lower than that set forth in the Schedule of Rents, Tenant shall be liable for the difference between the actual rent paid and the rent which should have been paid as determined by proper application of the Schedule of Rents. Tenant shall be liable for such difference from the date of the misrepresentation to the date on which the proper rent adjustment becomes effective. Restitution of the difference must be paid in full within thirty (30) days of such determination. Failure to pay the balance due constitutes late rent and is grounds for termination of the Lease and eviction from the Dwelling Unit. If MCHA determines that Tenant has gained admission or remained in occupancy in the MCHA's unit through Tenant's misrepresentation of his/her income,

assets, child care, or family composition, the Tenant will be evicted immediately at the time the misrepresentation is discovered, whether the Tenant is or is not eligible at the time misrepresentation is discovered.

- C. Transfer of Appropriate Size Dwelling Unit.** The Tenant agrees to transfer to an appropriate size dwelling unit based on family composition upon notice from MCHA that such a dwelling unit is available. Failure to transfer to such dwelling unit is grounds for termination of this Lease by MCHA. A non-disabled tenant who accepts an accessible unit must transfer to another unit of appropriate size if a disabled person/persons has need for the tenant's unit.
  
- D. Notification.** When MCHA redetermines the amount of rent payable by the Tenant (not including redetermination of MCHA's Schedule of Utility Allowances, if any) or determines that the Tenant must transfer to another dwelling unit based on family composition, MCHA shall notify the Tenant that the Tenant may request an explanation stating the specific grounds of the MCHA determination, and that if the Tenant does not agree with the determination, the Tenant shall have the right to request a hearing under the MCHA Grievance Procedure.

**6. TENANT'S RIGHT TO USE AND OCCUPANCY**

- A. Occupancy.** The Tenant shall have the right to exclusive use and occupancy of the Dwelling Unit by the members of the household authorized to reside in the unit in accordance with the Lease, including reasonable accommodation of their guests. For purposes of this Lease, the term "guest" means a person in the Dwelling Unit with the consent of a member of the household authorized to reside in the Dwelling Unit.
  
- B. Legal Profit-Making Activities.** With the prior written consent of MCHA, authorized members of the household may engage in legal profit-making activities in the Dwelling Unit where MCHA determines in its sole and absolute discretion that such activities are incidental to primary use of the leased Dwelling Unit for residence by members of the household.
  
- C. Residence by Foster Children and Live-In Aides.**
  - (i) With the prior written consent of MCHA, a foster child or a live-in aide may reside in the Dwelling Unit MCHA may adopt reasonable policies concerning residence by a foster child or a live-in aide, and defining the circumstances in which MCHA consent will be granted or denied.  
Under such policies, the factors considered by MCHA may include:
    - (a) whether the addition of a new occupant may necessitate a transfer of the family to another unit, and whether such units are available;

(b) MCHA's obligation to make reasonable accommodation for disabled persons. However, under no circumstances, may the relatives of a live-in aide reside in the Dwelling Unit.

(ii) For purposes of this Lease, the term "live-in aide" means a person who resides with an elderly, disabled or handicapped person and who:

(a) is determined by MCHA to be essential to the care and well-being of the person;

(b) is not obligated for the support of the person; and

(c) would not be living in the Dwelling Unit except to provide the necessary supporting services.

## **7. MCHA OBLIGATIONS**

Except in circumstances beyond its control, MCHA is obligated to:

- A. Maintain the Dwelling Unit and the development in decent, safe and sanitary conditions;
- B. Comply with requirements of applicable building codes, housing codes and HUD regulations materially affecting health and safety;
- C. Make necessary repairs to the Dwelling Unit;
- D. Keep development buildings, facilities, and common areas not otherwise assigned to the tenant for maintenance and upkeep, in a clean and safe condition;
- E. Maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating and other facilities and appliances, including elevators supplied or required to be supplied by MCHA;
- F. Provide and maintain appropriate receptacles and facilities (except containers for the exclusive use of an individual tenant family) for the deposit of ashes, garbage, rubbish and other waste removed from the Dwelling Unit by the Tenant as provided in subsection 8.G. below;
- G. Supply running water and reasonable amounts of hot water and reasonable amounts of heat at appropriate times of the year (according to local custom and usage) except where the building that includes the Dwelling Unit is not required by law to be equipped for that purpose, or where heat or hot water is generated by an installation within the exclusive control of the Tenant and supplied by a direct utility connection; and

- H. (i) Notify the Tenant of the specific grounds for any proposed adverse action by MCHA. Such adverse action includes, but is not limited to, a proposed lease termination, transfer of the Tenant to another unit, or imposition of charges for maintenance and repair, or for excess consumption of utilities.
- (ii) When MCHA is required to afford the Tenant the opportunity for a hearing under the MCHA Grievance Procedure for a grievance concerning a proposed adverse action:
  - (a) The notice of proposed adverse action shall inform the Tenant of the right to request such hearing. In the case of a lease termination, a notice of lease termination in accordance with 24CFR Section 966.4(1)(3) shall constitute adequate notice of proposed adverse action.
  - (b) In the case of a proposed adverse action other than a proposed lease termination, MCHA shall not take the proposed action until the time for the Tenant to request a grievance hearing has expired, and (if a hearing was timely requested by the Tenant) the grievance process has been completed.
- I. MCHA is not responsible for any damages and/or losses to the Tenant's personal property. The MCHA's insurance will not cover the Tenant's personal property. The Tenant should secure personal household insurance.

## **8. TENANT OBLIGATIONS**

The Tenant shall be obligated as follows:

- A. Not to assign the lease or sublease or transfer possession of the Dwelling Unit or any part thereof; or permit the use of the premises for any purposes other than as a private dwelling solely for the Tenant and family members appearing on this Lease. This does not exclude visitors of the Tenant from occupying premises for a reasonable length of time except that visits beyond one week shall require the written approval of MCHA and visitors may not occupy the premises for more than fourteen (14) days within a twelve (12) month period. Visitor status shall be assumed if the person claiming such status maintains a separate domicile.
- B. Not to provide accommodations for boarders or lodgers;
- C. To use the Dwelling Unit solely as a private dwelling for the Tenant and the Tenant's household as identified in this Lease and not to use or permit its use for any other purpose;
- D. To abide by all rules and regulations promulgated by MCHA as amended from time to time, which shall be posted in the MCHA central management office and incorporated by reference in this Lease;

- E. To comply and cause all members of the household and guests to comply with all obligations imposed upon tenants by applicable provisions of building and housing codes materially affecting health and safety;
- F. To keep the Dwelling Unit and such other areas as may be assigned to the Tenant for the Tenant's exclusive use in a clean and safe condition;
- G. To dispose of all ashes, garbage, rubbish and other waste from the Dwelling Unit in a sanitary and safe manner;
- H. To use only in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appurtenances, including elevators;
- I. To refrain from, and to cause the household and guests to refrain from destroying, defacing, damaging or removing any part of the Dwelling Unit or development;
- J. To pay reasonable charges for the repair of damage to the Dwelling Unit (other than for ordinary wear and tear), or to the development (including damage to buildings, facilities or common areas) caused by the Tenant, members of the household or guests;
- K. To act, and cause household members and guests to act, in a manner which will not disturb other tenants' and neighbors' peaceful enjoyment of their accommodations and will be conducive to maintaining the development in a decent, safe, and sanitary condition
- L. (i) To assure that the Tenant, any member of the household, a guest, or other person under their control shall not engage in:
  - (a) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of MCHA's public housing premises by other residents or employees of MCHA; or
  - (b) Any drug-related criminal activity on or off such premises. Any criminal activity in violation of the preceding sentence shall be cause for termination of this Lease and eviction from the Dwelling Unit.
- (ii) For purposes of this lease, the term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in Section 102 of the Controlled Substances Act (21 U.S.C. Section 802));

- M. To perform seasonal tasks as requested by MCHA including watering and mowing of lawns and snow and ice removal, and to maintain yards and side yards of detached and semi-detached housing units.
- N. Tenants may be allowed to keep pets as outlined in the PET POLICY.
- O. To report any pests which are observed in the dwelling unit. MCHA reserves the right to provide routine pest control services at no cost to the Tenant. However, should an extended, or more concentrated service be required due to housekeeping or other conditions caused by the Tenant, or refusal of routine service by the Tenant, then the Tenant will be charged the actual cost of this extended or concentrated service. To prepare for the pest control services, the Tenant may be required at MCHA's request to remove all items from cabinets, shelves, and drawers in kitchen and pantry areas, (place on kitchen table and cover); pull range and refrigerator units from wall, and clean under and behind such units; remove all items from closet shelves and floor; move all hanging clothes to the center of the rods; pull all furniture from the wall; and cover all unpacked food items including those in the refrigerator.
- P. Upon notice from MCHA, remove from any parking place within the development any unlicensed or inoperable vehicle or other vehicle under repair owned by the Tenant or members of Tenant's household or guests. Any vehicle remaining in a parking area twenty-four (24) hours after such notice shall be considered abandoned and may be disposed of by MCHA with the cost of removal and disposal assessed against Tenant.
- Q. Tenant shall use reasonable care to keep his/her Dwelling Unit in such condition as to prevent health or sanitation problems from arising. Tenant shall notify MCHA promptly of known need for repairs to his/her Dwelling Unit, and of known unsafe conditions of the grounds of the unit which may lead to damage or injury. Except for normal wear and tear, Tenant shall pay reasonable charges for repair of intentional or negligent damage to the Dwelling Unit or the development caused by Tenant, his/her family dependents, or guests; or for services performed by MCHA because of Tenant's failure to adequately maintain the grounds on which the Dwelling Unit is located.
- R. Tenant shall pay rent in advance on the first day of each month without demand.
- S. Tenant shall keep all MCHA appliances and equipment reasonably clean and use reasonable care in their use, operation, and maintenance at all times.

- T. Tenant shall keep the yard neat and free of junk storage. Trash in trash cans with lids must be kept outside in the designated garbage areas and at no time stored in the unit.
- U. Tenant shall not permit any objectionable or disorderly conduct, offensive language, noise or create or permit the creation of a nuisance on the premises which will disturb or interfere with other tenants'/neighbors' rights to peaceful enjoyment of the premises.
- V. Tenant shall not install any antenna, radio equipment, and/or other communication devices that would disturb or interfere with other tenants' right to peaceful enjoyment of the premises.
- W. No additional or new locks may be installed on any doors without prior written approval by MCHA.
- X. Water must not be allowed to overflow by leaving faucets open. Toilets and other water apparatus shall not be used for any purposes other than those for which they were constructed.
- Y. Windows and doors must not be left open in cold weather whereby water pipes will freeze.
- Z. Tenant agrees to promptly notify MCHA of any conditions in the unit that are dangerous to health or safety of Tenant or other tenants, or which may do damage to the premises or waste utilities provided by the MCHA. Damages done by third parties must be reported to local police department as well as MCHA. Tenant may be held responsible for damages done by their guests.
- AA. Tenants are responsible for paying the rent and any other money due to MCHA under this Lease or as a result of any breach of this Lease, and each and every Tenant is individually responsible for paying the full amount of such debts, not just a proportionate share.
- BB. Tenant agrees to give MCHA notice in writing when the premises are to be vacant for two weeks or more, but such notice shall not render MCHA responsible for any personal property of any nature or description left in or on the Dwelling Unit during Tenant's absence.
- CC. The tenant shall not tamper with, disconnect, or render their smoke detector(s) inoperable in any way. There will be a charge per smoke detector for this violation. The charge is posted in MCHA's central office. A second violation of this offense will be an automatic termination of the dwelling lease.

DD. The tenant shall not allow individuals that are banned from MCHA property as guests of their unit or as guests on the MCHA property. Repeated violation may result in termination of the dwelling lease.

**9. DEFECTS HAZARDOUS TO LIFE, HEALTH, OR SAFETY**

If the Dwelling Unit is damaged to the extent that conditions are created which are hazardous to life, health, or safety of the occupants:

- A. The Tenant shall immediately notify MCHA of the damage;
- B. MCHA shall be responsible for repair of the Dwelling Unit within a reasonable time, provided, that if the damage was caused by the Tenant, the Tenant's household or guests, the reasonable cost of the repairs shall be charged to the Tenant;
- C. MCHA shall offer standard alternative accommodations, if available, where necessary repairs cannot be made within a reasonable time; and
- D. Rental payments shall abate in proportion to the seriousness of the damage and loss in value as a dwelling if repairs are not made in accordance with subsection B above, or alternative accommodations are not provided in accordance with subsection C above, except that no abatement of rent shall occur if the Tenant fails to cooperate with those persons attempting to make such repairs; or rejects the alternative accommodations; or if the damage was caused by the Tenant, Tenant's household, or guests.

**10. PRE-OCCUPANCY AND POST-TERMINATION INSPECTIONS**

- A. **Pre-Occupancy Inspection.** MCHA and the Tenant or the Tenant's representative shall inspect the Dwelling Unit prior to commencement of occupancy by the tenant. MCHA shall furnish the Tenant with a written statement of the condition of the Dwelling Unit and the equipment provided with the unit. The statement shall be signed by MCHA and the Tenant and a copy of the statement shall be retained by MCHA in the Tenant's file.
- B. **Post-Termination Inspection.** MCHA shall inspect the Dwelling Unit at the time the Tenant vacates the unit and furnish the Tenant with a statement of any charges to be made in accordance with this Lease. MCHA shall notify the Tenant of the inspection, and the Tenant or the Tenant's representative may join in the inspection, unless the Tenant vacates the Dwelling Unit without having given prior written notice to MCHA.

C. **Interim Inspections.** MCHA may perform interim inspections of the Dwelling Unit to review maintenance and housekeeping. Failure of the Tenant to maintain good housekeeping and properly report maintenance items is grounds for termination of the Lease and eviction from the Dwelling Unit.

**11. ENTRY OF THE DWELLING UNIT DURING THE TERMS OF THIS LEASE**

A. During the term of this Lease, MCHA, its employees, agents and representatives, shall, upon reasonable advance notification to the Tenant, be permitted to enter the Dwelling Unit during reasonable hours for the purpose of performing routine inspections and maintenance, for making improvements or repairs, for showing the Dwelling Unit for re-leasing, or for other good cause.

B. MCHA may enter the Dwelling Unit at any time without advance notification when there is reasonable cause to believe that an emergency exists.

C. Without prior notification, MCHA maintenance employees (or MCHA service contractors) may enter units where the tenants are not at home to perform tenant requested maintenance or service work.

D. If the Tenant and all adult members of the household are absent from the Dwelling Unit at the time of entry, MCHA shall leave in the Dwelling Unit a written statement specifying the date, time, and purpose of entry prior to leaving the Dwelling Unit.

**12. NOTICES**

A. **Notice to the Tenant.** Except as provided in Section 11, any notice required or permitted to be given to the Tenant under this Lease shall be in writing and delivered to the Tenant or to an adult member of the Tenant's household residing in the Dwelling Unit, or sent by a prepaid first class mail or certified mail and properly addressed to the Tenant. If MCHA is notified by the Tenant that he or she is visually impaired, then MCHA shall provide notice in a format which is accessible to that person.

B. **Notice to MCHA.** Any notice required or permitted to be given to MCHA under this Lease shall be in writing and delivered to the MCHA central management office or sent by prepaid first class mail properly addressed to MCHA.

**13. TERMINATION OF LEASE**

A. **Termination by Tenant.** This lease may be terminated by the Tenant at any time by providing thirty (30) days' prior written notice to MCHA in the manner specified in Section 12.

- B. Termination by MCHA.** MCHA may terminate the Lease for serious or repeated violations of material terms of the Lease, including but not limited to failure to pay rent and other charges when due, failure to abide by the Tenant's obligations under this Lease, or other good cause.
- C. Criminal Activity Grounds for Termination by MCHA.** MCHA has a One Strike or "Zero Tolerance" policy with respect to violation of Lease terms regarding criminal activity. Either of the following types of criminal activity by the Tenant, any member of the household, a guest, or another person under their control shall be cause for termination of this Lease and eviction from the Dwelling Unit, even in the absence of an arrest or conviction:
- (i) any criminal activity that threatens the health, safety or right to peaceful enjoyment of MCHA public housing premises by other tenants; or
  - (ii) any drug-related criminal activity on or off such premises.

**ANY CRIMINAL ACTIVITY OR DRUG-RELATED CRIMINAL ACTIVITY SPECIFIED ABOVE CONSTITUTES A SERIOUS VIOLATION OF MATERIAL TERMS OF THE LEASE AND WILL BE GROUNDS FOR TERMINATION OF THE LEASE AND EVICTION FROM THE DWELLING UNIT. SUCH ACTIVITY CONSTITUTES GROUNDS FOR TERMINATION AND EVICTION NOTWITHSTANDING THE ABSENCE OF AN ARREST OR CONVICTION.**

- D. Termination on Alcohol Abuse Grounds.** Alcohol abuse by the Tenant, any member of the household, a guest or another person under their control is grounds for termination of Lease if MCHA determines such alcohol abuse interferes with the health, safety or right to peaceful enjoyment of the MCHA public housing premises by other tenants.
- E. Termination by MCHA for Failure of Tenant to Comply with the Community Service and Family Self-Sufficiency Requirements of the Quality Housing and Work Responsibility Act of 1998.**
- F. Notice of Lease Termination.**
- (i) MCHA shall give written notice of lease termination of:
    - (a) Fourteen (14) days in the case of failure to pay rent or other charges;
    - (b) A reasonable time considering the seriousness of the situation (but not to exceed 14 days) when the health or safety of other tenants or MCHA employees is threatened;
    - (c) Thirty (30) days in all other cases.
  - (ii) The notice of lease termination to the Tenant shall state the specific grounds for termination of the Lease and shall inform the Tenant of the Tenant's right to make such reply as the Tenant may wish. The notice shall also inform the Tenant of the right to examine MCHA documents directly relevant to the termination or eviction as outlined in subsection 13G below. When MCHA is

required to afford the Tenant the opportunity for a grievance hearing, the notice shall also inform the Tenant of the Tenant's right to request a hearing in accordance with the MCHA Grievance Procedure.

- (iii) Any notice to vacate which is required by State or local law will run concurrently with a notice of lease termination under this Lease.
- (iv) When MCHA is required to afford the Tenant the opportunity for a hearing under the MCHA Grievance Procedure for a grievance concerning a lease termination, the tenancy shall not terminate (even if any notice to vacate under State or local law has expired) until the time for the Tenant to request a grievance hearing has expired, and (if a hearing was timely requested by the Tenant) the grievance process has been completed.
- (v) When MCHA is not required to afford the Tenant the opportunity for a hearing under the MCHA Grievance Procedure for a grievance concerning a lease termination, and MCHA has decided to exclude such grievance from the MCHA Grievance Procedure, the notice of lease termination shall:
  - (a) State that the Tenant is not entitled to a grievance hearing on the termination;
  - (b) Specify the judicial eviction procedure to be used by MCHA for eviction of the Tenant, and state that HUD has determined that this eviction procedure provides the opportunity for a hearing in court that contains the basic elements of due process as defined in HUD regulations; and
  - (c) State whether the eviction is for criminal activity or for drug-related criminal activity.

**G. Eviction Only by Court Action.** MCHA may evict the Tenant from the Dwelling Unit only by bringing a court action.

- H.**
- (i) **MCHA Discretion to Consider Circumstances.** In deciding to evict for criminal activity, MCHA shall have discretion to consider all of the circumstances of the case, including the seriousness of the offense, the extent of participation by family members, and the effect that the eviction would have on family members not involved in the proscribed activity. In appropriate cases, MCHA may, in its sole and absolute discretion, permit continued occupancy by remaining family members and may impose a condition that family members who engage in the proscribed activity will not reside in the unit. MCHA may require a family member who has engaged in the illegal use of drugs to present evidence of successful completion of a treatment program as a condition to being allowed to reside in the unit.
  - (ii) **Notice to Post Office.** When MCHA evicts an individual or family from a dwelling unit for engaging in criminal activity, including drug-related criminal activity, MCHA shall notify the local post office serving that dwelling unit that such individual or family is no longer residing in the dwelling unit.

**I. Right to Examine MCHA Documents before Hearing or Trial.** MCHA shall provide the Tenant a reasonable opportunity to examine, at the Tenant's request, before an MCHA grievance hearing or court trial concerning the termination of a tenancy or eviction, any documents including records and regulations, which are in the possession of MCHA, and which are directly relevant to the termination of tenancy or eviction. The Tenant shall be allowed to copy any such document, at the Tenant's expense. A notice of lease termination shall inform the Tenant of the Tenant's right to examine MCHA documents concerning the termination of tenancy or eviction. If MCHA does not make documents available for examination upon request by the Tenant, MCHA may not rely on such documents at the grievance hearing.

**14. GRIEVANCE PROCEDURE**

All disputes concerning the obligations of the Tenant or MCHA under this Lease other than those involving drug-related criminal activity or the health, safety or right to peaceful enjoyment of the premises by other tenants or MCHA employees shall be resolved in accordance with the MCHA Grievance Procedure which is in effect at the time such grievance or appeal arises, and a copy of which is posted in the MCHA central management office and is incorporated in this Lease by reference.

**15. MODIFICATION**

Modification of this Lease must be accomplished by a written rider to the Lease executed by both parties except for rent redeterminations, eligibility, appropriateness of dwelling size, schedules of special charges for services, repairs and utilities, and rules and regulations which are incorporated in this Lease by reference.

**16. POSTING OF POLICIES, RULES AND REGULATIONS**

Schedules of special charges for services, repairs and utilities and rules and regulations which are required to be incorporated in the Lease by reference shall be publicly posted in a conspicuous manner in the MCHA central management office and shall be furnished to applicants and tenants on request. Such schedules, rules and regulations may be modified from time to time by MCHA provided that MCHA shall give at least thirty (30) days written notice to each affected tenant setting forth the proposed modification, the reasons therefor, and providing the tenant an opportunity to present written comments which shall be taken into consideration by MCHA prior to the proposed modifications becoming effective.

**17. ACCOMMODATIONS OF PERSONS WITH DISABILITIES**

A. For all aspects of the lease and grievance procedure, a disabled person shall be provided reasonable accommodations to the extent necessary to provide the disabled person with an opportunity to use and occupy the Dwelling Unit equal to a non-disabled person.



**ATTACHMENT F**

<b>Annual Statement/Performance and Evaluation Report</b>					
<b>Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary</b>					
PHA Name: Menard County Housing Authority			Grant Type and Number Capital Fund Program Grant No: <b>IL06-P028-50104</b> Replacement Housing Factor Grant No:		Federal FY of Grant: <b>2004</b>
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:    )					
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: September 30, 2005 <input type="checkbox"/> 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	32,164	32,164	32,164	32,164
3	1408 Management Improvements	32,164	32,164	0	0
4	1410 Administration	32,164	32,164	19,672.02	19,672.02
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	30,000	30,000	23,126.75	20,621.28
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures		195,144	106,608	0
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities	98,653	0	0	0
19	1501 Collateralization or Debt Service	96,491	0	0	0
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	321,636	321,636	181,571	72,457
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				

**ATTACHMENT F**

<b>Annual Statement/Performance and Evaluation Report</b>					
<b>Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary</b>					
PHA Name: Menard County Housing Authority			Grant Type and Number Capital Fund Program Grant No: <b>IL06-P028-50104</b> Replacement Housing Factor Grant No:		Federal FY of Grant: <b>2004</b>
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:    )					
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: September 30, 2005 <input type="checkbox"/> Final Performance and Evaluation Report					
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				

**ATTACHMENT F**

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

<b>PHA Name: Menard County Housing Authority</b>		<b>Grant Type and Number</b> Capital Fund Program Grant No: <b>IL06-P028-50104</b> Replacement Housing Factor Grant No:			<b>Federal FY of Grant: 2004</b>			
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
HA-Wide	Operations	1406		32,164	32,164	32,164	32,164	
	Computer system upgrade and training	1408		11,500	11,500	0	0	
	Affordable housing technical assist	1408		9,664	9,664	0	0	
	Commissioner and staff training	1408		11,000	11,000	0	0	
	Administration	1410		32,164	32,164	19,672.02	19,672.02	
	A/E and developer Fees	1430		30,000	30,000	23,126.75	20,621.28	
IL028-07	Development activities	1499		98,653	0	0	0	
HA-Wide	Development Bond service	1501		96,491	0	0	0	
IL028-03	Replace boilers	1460			70,536	0	0	
IL028-06	Renovate Units 1A and 1B	1460			18,000	0	0	
IL028-04	Replace windows	1460			67,931	67,931	0	
IL028-09	Detached storage shed	1460			38,677	38,677	0	
	Totals			321,636	321,636	181,571	72,457	

**ATTACHMENT F**

<b>Annual Statement/Performance and Evaluation Report</b> <b>Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)</b> <b>Part III: Implementation Schedule</b>							
<b>PHA Name: Menard County Housing Authority</b>			<b>Grant Type and Number</b> Capital Fund Program No: <b>IL06-P028-50104</b> Replacement Housing Factor No:				<b>Federal FY of Grant: 2004</b>
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	
HA-Wide	6/31/2006			6/31/2007			
IL028-03	6/31/2006			6/31/2007			
IL028-04	6/31/2006			6/31/2007			
IL028-09	6/31/2006			6/31/2007			

## ATTACHMENT H

### **6. Demolition and Disposition**

[24 CFR Part 903.12(b), 903.7 (h)]

Applicability of component 6: Section 8 only PHAs are not required to complete this section.

- a.  Yes  No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 or 24 (Hope VI) of the U.S. Housing Act of 1937 (42 U.S.C. 1437p) or Section 202/Section 33 (Mandatory Conversion) in the plan Fiscal Year? (If “No”, skip to component 7; if “yes”, complete one activity description for each development on the following chart.)

<b>Demolition/Disposition Activity Description</b>
1a. Development name: Oakford
1b. Development (project) number: IL28-05
2. Activity type: Demolition <input checked="" type="checkbox"/> 6 family units Disposition <input checked="" type="checkbox"/> 4 elderly units
3. Application status (select one) Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date application approved, submitted, or planned for submission: July 2006 Begin process of preparing Section 18 Demolition/Disposition Application
5. Number of units affected: 10
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development Demolish 6 family units and dispose of 4 elderly units; replace demolished units
7. Timeline for activity: a. Actual or projected start date of activity: July 2006 b. Projected end date of activity: June 2009

<b>Demolition/Disposition Activity Description</b>
1a. Development name: Tallula
1b. Development (project) number: IL28-06
2. Activity type: Demolition <input checked="" type="checkbox"/> 4 family units Disposition <input checked="" type="checkbox"/> 4 elderly units
3. Application status (select one) Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date application approved, submitted, or planned for submission: July 2006 Begin process of preparing Section 18 Demolition/Disposition Application
5. Number of units affected: 8
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development Demolish 4 family units and dispose of 4 elderly units; replace demolished units
7. Timeline for activity: a. Actual or projected start date of activity: July 2006 b. Projected end date of activity: June 2009

## ATTACHMENT H

<b>Demolition/Disposition Activity Description</b>
1a. Development name: Athens 1b. Development (project) number: IL28-02
2. Activity type: Demolition <input checked="" type="checkbox"/> 3 family units Disposition <input type="checkbox"/>
3. Application status (select one) Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date application approved, submitted, or planned for submission: July 2006 Begin process of preparing Section 18 Demolition/Disposition Application
5. Number of units affected: 3 6. Coverage of action (select one) <input checked="" type="checkbox"/> Part of the development Demolish 3 family units; replace demolished units <input type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: July 2006 b. Projected end date of activity: June 2009

During FY2003 Professional Development Group prepared a Master Development Plan for the Authority and the plan was made part of the Authority's FY2004 Housing Agency Plan. During FY2005 the Authority began implementing the first phase of the Plan including the development and implementation of a homeownership program. Implementation of the first phase of the Master Development Plan will be completed in FY2007. During FY2006 the Authority will follow its procurement policy and select the developer for implementing the second phase of the Authority's Plan. Phase two includes the demolition/disposition of 10 units in development Oakford IL028-05 (demolish 6 family units and dispose of 4 elderly units); the demolition/disposition of 8 units in development Tallula IL028-06 (demolish 4 family units and dispose of 4 elderly units); and the demolition of 3 units in development Athens IL028-02. The Authority plans one-for-one replacement of the demolished units. The Authority's phase two construction funding strategies include, but are not limited to, using 30% of its CFP funds to secure 20-year bond financing, reprogramming all Replacement Housing Factor funds for replacement public housing and using mixed financing. The Authority will also assess the viability of using project-based vouchers and if viable, may pursue. The Master Development Plan is available for review at the Menard County Housing Authority's central office.

Within the next five years the Authority plans to dispose of the Mentor Graham building, a special use community building that is currently occupied by the Menard County Health Department

# ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN

## 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 PHA's criteria for admission and denial of admission to the program. The policy of this PHA is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply. The PHA 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 PHA pertaining to their eligibility.

#### **A. ELIGIBILITY FACTORS** [982.201(b)]

The PHA 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 PHA.

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 PHA may provide any financial assistance.

## **ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN**

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.

Eligibility factors will be verified before the family is placed on the waiting list.

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, unless the PHA determines that such eligibility is in question, whether or not the family is at or near the top of the waiting list.

## ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN

### **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 PHA 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.

## ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN

### **Head of Household**

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

## **ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN**

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 PHA. 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.

The PHA 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 PHA will refuse to approve a particular person as a live-in aide or may withdraw such approval if:

The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;

The person commits drug-related criminal activity or violent criminal activity; or

The person currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

### **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 PHA 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.

## **ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN**

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 PHA.

### **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.

## ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN

### **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 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 PHA 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 90 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.

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

## ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN

### **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.

## ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN

### **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 3 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 PHA, including Form HUD-9886.

The PHA 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 3 years prior to final eligibility determination.

The PHA 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 PHA or another PHA as a result of prior participation in any federal housing program.

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

The PHA 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 terminations 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 PHA may deny assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum).

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

**Restrictions on assistance to students enrolled in an institution of higher education. No assistance shall be provided to any individual who:**

- (a) Is enrolled as a student at an institution of higher education, as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002);**
- (b) Is under 24 years of age;**
- (c) Is not a veteran of the United States military;**

## ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN

- (d) Is unmarried;
- (e) Does not have a dependent child; and,
- (f) Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income to receive assistance under section 8 of the 1937 Housing Act.

## **ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN**

### **G. TENANT SCREENING** [24 CFR 982.307)]

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

The PHA will screen family behavior or suitability for tenancy. The PHA 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 PHA approval of the tenancy, the PHA 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 as:[24 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 PHA will give the owner:

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

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

The PHA will offer the owner other information in the PHA's possession concerning the family, including:

Information about the family's tenancy history; or

Public Record Information about documented drug-trafficking by family members

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

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

## ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN

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 noncitizen 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.

# ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN

## 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 PHA may deny or terminate assistance for a family because of the family's action or failure to act. The PHA will provide families with a written description of the family obligations under the program, the grounds under which the PHA can deny or terminate assistance, and the PHA's informal hearing procedures. This chapter describes when the PHA is required to deny or terminate assistance, and the PHA'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 PHA 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 PHA 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

**Termination of assistance due to insufficient funding**

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### **Mandatory Denial and Termination** [24 CFR 982.54 (d), 982.552(b), 982.553(a), 982.553(b)]

The PHA 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 PHA's last housing assistance payment was made. (See "Contract Terminations" chapter.)

The PHA 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 PHA must deny admission to the program for applicants, and terminate assistance for program participants if the PHA determines that any household member is currently engaging in illegal use of a drug. See section B of this chapter for the PHA's established standards.

The PHA must deny admission to the program for applicants, and terminate assistance for program participants if the PHA 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 PHA's established standards.

The PHA must deny admission to an applicant if the PHA 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 PHA'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 PHA must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.

The PHA 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 PHA must deny admission or terminate assistance when required under the regulations to establish citizenship or eligible immigration status.

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### **Grounds for Denial or Termination of Assistance** [24 CFR 982.552(c)]

The PHA 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.

If any family member has violated the family obligation under 24 CFR 982.551 not to engage in any violent criminal activity.

Any member of the family has been evicted from federally assisted housing in the last three years.

If any PHA 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 PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

The family breaches an agreement with a PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA. The PHA at its discretion may offer the family the opportunity to enter into a repayment agreement. The PHA will prescribe the terms of the agreement. (See "Repayment Agreements" chapter.)

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The family has engaged in or threatened abusive or violent behavior toward PHA personnel.

"Abusive or violent behavior towards PHA 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.

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### **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 Menard County Housing Authority 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 PHA will involve other community and governmental entities in the promotion and enforcement of this policy.

This policy will be posted on the PHA's bulletin board and copies made readily available to applicants and participants upon request.

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### 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 PHA will endeavor to screen applicants as thoroughly and fairly as possible **for drug-related and violent criminal behavior.**

Such screening will apply to any member of the household who is 18 years of age or older.

### 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 PHA-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.

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### **Standard for Violation**

The PHA will deny participation in the program to applicants and terminate assistance to participants in cases where the PHA 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 PHA determines that there is a pattern of illegal use of a drug or a pattern of alcohol abuse.

“Engaged in or engaging in” violent criminal activity means any act within the past [specify number of] 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] [did or did not result in] the arrest and/or conviction of the applicant, participant, or household member..

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 PHA 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.

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### **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 3-year period beginning on the date of such eviction.

Exceptions may be made if:

The circumstances leading to eviction no longer exist because the criminal household member has died.

### **Applicants will be denied assistance if they have been:**

Arrested, convicted, or evicted from Federally assisted housing for violent criminal activity within the last 3 years prior to the date of the certification interview.

### **Denial of Assistance for Sex Offenders**

The PHA will deny admission if any member of the household is a convicted sex offender. In screening applicants, the PHA will perform criminal history background checks to determine whether any household member is subject to a lifetime sex offender registration requirement.

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### **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 PHA to establish standards for termination of assistance when this family obligation is violated. The Authority 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 may be terminated for participants who have been:

Arrested/convicted/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 3 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 PHA will terminate assistance. In appropriate cases the Authority may at its discretion permit remaining family members to consider receiving assistance.

The PHA may waive the requirement regarding drug-related criminal activity if:

The person demonstrates successful completion of a credible rehabilitation program approved by the PHA, 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.

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### **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 PHA 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, convicted, or incarcerated for any alcohol-related criminal activity on or near the premises.

In appropriate cases, the PHA may at its discretion 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 PHA may consider individual circumstances with the advice of Juvenile Court officials.

### **Notice of Termination of Assistance**

In any case where the PHA decides to terminate assistance to the family, the PHA 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 PHA.

If the PHA proposes to terminate assistance for criminal activity as shown by a criminal record, the PHA will provide the subject of the record and the tenant with a copy of the criminal record.

The PHA 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.

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### **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 PHA will terminate assistance for criminal activity by a household member, as described in this chapter, if the PHA determines, based on a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.

The PHA will pursue fact-finding efforts as needed to obtain credible evidence.

The PHA may terminate assistance for criminal activity by a household member under this section if the PHA has determined that the household member has engaged in the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.

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### **Confidentiality of Criminal Records**

The PHA 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.

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.

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### **C. FAMILY OBLIGATIONS** [24 CFR 982.551]

The family must supply any information that the PHA 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 PHA 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 PHA 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 PHA before the family moves out of the unit or terminates the lease upon notice to the owner.

The family must promptly give the PHA 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 PHA. The family must promptly inform the PHA of the birth, adoption or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.

The family must promptly notify the PHA if any family member no longer resides in the unit.

If the PHA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or PHA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.

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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 PHA to verify that the family is living in the unit, or relating to family absence from the unit, including any PHA-requested information or certification on the purposes of family absences. The family must cooperate with the PHA for this purpose. The family must promptly notify the PHA 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.

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### **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 PHA has discretion to consider all of the circumstances in each case, including the seriousness of the case. The PHA 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 PHA 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 PHA 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 PHA may permit the other members of a family to continue in the program.

### **Enforcing Family Obligations**

#### **HQS Breach**

The **inspector or supervisor** will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by the Housing Programs Coordinator.

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### 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 terminates tenancy through court action for serious or repeated violation of the lease.**

**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 PHA determines that the cause is a serious or repeated violation of the lease based on available evidence.**

**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**

**If there are police reports, neighborhood complaints or other third party information, that has been verified by the PHA.**

**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 PHA of an eviction after receiving the Notice of Lease Termination, the move will be denied.

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### Proposed Additions to the Family

The PHA 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.

Adult members 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 PHA'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 PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

Persons who have engaged in or threatened abusive or violent behavior toward PHA personnel.

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### Family Member Moves Out

Families are required to notify the PHA if any family member leaves the assisted household. When the family notifies the PHA, 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 PHA 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 PHA 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 PHA 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.

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### **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 PHA 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 PHA 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 PHA 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 PHA will then verify eligible status, deny, terminate, or prorate as applicable.

The PHA will deny or terminate assistance based on the submission of false information or misrepresentation.

#### **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 PHA either after the INS appeal or in lieu of the INS appeal.

After the PHA 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).

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### **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 PHA 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 PHA to overpay assistance, the PHA may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement or reimburses the PHA in full. Any amounts owed in the amount lesser than \$50.00 must be paid in full.

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**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 PHA will deny or terminate assistance.

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### **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 PHA to fulfill its responsibilities. The PHA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the PHA 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 PHA, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the PHA 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

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### **Procedure when Appointments are Missed or Information not Provided**

For most purposes in this Plan, the family will be given 2 opportunities before being issued a notice of termination or denial for breach of a family obligation.

After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing:

The notice may be rescinded if the family offers to cure and the family does not have a history of non-compliance.

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### **I. TERMINATION OF ASSISTANCE DUE TO INSUFFICIENT FUNDING** (24 CFR 982.454)

The Authority may terminate HAP contracts, not renew expiring vouchers or not issue turnover vouchers if the Authority determines that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

The Authority will ensure that current elderly and disabled voucher families are protected against “significant impacts” resulting from adjustments made by the Authority to maintain its voucher program within budget. The Menard County Housing Authority defines terminating HAP contracts, not renewing expiring vouchers or not issuing turnover vouchers to elderly or disabled voucher families as “significant impacts”.

The Authority will also protect voucher families in the Prairie Place and County Estates properties due to commitments to these properties and IHDA (Illinois Housing Development Authority). The Menard County Housing Authority defines terminating HAP contracts, not renewing expiring vouchers or not issuing turnover vouchers to voucher families in the Prairie Place and County Estates properties as “significant impacts” to the availability of suitable rental properties that are affordable to low-income families in Menard County. The Prairie Place and County Estates properties were specifically built to alleviate an acute shortage of suitable rental properties that are affordable to low-income families in Menard County.

Should the Authority elect to terminate assistance due to insufficient funds, HAP contracts may be terminated beginning with the newest contracts and working to the oldest; vouchers may not be renewed as they expire; and vouchers may not be issued as they turnover. Assistance to current voucher families in the Prairie Place and County Estates properties and elderly and disabled voucher families will be the last terminated and only if absolutely mandatory for the survival of the program.

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### Chapter 21

#### PROJECT BASED VOUCHERS

[24 CFR 983]

##### **A. PROJECT BASED VOUCHER PROPOSAL SELECTION PROCEDURES**

Per 24 CFR 983.5 the Authority has discretion whether to operate a project based voucher program and HUD approval is not required. This policy establishes the procedures for owner submission of proposals and for the Authority's selection of units to which Section 8 project based vouchers are to be attached.

##### **Two Methods of Selection**

- 1.) The Authority requests competitive proposals
- 2.) The Authority selects a proposal for housing assisted under a federal, state, or local government housing assistance, community development or supportive services program that requires competitive selection of proposals (e.g., HOME, and other units for which competitively awarded LIHTC's have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the project based voucher proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive project based voucher assistance.

##### **Public Notice**

When the Authority requests competitive proposals, the Authority will give public notice in the Petersburg Observer and Menard County Review (newspapers of general circulation in Menard County) that the Authority will accept proposals for Section 8 project based vouchers.

The public notice will be published once a week for three consecutive weeks; specify a proposal submission deadline of at least 30 days after the date the public notice is last published; specify the number of units the Authority estimates it will be able to assist under the funding the Authority is making available for this purpose; and state that only proposals submitted in response to the public notice will be considered.

The Authority will give prompt written notice to the party that submitted a selected proposal and will also give prompt public notice of such selection in the Petersburg Observer and Menard County Review (newspapers of general circulation in Menard County).

## ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN

### **Competitive Proposals Selection Policy Requirements**

Before selecting a project based voucher proposal the Authority shall determine that the proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing (24 CFR 983.53 and .54), complies with the cap on the number of project based vouchers per building (24 CFR 983.56), and meets the site selection standards (24 CFR 983.57).

The Authority will use the following factors to rank and select proposals:

<b>Factor</b>	<b>Max Points</b>
Site	10
Design	10
Previous experience of owner: development/marketing/management	10
Feasibility and viability of the project	10
Financing of the project	10
Marketability of project	10
Economic impact upon the community	10
Additional low-income housing units leveraged by the assistance	15
Compliance with Authority/County/City goals and plans	15
Total Maximum Points	100

### **Owners Proposal**

The owner's proposal submitted to the Authority must contain the following as a minimum:

#### Description of the housing to be constructed or rehabilitated

A description of the housing to be constructed or rehabilitated including the number of units by size (square footage), bedroom count, bathroom count, sketches of the proposed new construction or renovation, unit plans, listing of amenities and services and estimated date of completion. For rehabilitation, the description must describe the property as is, and must also describe the proposed rehabilitation

#### Building Site

Must show evidence of site control, and for new construction identification and description of the proposed site, site plan and neighborhood.

#### Zoning

Evidence that the proposed new construction or rehabilitation is permitted by current zoning ordinances or regulations or evidence to indicate that the needed rezoning is likely and will not delay the project.

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### Rent and Utilities

The proposed contract rent per unit, including an indication of which utilities, services, and equipment are included in the rent and which are not included. For those utilities not included in the rent, an estimate of the average monthly cost for each unit type for the first year of occupancy shall be included.

### Relocation

If relocation is involved, a statement identifying:

- The number of persons (families, individuals, businesses, and nonprofit organizations) occupying the property on the date of the submission of the application.
- The number of persons to be displaced temporarily relocated or moved permanently within the building or complex.
- The estimated cost of relocation payments and services, and sources of funding.
- The organizations that will carry out the relocation activities.

### Other Information

- The identity of the owner and other project principals and the names of officers and principal members, shareholders, investors, and other parties having substantial interest; certification showing that the above mentioned parties are not on the U. S. General Services Administration list of parties excluded from federal procurement and non-procurement programs; a disclosure of any possible conflict of interest by any of these parties that would be a violation of the Agreement of the HAP contract; and information on the qualifications and experience of the principal participants. Information concerning any participant who is not known at the time of the owner's submission must be provided to the Authority as soon as the participant is known.
- The owner's plan for managing and maintaining the units.
- Evidence of financing or lender interest and the proposed terms of financing.
- The proposed term of the HAP contract.
- Such information as may be requested by the Housing Authority.

## **ATTACHMENT D: SECTION 8 ADMINISTRATION PLAN**

### **Resident Management Corporation**

The Authority may select units to which assistance is to be attached without advertising or without applying the above selection factors if attachment of project based vouchers would further the purpose of the sale of a public housing development to a resident management corporation.

### **Authority Owned Units**

An Authority owned unit may be assisted under the project based voucher program only if the HUD field office or HUD approved independent entity reviews the selection process and determines that the Authority owned unit(s) were appropriately selected based on the selection procedures specified in the Authority's Administrative Plan. Under no circumstances may project based assistance be used with a public housing unit.

### **Public Review of Selection Decision Documentation**

The Authority must make documentation available for public inspection regarding the basis for the Authority's selection of a project based voucher proposal.

## **B. SITE SELECTION POLICY**

The Authority will select project based voucher sites in compliance with 24 CFR 983.57.